

NONPROFIT RATE AGREEMENT

EIN: 1560851147A1

DATE: 03/12/2019

ORGANIZATION:

Yadkin Valley Economic Development
District, Inc.

FILING REF.: The preceding
agreement was dated
02/28/2018

Post Office Box 309
3800 River Road
Boonville, NC 27011-

The rates approved in this agreement are for use on grants, contracts and other agreements with the Federal Government, subject to the conditions in Section III.

SECTION I: INDIRECT COST RATES

RATE TYPES: FIXED FINAL PROV. (PROVISIONAL) PRED. (PREDETERMINED)

EFFECTIVE PERIOD

<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>RATE (%)</u>	<u>LOCATION</u>	<u>APPLICABLE TO</u>
FINAL	07/01/2017	06/30/2018	6.96	All	All Programs
PROV.	07/01/2018	06/30/2020	7.15	All	All Programs

*BASE

Total direct costs excluding capital expenditures (building, individual items of equipment; alterations and renovations), and that portion of each subaward in excess of \$25,000.

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SECTION II: SPECIAL REMARKS

TREATMENT OF FRINGE BENEFITS:

The fringe benefits are specifically identified to each employee and are charged individually as direct costs. The directly claimed fringe benefits are listed below.

TREATMENT OF PAID ABSENCES

Vacation, holiday, sick leave pay and other paid absences are included in salaries and wages and are claimed on grants, contracts and other agreements as part of the normal cost for salaries and wages. Separate claims are not made for the cost of these paid absences.

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FRINGE BENEFITS: Fringe Benefits include FICA, Retirement, Workers' Compensation, employment Insurance, Pension, Life and Health Insurance.

EQUIPMENT DEFINITION: Equipment means an article of nonexpendable tangible personal property having a useful life of more than one year and an acquisition cost of \$500 or more per unit.

This rate agreement has been negotiated in compliance with the Administration for Children and Families Program Instruction (ACYF-PI-HS-05-01) dated 3/2/2005, which requires that Head Start funds shall not be used to pay compensation of any individual either as a direct cost or any pro-ration as an indirect cost at a rate in excess of Executive Level II. As of January, 2019, the rate of compensation for an Executive Level II is \$189,600 per year.

TREATMENT OF ADMINISTRATIVE COSTS

This organization charges all costs direct to a particular final cost objective; i.e., a particular award, project, service, or other direct activities, with the exception of the costs listed below.

1. Salaries & Wages and related fringe benefits

Executive Director
Finance Director
Assistant Finance Director
Accounting Specialist
Grant Accountant 1
Grant Accountant 2
Grant Accountant 3
Human Resource Director
Assistant Property Officer
Accounting Specialist
Administrative Assistant
Communications Specialist
Bookkeeping - part time

2. Non labor expenses - administrative only

Contracted Services, Supplies, Space, Travel-Staff, Communications, Equipment, Insurance, Training, and Other Cost.

3. Non labor expenses - all

Audit, Legal

**The next indirect cost proposal based on actual costs for the fiscal year ending 06/30/2019, is due by 12/31/2019.

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SECTION III: GENERAL

A. LIMITATIONS:

The rates in this Agreement are subject to any statutory or administrative limitations and apply to a given grant, contract or other agreement only to the extent that funds are available. Acceptance of the rates is subject to the following conditions: (1) Only costs incurred by the organization were included in its indirect cost pool as finally accepted; such costs are legal obligations of the organization and are allowable under the governing cost principles; (2) The same costs that have been treated as indirect costs are not claimed as direct costs; (3) Similar types of costs have been accorded consistent accounting treatment; and (4) The information provided by the organization which was used to establish the rates is not later found to be materially incomplete or inaccurate by the Federal Government. In such situations the rate(s) would be subject to renegotiation at the discretion of the Federal Government.

B. ACCOUNTING CHANGES:

This Agreement is based on the accounting system purported by the organization to be in effect during the Agreement period. Changes to the method of accounting for costs which affect the amount of reimbursement resulting from the use of this Agreement require prior approval of the authorized representative of the cognizant agency. Such changes include, but are not limited to, changes in the charging of a particular type of cost from indirect to direct. Failure to obtain approval may result in cost disallowances.

C. FIXED RATES:

If a fixed rate is in this Agreement, it is based on an estimate of the costs for the period covered by the rate. When the actual costs for this period are determined, an adjustment will be made to a rate of a future year(s) to compensate for the difference between the costs used to establish the fixed rate and actual costs.

D. USE BY OTHER FEDERAL AGENCIES:

The rates in this Agreement were approved in accordance with the authority in Title 2 of the Code of Federal Regulations, Part 200 (2 CFR 200), and should be applied to grants, contracts and other agreements covered by 2 CFR 200, subject to any limitations in A above. The organization may provide copies of the Agreement to other Federal Agencies to give them early notification of the Agreement.

E. OTHER:

If any Federal contract, grant or other agreement is reimbursing indirect costs by a means other than the approved rate(s) in this Agreement, the organization should (1) credit such costs to the affected programs, and (2) apply the approved rate(s) to the appropriate base to identify the proper amount of indirect costs allocable to these programs.

BY THE INSTITUTION:

Yadkin Valley Economic Development District, Inc.

(INSTITUTION)

(SIGNATURE)

(NAME)

(TITLE)

(DATE)

Kathy Payne

Kathy Payne

Executive Director

3-20-19

ON BEHALF OF THE FEDERAL GOVERNMENT:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Darryl W. Mayes

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(SIGNATURE)

for **Arif Karim**

(NAME)

Director, Cost Allocation Services

(TITLE)

3/12/2019

(DATE) 7602

HHS REPRESENTATIVE:

Wheatford Ashby

Telephone:

(214) 767-3261