

BARREN RIVER AREA DEVELOPMENT DISTRICT

COST ALLOCATION PLAN

FISCAL YEAR

2027

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I. INTRODUCTION

The Barren River Area Development District (BRADD) is a special district of local government established under KRS 147A. In addition to authorization by the General Assembly, the BRADD has been designated as an Economic Development District by the Economic Development Administration and Local Development District by the Appalachian Regional Commission. Funding for the activities undertaken through these designations is administered through the Joint Funding Agreement (JFA) by the Department for Local Government (DLG). The BRADD also serves as the grant recipient/administrative unit for the Area Agency on Aging and Independent Living (AAAIL).

Through contractual relationships with Federal, State and Local governments, BRADD provides services in a variety of other areas. For instance, BRADD serves as contract agent for Regional Transportation Planning, Regional Transit Planning, Water and Wastewater Planning for the Kentucky Infrastructure Authority, Hazardous Mitigation Planning for Kentucky Emergency Management and FEMA, Waiver Programs thru Department for Medicaid Services, and GIS/GPS services for various agencies. The BRADD also operates a Revolving Loan Fund program.

For the upcoming fiscal year, it is expected that the BRADD will administer more than 60 individual programs/elements funded by federal, state and local sources. The number of programs/elements may change during the course of the year due to unexpected new grants and programs.

The number of programs and the variety of funding sources that are administered by the BRADD necessitates that a financial management system that is efficient and equitable has been developed to ensure that fairness in the distribution of costs is achieved. This Cost Allocation Plan has been developed to meet that need.

The Plan has been developed to comply with the relevant cost principles established in 2 CFR Part 200. In addition, App. VII of part 200, Section D.1.b of Uniform Guidance which reads: "A governmental department or agency unit that receives more than \$35 million in direct Federal funding must submit its indirect cost rate proposal to its cognizant agency for indirect costs. Other governmental department or agency must develop an indirect cost proposal in accordance with the requirement of this Part and maintain the proposal and related supporting documentation for audit. These governmental departments or agencies are not required to submit their proposal unless they are specifically requested to do so by the cognizant agency". The Economic Development Administration (EDA), who serves as BRADD's cognizant agency, confirms BRADD is not required to submit Indirect Cost Allocation Plan (CAP) due to receiving less than \$35 million in annual cumulative direct Federal funding. The plan is developed according to the Uniform Guidance and maintained for audit.

II. FISCAL MANAGEMENT SUMMARY

The Board of Directors of the Barren River Area Development District has established a goal of fiscal management which embodies complete integrity, absence of waste, overall fairness, and practicality. In support of this goal, the Board has adopted Operating Policies and stipulated independent accountant technical assistance, as needed, in addition to the independent audit. The BRADD's Executive Council also meets quarterly to review and approve all accounts payable and credit card expenditures. Changes in personnel are also reported to the Committee at these meetings. As a management policy, the District will utilize the JFA Administrative Handbook FY 2027 issued by the Department for Local Government as a guide to Joint Funding Agreement participation.

The basic parts of JFA Fiscal Management are:

- Written operating and accounting procedures
- Formal books of entry
- Authorized budgets
- Documentation supporting expenditures

To improve the capability of the ADD to manage its operations, the management process has been adapted for computer processing of accounting information. The BRADD utilizes Accufund, software specifically developed for grants management by local governments. These computing capabilities allow staff to charge costs to the appropriate funding source in an efficient manner.

This plan is reviewed and approved by the BRADD's Executive Council. The budget and all related computations are subject to change. Some operating expenses may change. The State budget process may be delayed. New programs may be developed. These changes are not reflective of whims of the ADD but to respond to situations such as the following: participating federal agencies can guarantee funds only after authorized and appropriated by Congress, which may not act before the end of the first quarter. The Congressional authority may be affected by Presidential rescission. Similarly, the Governor may find it necessary to alter funds appropriated by the General Assembly to meet the Constitutional mandate for a balanced budget. The Council will be advised of all changes necessitating budget revisions during the fiscal year.

