

Guidance for Centers for Independent Living Grantees:

Welcome to the Department of Health and Human Services (DHHS), Program Support Services, Cost Allocation Services (CAS). CAS was formally notified on March 27, 2015 of your transition from the Department of Education to the DHHS Administration for Community Living (ACL). CAS will be responsible for providing indirect cost negotiation services to your organization. In order to better serve you during your transition, we are providing the following instructions:

1. You will be required to submit an indirect cost rate proposal for review and approval instead of a cost allocation plan. Previously, you were required to submit a cost allocation plan to the Department of Education.
2. "In accordance with 2 CFR 200.414(f), any non-profit organization that has never received a negotiated indirect cost rate may elect to charge a de minimis rate of 10% of modified total direct costs (MTDC) which may be used indefinitely. If chosen, this methodology once elected must be used consistently for all Federal awards until such time as a non-Federal entity chooses to negotiate for a rate, which the non-profit organization may apply to the applicable CAS Regional Office to do at any time."
3. Guidance applicable to submitting an indirect cost proposal can be found on our Webpage at <https://rates.psc.gov/> under "Submission Requirements" and "[Applicable Cost Principles, Administrative Requirements and Related Documents](#)".
4. CAS has implemented an automated Document Management and Workflow System (eFlow). The eFlow System is designed to capture rate proposals (and if applicable, associated fringe rate proposals) along with other supporting documents electronically by email or scanning. Therefore, all indirect cost rate proposals together with supporting information should be submitted electronically to your respective regional office as follows:

CAS-Dallas@psc.hhs.gov

CAS-Bethesda@psc.hhs.gov

CAS-NY@psc.hhs.gov

CAS-SF@psc.hhs.gov

5. Your respective regional office is located at: <https://rates.psc.gov/fms/dca/map1.html>
6. The preferred electronic format is two separate PDF files, as follows:
 - a. Single PDF file titled "Proposal" containing the entire proposal, including the transmittal letter, checklists, required certification, and reconciliation/support schedules. This file should not include the supporting financial data.

- b. Separate single PDF file titled "Financial Statements", containing the applicable financial data (e.g. audited financial statements, comprehensive annual financial reports, IRS Form 990, accounting reports , etc.) upon which the rates are based.
7. If the organization proposes a fringe benefit rate, it should be submitted as a separate e-mail and separate proposal PDF attachment.
8. Due to our email server limitations, we cannot receive e-mails exceeding 25MB (including all attachments). Therefore, if the proposal and financial statements together exceed 25 MB, please mail a CD or flash drive containing the electronic files. This is the preferred option for very large proposals. If you have any questions concerning your submittal please contact your respective regional office.