

Subject	Idaho Commission on Aging Policy for Federal Indirect Costs and OAA		No.	24.31.PO
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Version History				
Version	Revision Date	Description of Change	Author	

Acronyms:

AAA – Area Agency on Aging

ICOA – Idaho Commission on Aging

Purpose:

To clarify ICOA’s interpretation, guidance, and use of regulations within 2 CFR Part 200 and/or 45 CFR Part 75 as applied to federal Older Americans Act (OAA) funding.

Scope:

To standardize and streamline grant processes necessary for compliance with grant requirements by adopting and implementing Federal Rules and Regulations related to indirect costs. This policy pertains only to an Area Agency on Aging (AAA) who requests to change indirect costs.

Indirect Costs:

Indirect costs are costs of an agency that are not readily assignable to a particular project but are necessary to the operation of the organization and the performance of the project.

Indirect costs may be charged to Federal funding only if:

1. No Federal program-specific limitation or restriction applies; and
2. The recipient has a current (unexpired), federally approved indirect cost rate as provided in 2 CFR 200 Subpart E; or if no such rate exists,
3. The recipient is eligible to use, and elects to use, the de minimis indirect cost rate described in the Part 200 Uniform Requirements, 2 CFR 200.414(f); or
4. A rate is negotiated between the ICOA and AAA on OAA direct services.

ICOA Federal Discretionary Grants:

Indirect costs and de minimis are permitted on Federal discretionary awards as outlined above.

OAA Statutory Limitations and Area Plan Administration:

The OAA statutorily limits AAA Area Plan Administration to a 10% maximum. Total indirect costs and Area Plan Administration together cannot exceed 10% of the Title III award.

Indirect Costs and Direct Service Provision:

Direct services provided to the AAA are not naturally limited by the 10% statutory maximum. The AAA may elect to apply an indirect cost rate as outlined in Section 3 above or the 10% maximum Area Administration in accordance with 45 CFR Part 75.412 – 75.415. The AAA may not apply both.

OAA Direct Services administered by an AAA:

- Title IIIB Information and Assistance
- Title IIIE Caregiver Information and Assistance
- Title IIIE Older Relatives Information and Assistance
- Outreach –
 - Title IIIB Public Information and
 - Title IIIB One-to-One Outreach
 - Title IIIE Information Services

Not eligible for indirect costs:

- Ombudsman
- Title III D – Disease Prevention and Health Promotions

References:

2 Part 200 – Uniform Requirements, Cost Principles, and Audit Requirements for Federal Awards – Subpart E – Cost Principles

Title 45 Part 75 – Uniform Requirements, Cost Principles, and Audit Requirements for HHS Awards – Subpart E – Cost Principles