CERTIFICATE OF INDIRECT COSTS

This is to certify that I have reviewed the indirect cost rate proposal submitted herewith and to the best of my knowledge and belief:

(1) All costs included in this proposal dated 5/24/2019 to establish cost allocations or billings for 7/1/2019 – 6/30/2020 are allowable in accordance with the requirements of 2 CFR Part 225, Cost Principles for State, Local, and Tribal Governments (OMB Circular A-87), and the Federal award(s) to which they apply. Unallowable costs have been adjusted for in allocating costs as indicated in the cost allocation plan.

(2) All costs included in this proposal are properly allocable to Federal awards on the basis of a beneficial or causal relationship between the expenses incurred and the awards to which they are allocated in accordance with applicable requirements. Further, the same costs that have been treated as indirect costs have not been claimed as direct costs. Similar types of costs have been accounted for consistently.

I declare that the foregoing is true and correct.

Governmental Unit: South Coast Air Quality Management District

Signature: _____

Name of Official: Sujata Jain

Title: Deputy Executive Officer, Finance

Date of Execution: 5-24-19

South Coast Air Quality Management District
Actual Indirect Rate Calculation for the Bio-Watch (BW) Program - 2 CFR Part 225 (OMB Circular A-87)
Fiscal Year 2017-18 GAAP Actuals (Work Program Tracking Report/Cost Allocation Schedule)
(July 1, 2017 - June 30, 2018)

Expenditure Description	FY 2017-18 Actuals	BW (505) %	Interest (a)	Lobbyists (b)	Governing Board (c)	Capital Outlays (d)	Mileage (e)	Advisory Groups (f)	Advertising (g)	Bad Debt (h)	Investment Mgmt Cost (i)	Maintenance, Operations & Repairs (j)	Adjust Allocatable Division Overhead (k)	Other Reductions to Overhead Allocation (l)	Total Adjustments	Adjusted Total
Employee Cost	$ 442,817														-	$ 442,817
Employee Benefits	264,462														-	264,462
Overtime	27,951														-	27,951
S&S and Fixed Assets	324,164														-	324,164
Total Salaries & Emp Benefits	$ 1,059,394															$ 1,059,394
Indirect Costs (Work Program Tracking Report and Cost Allocation Schedule)																
Office Prorated Expense	$197,151														-	$ 197,151
District General	142,028	1.09%	(40,897)			(557)			(202)	(4,468)		(2,977)			(49,101)	92,926
Unlocated Variance	-															-
Allocatable Division OH	42,858												-		-	42,858
SCAQMD OH Allocation	394,795	1.39%		(22,350)	(33,517)		(16,944)	(1,761)	(16,561)		(70)			(36,969)	(128,172)	266,623
Total Indirect Costs	$ 776,831															$ 599,559
Total Fully Burdened Cost	1,836,225															
FY 2017-18 Indirect Cost Rate	**109.83%**															

Actual FY 2017-18 Indirect Cost Rate *

Indirect Costs of	$ 599,559
Divided by Employee Costs & Benefits of	$ 707,279
	84.770%

Description of Indirect Costs:

Office Prorated Expense: Allocates the Science & Technology Advancement Division charges that are not attributable to a specific work program code (WPC) to the BW (44505 & 44507) work program codes. Types of charges include Comp Time, Bereavement Leave, Holiday Pay, Skill-based Pay, Vacation Pay, Rideshare Pay, etc. The BW (44505 & 44507) percentage is calculated by dividing the actual BW hours by the total STA hours.

District General: District General reflects expenditures associated with the overall operation of the SCAQMD. Expenditures include principal and interest payments on the SCAQMD HQ building, utilities, insurance, security and housekeeping. Adjustments shown above relate to expenditures that are not allowable per OMB Circular A-87. The BW (44505 & 44507) percentage is calculated by dividing the actual BW hours by the total SCAQMD hours.

Allocable Division OH: This is the sum of work program lines within the Science & Technology Advancement Division related to overhead. These Admin/Office/Management lines are: Monitoring (44038) Planning, Compliance (44042), Rules (44043), and Project Management (44046). Policy Support (44041) was excluded per OMB Circular A-87 and the relationship to monitoring. The BW percentage is calculated based on FTEs. BW FTEs are divided by the sum of the STA FTEs less FTEs for the Allocable Division OH work program lines.

SCAQMD OH Allocation: Allocates work program lines from Divisions that support the entire SCAQMD. Examples include Executive Office, Finance, Admin & Human Resources, Information Management, etc. Adjustments were made to exclude unallowable expenditures as defined in OMB Circular A-87 and to exclude expenditures that are unrelated to BW. BW FTEs are divided by total SCAQMD FTES (w/o OH FTEs) and applied to the SCAQMD OH Allocation work program expenditure lines.

*** The Indirect Cost Rate is applied to Direct Salary & Employee Benefit costs excluding overtime.**

South Coast Air Quality Management District
Indirect Rate Plan for Bio-Watch Program - Adjusted for 2 CFR Part 225 (OMB Circular A-87)
Footnotes

(a) Interest - Deducted BW share of Interest expense (from CAFR) by applying BW District General allocation percentage.

(b) Lobbyist - Subtracted BW share of lobbyist expenditures from SCAQMD Overhead Allocation using BW percentage.

(c) Governing Board - Subtracted BW share of Governing Board expenditures from SCAQMD Overhead Allocation using BW percentage.

(d) Capital Outlays - Deducted BW share of District General Capital Outlay expense (from CAFR) by applying BW District General allocation percentage.

(e) Mileage - Subtracted BW share of Vehicle Service/Management expenditures from SCAQMD Overhead allocation using BW percentage.
(This expenditure is included in direct costs).

(f) Advisory Groups - Subtracted BW share of Advisory Group expenditures from SCAQMD Overhead Allocation using BW percent.

(g) Advertising - Deducted BW share of advertising expense by applying BW District General allocation percentage.
Also subtracted BW share of Advertising expenditures from SCAQMD Overhead Allocation using BW percentage.

(h) Bad Debt (Uncollectible A/R) - Deducted BW share of Bad Debt expense (from CAFR) by applying BW District General allocation percentage.

(i) Investment Management Cost -Subtracted BW share of investment management expenditures from SCAQMD Overhead Allocation using BW percentage.

(j) Maintenance, Operations, and Repairs - Deducted BW portion of expenditures covered in lease payments from tenants.

(k) Allocatable Division OH - Deducted allocations for WPC 44041 (Advisory Groups).

(l) Other Reductions to Overhead Allocation - excluded costs in the OH Allocation that are unrelated to BW (44505).