As of this writing, this Cost Allocation Plan contains more than 60 work elements. Five of the elements are in the Joint Funding Agreement subject to supervision by the Department for Local Government. Most of the remaining elements reflect agreements through other instrumentalities. However, all elements are included in this plan and subject to the same constraints to assure fairness, integrity, and practicality of management.

Essentially, the plan equitably distributes to each work element the staff necessary to accomplish scheduled tasks. The assignment includes other direct costs, including salary, benefits, and travel

costs of assigned professional staff. (Some personnel costs such as unemployment insurance, pension administration and others are treated as indirect costs for practicality.)

An employee's annual leave earned during the fiscal year will be charged to the work elements to which the employee is assigned, in the same manner as holidays are allowed. The accrued value of unused annual leave earned by employees is accounted for through annual leave payable. The funds will be accessed for the cost of paying for employee leave or to pay departing employees for any unused leave. This accrual policy has been established with guidance from Uniform Guidance.

The following four points have been adopted by the BRADD Board of Directors as the Operating Policy for Financial Management.

1. Financial Control - The policy of the Barren River Area Development District shall be to receive, hold, and disburse all funds by means assuring the maximum security and efficiency. To the extent fiscally feasible, duties shall be separated so that no individual has complete authority over an entire financial transaction. Employees involved in financial transactions shall be bonded. The systems for fiscal control shall provide for periodic reports from auditable records. The District shall prepare annually a Cost Allocation Plan, which shall reflect work elements and methodology of the fair distribution of direct and indirect costs.
2. Receipts and Disbursements - The Executive Director or the Executive Assistant shall be responsible for opening mail, listing checks with the Records Administrator, making a copy of the checks and delivering checks to a member of Finance staff, who shall use a remote scanner to electronically send deposits to the bank for same day deposits. EFT wires shall be verified and recorded by a Finance Officer. All deposits shall be recorded as a credit to the proper elements. A Finance Officer shall review all checks for payment of appropriately documented obligations. The Finance Officer shall log all checks, which have 2 digitized approved signatures, with the Records Administrator before mailing. The Executive Director shall be responsible for the review of check registers. When funds are transferred electronically, i.e. for payroll, records of the transaction must be maintained and approved by Executive Director or designated staff.
3. Accounting System and Records - The accounting system shall provide the information required to meet all contractual reporting requirements. All entries in the accounting records with supporting documentation shall be reviewed by a Finance Officer other than the one who prepares and records those. Payments shall be cross-referenced to supporting documents. The imprest petty cash fund shall be accounted for in a ledger maintained by the Finance Officer. Bank statements shall be reconciled monthly.
4. Travel - Travel shall comply with regulations set forth in contracts agreed to by the Board of Directors, or pursuant to By-Laws and Policies approved by the Executive Council on behalf of the Board.

III. OPERATING POLICIES

The Board of Directors has adopted operating policies, which consist of the following.

1. Open Records Policy
2. Open Meetings Policy
3. Procurement Policy
4. Code of Ethics
5. Conflict of Interest Policy
6. Whistleblower Policy
7. Employee Compensation Plan
8. Complaint Investigation Process
9. Public Access to Financial Information
10. Records Retention Policy

IV. WORK ELEMENTS

JFA ELEMENTS

- 1200 Community and Economic Development
- 1250 Community Development Block Grants
- 1300 Appalachian Regional Commission
- 1400 Management Assistance
- 1500 Program Administration

NON JFA ELEMENTS

- 1100 Regional Support
- 1303 Appalachian Regional Commission-FEMA
- 1520 Revolving Loan Fund Management
- 1600 Water Management Planning
- 1700 Regional Transportation Planning
- 1701 Rebuilding American Infrastructure with Sustainability and Equity Grant Program
- 1702 Safe Streets for All
- 1710 Federal Transit Administration-Regional Planning
- 175X Center Lines
- 1800 Office of Drug Control Policy
- 1991 Hazardous Mitigation Plan
- 1992 Implement CERT
- 1994 Hart County: Critical Infrastructure Planning-Related Activity-Admin
- 1995 Hart County: Critical Infrastructure Planning-Related Activity

1996 Disaster Resiliency Coordination
2xxx Local Contracts
3100 Aging General
3200 Senior Centers admin
3205 Allen Senior Centers
3210 Barren-Cave City Senior Centers
3211 Barren-Park City Senior Centers
3212 Barren-Glasgow Senior Centers
3215 Butler Senior Centers
3220 Edmonson Senior Centers
3225 Hart Senior Centers
3230 Logan-Auburn Senior Centers
3231 Logan-Russellville Senior Centers
3235 Metcalfe Senior Centers
3240 Monroe-Fountain Run Senior Centers
3241 Monroe-Tompkinsville Senior Centers
3245 Simpson Senior Centers
3250 Warren Senior Centers
3300 Mental Health & Aging
3400 Aging-Title IIIB- Admin
3401 Aging-Title III C1- Admin
3402 Aging-Title III C2- Admin
3404 Aging-Title IIIE- Admin
3405 Aging-Title VII Elder Abuse
3406 Aging-Title VII Ombudsman
3407 Aging-Title IIIB-Ombudsman
3420 Aging-Title IIIB Supportive Services
3450 Aging-Title IIIE Supportive Services
3460 Aging- KY Caregiver-Admin
3470 Aging- KY Caregiver-CM
3490 Aging-Aging & Disability Resource Center
3500 Aging-State Health Insurance Program
3510 Aging-State Health Insurance Program-Training
3520 Aging-State Health Insurance Program Supportive Services
3530 Aging-Medicare Improvement Patient and Provider Act-Ship- Jul-Aug
3531 Aging-Medicare Improvement Patient and Provider Act-Ship- Sep-Jun
3535 Aging-Medicare Improvement Patient and Provider Act-ADRC- Jul-Aug
3536 Aging-Medicare Improvement Patient and Provider Act-ADRC- Sep-Jun
3540 Aging-Medicare Improvement Patient and Provider Act- AAA- Jul-Aug
3541 Aging-Medicare Improvement Patient and Provider Act- AAA- Sep-Jun
3600 Aging-Homecare Program Admin
3610 Aging-Homecare Supportive Services

- 3620 Aging-Expanded Senior Meal Program-Admin
- 3630 Aging-Expanded Senior Meal Program-Supportive Services
- 3720 GWEP Admin
- 3800 Aging-State Long Term Care Ombudsman
- 3850 Aging-Nutrition Services Incentive Program- Oct-Jun
- 3851 Aging-Nutrition Services Incentive Program- Jul-Sep
- 3900 Participant Directed Services
- 3950 Veterans Directed Services

V. CHART OF ACCOUNTS

- 1000 Cash
- 1050 Petty Cash
- 1200 Money Market Accounts
- 1202 CD-Local Edmonton State
- 1205 CD-Local American Bank & Trust
- 1206 CD-Local- Independence Bank
- 1207 CD-Local-South Central Bank
- 1208 Money Market Account-Pinnacle
- 1209 Money Market Account-Independence Bank
- 1300 Accounts receivable
- 1310 Allowance for Bad Debt
- 1400 Prepaid
- 1513 Note receivable Anthurium
- 1524 Note receivable Sims Studio & Shop-Covid
- 1525 Note receivable Meltdown Ice-cream-Covid
- 1527 Note receivable Wigwam Village No.2 LLC
- 1528 Note receivable Laxmi Hotels Legacy/Defederalized Funds
- 1615 Note receivable White Squirrel
- 1616 Note receivable Southern Kentucky Senior Living
- 1700 Fixed Assets
- 1705 Fixed Asset-Local
- 1706 Fixed Asset-Vehicles
- 1708 BRDC Building
- 1709 BRDC Comp Equip
- 1710 BRDC Office Equip
- 1711 BRDC Land
- 1800 Accumulated Depreciation
- 1806 Accumulated Depreciation Vehicles
- 1808 Accumulated Depreciation-BRDC Bldg.
- 1809 Accumulated Depreciation-BRDC Comp Equip
- 1810 Accumulated Depreciation-BRDC Office Equip
- 1999 Due To/From
- 2000 Accounts Payable

2150	Annual Leave Payable
2300	Fed Tax Payable
2310	Medicare Tax Payable
2320	FICA Payable
2330	State Tax Payable
2340	City Tax Payable
2350	County Tax Payable
2355	Occupational Tax payable
2360	Suta Tax Payable
2370	Local Tax Payable
2380	Garnishments
2400	Health Insurance Payable
2410	HRA Payable
2411	HSA Payable
2415	HRA Admin Payable
2420	Dental Ins Payable
2430	Vision Ins Payable
2440	Aflac Payable
2441	United Way Payable
2442	MASA Payable
2443	Accident INS Payable
2444	Critical Illness Payable
2450	Short Term Disability Payable
2451	Long Term Disability Payable
2460	Life Insurance Payable
2461	Life Insurance Voluntary Payable
2480	CERS Payable
2481	Employee Health Contribution Payable
2490	401k Payable
2491	KY Deferred Comp
2495	Roth 401k Payable
2500	Unearned Revenue
2999	Accrued Payroll
3000	Fund Balance
3500	Investment in Fixed Assets
4000	Revenue-Federal
4100	Revenue-State
4110	Revenue -Goods & Services
4120	Revenue-Support Broker
4150	Revenue-State-Unmatched
4200	Revenue-Local
4300	Revenue-Other
4305	Vehicle Revenue-Local
4310	KARES
4400	Revenue-Program Income
4413	Interest Revenue-Anthurium
4424	Interest Revenue-Sims Studios & Art Shop
4425	Interest Revenue-Meltdown Ice Cream

4427	Interest Revenue- Wigwam Village No.2 LLC
4428	Interest Revenue- Laxmi Hotels Legacy/Defederalized Funds
4500	Interest Revenue
4515	Interest Revenue-White Squirrel
4516	Interest Revenue- Southern Kentucky Senior Living
4600	Revenue-Investment Income
4700	Revenue-In-Kind
5000	Transfer In
6000	Direct Salary
6100	Direct Burden
6150	Direct Annual Leave
7000	Transfer Out
7100	Direct Professional Exp.
7200	Direct Travel
7210	Direct Vehicle
7230	Direct Board Travel
7300	Direct Staff Training
7405	Direct Advertising
7415	Direct Dues/Subscription
7420	Direct Insurance
7425	Direct Marketing Expense
7430	Direct Meeting Expense
7432	Direct Annual Meeting Exp.
7435	Direct Phone/Fax
7440	Direct Postage
7445	Direct Printing/Copying
7450	Direct Supplies
7455	Direct Miscellaneous
7460	Direct Data Technology
7600	Direct Contractual Services
7620	Direct Service Mains'l
7640	Direct Audit Fee
7650	Direct Legal
7700	Direct Equipment Rent
7705	Vehicle Expense-Local
7706	Vehicle Maintenance
7730	Direct building maintenance
7740	Direct Utilities
7770	Direct rent/Depreciation Expense
7900	Dir Bad Debt Expense/Recovery/Uncollectible
8000	Indirect Salary
8100	Indirect Burden
8150	Indirect Annual Leave
8200	Indirect Travel
8210	Indirect Vehicle
8300	Indirect Staff Training
8405	Indirect Advertising
8415	Indirect Dues/Subscription

8420	Indirect Insurance
8430	Indirect Meeting Expenses
8435	Indirect Phone/Fax
8440	Indirect Postage
8445	Indirect Printing/Copying
8450	Indirect Supplies
8455	Indirect Miscellaneous
8460	Indirect Financial Data Technology
8465	Indirect Pension Management
8510	Indirect Bldg. Depreciation Exp.
8640	Indirect Audit Fee
8650	Indirect Legal
8700	Indirect Utilities
8710	Indirect Janitorial Service
8720	Indirect Bldg. Supplies
8730	Indirect Bldg. Maintenance
8740	Indirect Auto Exp.
8770	Indirect Building Rent
8900	Indirect Cost
9000	Program Services
9100	Program Services-CVA/Payroll
9200	Program Services-AS
9110	Goods & Services
9300	Background Check Exp.
9310	KARES Exp.
9700	Capital Exp.- Local

VI. BOOKS OF ENTRY

The BRADD maintains computing software to record and calculate information for BRADD financial management. The accounting software package – