

**Understanding your:**  
**Fixed With Carry Forward Indirect Cost Rates**  
**For Use in FY 2015-16, Based on FY 2013-14 Pipeline data**

An Indirect Cost Rate is produced for use in FY15-16 by looking at the Pipeline data submitted for FY13-14. Specifically, what was reported as the direct and indirect costs of grants, and then comparing that actual Pipeline data to the Indirect Cost Rate that was produced for use in FY13-14 (based on FY11-12 pipeline data). The calculation compares what you were able to use as an Indirect Cost Rate in FY13-14, and compares that rate to what you actually reported as Indirect Costs in your FY13-14 Pipeline data, and produces a carry forward figure to be applied to the rate for use in FY15-16.

1. Direct and Indirect Costs you reported in FY11-12, which drove the Indirect Cost Rate for use in FY13-14. This is ADE data you provided.

Direct = \_\_\_\_\_ (a)

Indirect = \_\_\_\_\_ (b)

2. The Restricted Rate produced for use in FY13-14 based on this ADE data was:

\_\_\_\_\_ (c)

3. Now look at the **Actual** Direct and Indirect costs reported in the FY13-14 Pipeline data.

Direct = \_\_\_\_\_ (d)

Indirect = \_\_\_\_\_ (e)

The Carry Forward Figure from your FY11-12 Data used in conjunction with FY13-14 Pipeline is:

\_\_\_\_\_ (f)

\_\_\_\_\_ (e) + \_\_\_\_\_ (f) = \_\_\_\_\_ (g)

The result (g) is what you **should have** recovered as Actual Indirect Costs in FY13-14

4. Take the Actual Direct Costs you reported for FY12-13 (d) and multiply by the Restricted Rate used in FY13-14 (c),

\_\_\_\_\_ (d) x \_\_\_\_\_ (c) = \_\_\_\_\_ (h)

5. The result (h) is called the “Carry Forward”. You reduce what you “should have recovered” as indirect costs in FY13-14 (g) by the carry forward figure (h)

$$\underline{\hspace{2cm}} \text{ (g) } - \underline{\hspace{2cm}} \text{ (h) } = \underline{\hspace{2cm}} \text{ (i)}$$

6. If the difference (i) is a negative dollar amount, you have an “Over Recovery” to be used in the Fixed with Carry Forward Calculation, because it is more than what was actually reported for Indirect Costs in FY13-14 (e). The assumption is that the District recovered more than what the actual Indirect Costs were. In this scenario, expect to see the Indirect Cost Rate decrease.
7. If the difference (i) is a positive dollar amount, you have an “Under Recovery” to be used in the Fixed with Carry Forward Calculation, because it is less than what was actually reported for Indirect Costs in FY13-14 (e). The assumption is that the District recovered less than what the actual Indirect Costs were. In this scenario, expect to see the Indirect Cost Rate increase.

8. Add the Under or Over Recovery figure (i), to the Indirect Costs reported in FY13-14

$$\underline{\hspace{2cm}} \text{ (i) } + \underline{\hspace{2cm}} \text{ (e) } = \underline{\hspace{2cm}} \text{ (j)}$$

9. Divide the Adjusted Indirect Cost figure (j) by the Direct Costs you reported in FY13-14 (d)

$$\underline{\hspace{2cm}} \text{ (j) } / \underline{\hspace{2cm}} \text{ (d) } = \underline{\hspace{2cm}} \text{ (k)}$$

10. Multiply (k) by 100 and carry to two decimal places. (k) is your Fixed with Carry Forward Indirect Cost Rate for use in FY15-16

$$\underline{\hspace{2cm}} \text{ (k) } \times 100 = \underline{\hspace{2cm}} \%$$

Truncate (round up):                      %