

**NEGOTIATED INDIRECT COST ALLOCATION PLAN AGREEMENT**

**NON-FEDERAL ENTITY**

Texas Workforce Commission  
101 E. 15th Street  
Austin, TX 78778-0001

**UEI:** QGAGLVKBM6C6

**EIN:** 74-2764775

**DATE:** 4/2/2026

**FILE REF.:** This  
replaces the agreement  
dated 3/12/2025

The cost allocation plan (CAP) for indirect costs approved in this Agreement is to be use on grants, contracts, and other agreements with the Federal Government. This Agreement was negotiated by **Texas Workforce Commission** (non-Federal entity) and the **U.S. Department of Labor** in accordance with the authority contained in Title 2 of the Code of Federal Regulations, Part 200. This Agreement is subject to the limitations in Section II, A, below.

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**SECTION I: DEPARTMENTAL INDIRECT COSTS**

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The U.S. Department of Labor’s Cost & Price Determination Division (CPDD) has reviewed the non-Federal entity’s CAP. The non-Federal entity has chosen not to employ an indirect cost rate, but to allocate actual indirect costs in accordance with the CAP. The allocation methodologies delineated in the non-Federal entity’s CAP are hereby approved. Attached is the Schedule of Allocated Indirect Costs by Award ID Number for the indirect costs allocated for the Final period.

<b><u>APPROVAL</u></b>	<b><u>FROM</u></b>	<b><u>TO</u></b>	<b><u>BASE</u></b>	<b><u>LOCATION</u></b>	<b><u>APPLY TO</u></b>
Final	09/01/2024	08/31/2025	FTE	Loc-1	AP-1
Provisional	09/01/2025	08/31/2027	FTE	Loc-1	AP-1

**(SEE SPECIAL REMARKS)**

**BASE**

FTE: Direct full-time equivalent employees (FTE) allocated on a monthly basis.

**LOCATION**

Loc-1: All Locations

**APPLY TO**

AP-1: All Programs

**TREATMENT OF FRINGE BENEFITS:** Fringe benefits are specifically identified to each employee and/or are charged individually as direct or indirect cost (as applicable). See Special Remarks section of this Agreement for more details.

**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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## SECTION II: GENERAL

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### A. LIMITATIONS

Use of the approved indirect costs contained in the Agreement is subject to all statutory or administrative limitations and is applicable to a given Federal award or contract only to the extent that funds are available. Acceptance of the CAP agreed to herein is predicated upon the following conditions:

1. No costs other than those incurred by the non-Federal entity were included in its indirect cost pool as finally accepted and that such incurred costs are legal obligations of the non-Federal entity and allowable under the governing cost principles.
2. The same costs that have been treated as indirect costs have not been claimed as direct costs.
3. Similar types of costs have been accorded consistent treatment.
4. The information provided by the non-Federal entity or contractor which was used as a basis for acceptance of the CAP agreed to herein is not subsequently found to be materially inaccurate by the Federal government. In such situations, the CAP may be subject to renegotiation at the discretion of the Federal government.
5. The approved CAP Agreement is subject to audit.
6. Indirect costs charged to Federal grants/contracts should be adjusted to the applicable CAP cited herein and be applied to the appropriate base to identify the proper amount of indirect costs allocable to the program.
7. Indirect costs approved through this Agreement are subject to ceilings stipulated in contract/grant agreements.
8. Administrative costs consist of all Direct and Indirect costs associated with the management of the non-Federal entity's programs. Non-Federal entities should refer to their contracts/grants terms and specific program legislation for the applicable definition of Administrative Costs and any related limitations.
9. The indirect cost listed in the Schedule of Allocated Indirect Costs by Award ID Number (the Schedule) for each award for the costs incurred during the fiscal year approved as Final listed in Section I. The Schedule is meant to be used to reconcile indirect costs claimed during the close-out award process.

### B. CHANGES

This agreement is based on the accounting system purported by the non-Federal entity 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 from the CPDD. 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. NOTIFICATION TO FEDERAL AGENCIES**

A copy of this document (original, and revised (if applicable)) is to be provided by the non-Federal entity or contractor to other Federal funding sources as a means of notifying them of the Agreement contained herein.

**D. DEFINITION OF PROVISIONAL/FINAL APPROVALS IN SECTION I**

1. Final applies to actual indirect costs incurred in a specified past period. Approved final allocated indirect costs are not subject to adjustment.
2. Provisional only applies to an approved cost allocation methodology to be used for a specified future period.

**E. SPECIAL REMARKS**

1. Provisional/Final - CAP approval and impact to closeout adjustments:

When seeking initial reimbursement of indirect costs, a proposal must be submitted within 90 days of receiving a Federal award (financial assistance, grants, cooperative agreements, and cost reimbursable contracts) that requires accounting for actual costs incurred. The non-Federal entity must submit an indirect cost proposal within six (6) months after the end of their fiscal year to establish a final CAP.

Once a final CAP is negotiated with CPDD, actual charges to Federal awards will require adjustment to settle any disallowed indirect costs. If approved final allocated costs are greater than allocated costs approved on a provisional basis and there are no funds available to cover the additional indirect costs, the non-Federal entity or contractor may not recover all indirect costs. Conversely, if the allocated costs approved on a final basis are less than allocated cost approved on a provisional basis, the non-Federal entity or contractor will be required to reimburse the funding agency for the excess billings.

Non-Federal entities receiving Federal awards (financial assistance, grants, and cooperative agreements) – Note that even if Federal awards are administratively closed prior to the settlement of final indirect cost rates, non-Federal entities still must comply with the following 2 CFR Part 200 clauses stating, in part:

### §200.345 Post-closeout adjustments and continuing responsibilities

(a) The closeout of a Federal award does not affect any of the following:

- (1) The right of the Federal awarding agency or pass-through entity to disallow costs and recover funds on the basis of a later audit or other review. The Federal awarding agency or pass-through entity must make any cost disallowance determination and notify the non-Federal entity within the record retention period.
- (2) The obligation of the non-Federal entity to return any funds due as a result of later refunds, corrections, final indirect cost rate adjustments (unless the Federal award in closed in accordance with § 200.344(h)), or other transactions.

### §200.346 Collection of amounts due

Any funds paid to the non-Federal entity in excess of the amount to which the non-Federal entity is finally determined to be entitled under the terms of the Federal award constitute a debt to the Federal Government. The Federal agency must collect all debts arising out of its Federal awards in accordance with the Standards for the Administrative Collection of Claims (31 CFR part 901).

2. By signing this agreement, the organization acknowledges the accuracy of its contents (e.g. fiscal periods, rates, allocation base, enclosed Statement of Allocated Costs by Grant ID for cost allocation plans, etc.).
3. State/local agencies may charge indirect costs using (a) an indirect cost rate for certain costs such as central service costs (which is approved by the U.S. Department of Health and Human Services through the state-wide cost allocation plan, commonly known as SWCAP), and (b) also charge other indirect costs such as departmental administrative costs through a CAP. Allocated indirect costs should capture indirect costs approved through (a) and/or (b).
4. Fringe benefits include the following: FICA, Retirement Fund, Unemployment Compensation, Group Insurance, Workers Compensation, Retiree Insurance.
5. Equipment is defined as tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition. The capitalization threshold for equipment is \$10,000.
6. The indirect salaries approved as part of the Rate/CAP in Section I comply with the applicable ETA TEGL 10-24 and/or Job Corps salary and bonus restrictions.
7. Budgetary Rate(s): In addition to the approval of the CAP methodologies in Section I, CPDD also approved the non-Federal entity's request for a budgetary rate of \$11,807, using FTE as the allocation base. The budgetary rate applies to the provisional period for FYE 8/31/2026 and FYE 8/31/2027 in Section I of this CAP agreement, and shall be used for planning purposes only (e.g. bidding on a Federal awards). Final indirect costs, however, are allocated based on the approved CAP methodologies approved in Section I.

**ACCEPTANCE**

**BY THE NON-FEDERAL ENTITY**

Texas Workforce Commission  
101 E. 15th Street  
Austin, TX 78778-0001

(Non-Federal Entity)

**Chris Nelson** Digitally signed by Chris Nelson  
Date: 2026.04.08 08:20:48 -05'00'

(Signature)

Chris Nelson

(Name)

Chief Financial Officer

(Title)

4/8/2026

(Date)

**BY THE COGNIZANT AGENCY FOR  
INDIRECT COSTS, ON BEHALF OF THE  
U.S. FEDERAL GOVERNMENT**

U.S. Department of Labor  
Cost & Price Determination Division (CPDD)  
Office of Strategy and Administration  
Office of Senior Procurement Executive  
Washington, DC 20210

(U.S. Federal Government Agency)

**Ryan Symons** Digitally signed by Ryan Symons  
Date: 2026.04.02 16:29:22 -04'00'

(Signature)

*for*  
Phat Chau

(Name)

Cost Accountant, CPDD

(Title)

4/2/2026

(Date)

Negotiated By: Ryan Symons  
Office Phone: (215) 446-3741  
Email: [symons.ryan.a@dol.gov](mailto:symons.ryan.a@dol.gov)

(Proposal #: 00003088)

**Texas Workforce Commission**  
**Statement of Allocated Indirect Costs by Award ID**  
**FYE 8/31/2025**

<u>ALN</u>	<u>Award Number</u>	<u>Indirect</u>	<u>ALN</u>	<u>Award Number</u>	<u>Indirect</u>
00.000	State Funding	\$ 6,109,243	17.273	24A55FL000076	\$ 87,432
10.561	246TX400106	10,849	17.273	25A55FL000126	7,633
10.561	256TX400106	56,710	17.277	24A60DW000030	1,802
14.401	FF206K226004	1,363	17.277	24A60DW000031	647
14.401	FF206K236004	19,662	17.277	24A60DW000034	3,971
14.401	FF206K246004	128,634	17.277	DW362092160A48	(81)
17.002	24J75LM000029	28,257	17.277	DW378942260A48	1
17.002	25J75LM000067	322,730	17.278	23A55AW000033	(24,771)
17.207	23A55WG000015	44,069	17.278	24A55AW000082	19,010
17.207	23A55WP000056	527,075	17.278	AA385582255A48	61,831
17.207	24A55WG000078	100,953	17.285	23A60AP000002	2,091
17.207	24A55WP000102	448,832	17.285	24A60AP000059	5,193
17.207	ES367832155A48	8	17.285	25A60AP000160	128
17.207	ES387592255A48	66,374	17.285	AP351102060A48	(2)
17.225	23A60UB000060	43,773	17.285	AP365132160A48	25,714
17.225	23A60UR000007	159,855	17.285	AP386462260A48	27,876
17.225	24A55UI000051	4,707,126	30.002	FP220122	278
17.225	24A60UD000047	45,320	30.002	FP230080	9,255
17.225	24A60UR000091	103,700	30.002	FP240253	56,109
17.225	25A55FL000126	19,824	84.002	V002A230044	96,379
17.225	25A55UI000094	9,702,131	84.002	V002A240044	265,940
17.225	25A60UB000137	68,460	84.002	V002A250044	31,983
17.225	25A60UD000082	1,148	84.126	H126A220092	(1,019)
17.225	STC Program	7,825	84.126	H126A230092	7,416
17.225	UI380082260A48	2,595	84.126	H126A240092	2,223,426
17.225	UI382492255A48	19,171	84.126	H126A250092	16,335,681
17.225	UI393512355A48	1,489,174	84.177	H177B230060	63
17.235	23A60AD000094	0	84.177	H177B240060	41,947
17.235	24A60AD000143	2,932	84.177	H177B250060	153,975
17.235	25A60AD000286	517	84.421	H421D220004	9,195
17.245	23A55TA000026	956	93.434	90TP0088	23,661
17.259	23A55AY000040	165,268	93.558	2301TXTANF	(35,124)
17.259	24A55AY000096	454,227	93.558	2401TXTANF	40,792
17.259	AA385582255A48	283,610	93.558	2501TXTANF	450,920
17.270	23A75DJ000009	4,475	93.575	2001TXCCC3	(303,402)
17.271	24A55WT009036	36,363	93.575	2101TXCDC6	303,402
17.271	25A55WT009093	84,350	93.575	2301TXCCDD	16,114
17.271	WT394272355A48	249	93.575	2401TXCCDD	196,635
17.273	23A55FL000050	4,638	93.575	2501TXCCDD	1,427,800
<b>Total Allocated Indirect Costs</b>					<b>46,842,345</b>