



TO: Brenda Miller, Treasurer
Mid Ohio ESC- IRN 123521
Treasurer E-Mail: millerb0405@gmail.com

FROM: Yolanda Mitchell-Garnes, Director
Office of Fiscal – Grants Administration

RE: 2027 Indirect Cost Proposal Certification

DATE: July 21, 2026

The purpose of this Agreement is to establish indirect cost rates for use in awarding and managing of Federal contracts, grants, and other assistance arrangements to which Office of Management and Budget (OMB) 2 CFR, Ch I, Ch II, Part 200 *Cost Principles, and Audit Requirements for Federal Awards* applies.

Enclosed under Attachment A you will find your district's 2027 Indirect Cost Certification, the Restrict Indirect Cost Rate (ICR) Agreement, and the Unrestricted Rate (ICR) Agreement, if applicable.

This agreement consists of three parts: Section I – Rates and Bases, Section II – Particulars and Section III – Special Remarks.

Based on our delegated authority from the U.S. Department of Education, the approved indirect cost rate may be applied to eligible program expenditures that occur between 7/1/2026 and 6/30/2027. You are reminded that use of this rate must be in accordance with the Ohio Department of Education ICR Plan instructions and the proposal submitted by your agency.

Pursuant to the Uniform School Accounting System prescribed by the Auditor of State, indirect costs shall be budgeted in function code 2590, (other Fiscal Services), and object code 899, (other miscellaneous expenses).

Deviations from the approved scope, purpose, or regulations may subject your agency to repayment of any or all indirect cost recoveries. **This indirect cost rate is subject to change due to US Department of Education revisions.**

Thank you for your cooperation. If you have any questions, please send an e-mail to indirectcost@education.ohio.gov or contact Annie Starkey, Senior Financial Analyst at 614-644-5909.

ATTACHMENT A

INDIRECT COST RATE AGREEMENT

Entity Name	Mid-Ohio ESC	Year	2027
IRN	123521	County	Richland
		Date	July 21, 2026

The indirect cost rate contained herein is for use on grants with the Federal Government to which (OMB) 2 CFR, Ch I, Ch II, Part 200 *Cost Principles, and Audit Requirements for Federal Awards* and the Education Department General Administrative Regulations (EDGAR) apply subject to the limitations contained in Section II, A. of this agreement. The Ohio Department of Education approved the rate in accordance with the authority contained in section 76.561 of EDGAR.

Section I – Rates and Bases

Type	From	To	Restricted Rate ⁽¹⁾	Unrestricted Rate ⁽²⁾ (if applicable)	Applicable To
Fixed	7/1/26	6/30/27	10.58%	18.15%	All Federal Education Programs ⁽¹⁾⁽²⁾

⁽¹⁾ All Federal programs which require the use of a restricted rate per 34 CFR 76.563. Pursuant to 34 CFR 76.569 – the maximum amount of indirect costs for programs referenced in 76.563 is determined by the following formula: Indirect costs = (Restricted indirect cost rate) x Base). Base: Total direct costs excluding capital expenditures, alterations and renovations, food purchases, personal service contracts and subawards in excess of \$50,000 per subaward, previously charged indirect costs and flow through funds.

⁽²⁾ All Federal and allowable State programs which do not require the use of a restricted rate per 34 CFR 76.563

Section II – Particulars

- A. **Limitations:** Use of the rates contained in this agreement is subject to any statutory or administrative limitations and is applicable to a given grant or contract only to the extent that funds are available. Acceptance of the rates agreed to herein is predicated upon the conditions: (1) that no costs other than those incurred by the grantee/contractor or allocated to the grantee/contractor via an approved central service cost allocation plan were included in its indirect cost pool as finally accepted, and that such incurred costs are legal obligations of the grantee/contractor and allowable under the governing cost principles, (2) that the same costs that have been treated as indirect costs have not been claimed as direct costs, (3) that similar types of costs have been accorded consistent accounting treatment, and (4) that the information provided by the grantee/contractor which was used as a basis for acceptance of the rates agreed to herein is not subsequently found to be materially inaccurate.

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- B. **Audit:** Adjustment to amounts resulting from audit of the plan will be compensated for in a subsequent agreement.
 - C. **Changes:** The fixed rates contained in this agreement are based on the organizational structure and the accounting system in effect at the time the proposal was submitted. Changes in the organizational structure or changes in the method of accounting for costs that affect the amount of reimbursement resulting from use of the rate in this agreement require the prior approval of the authorized representative of the responsible approving agency. Failure to obtain such approval may result in subsequent audit disallowance.
 - D. **Fixed Rate:** The fixed rates contained in this agreement are based on an estimate of the costs that will be incurred during the period for which the rates apply. When the actual costs for such a period have been determined, an adjustment will be made in the agreement following such determination to compensate for the difference between that cost used to establish the fixed rates and that which would have been used were the actual costs known at the time.

Section III – Special Remarks

- A. This Agreement is effective on the date of approval by the State Educational Agency.
- B. Questions regarding this Agreement should be directed to the Negotiator.
- C. Approval of the rates contained herein does not establish acceptance of the Organization's total methodology for the computation of indirect cost rates for years other than the year herein cited.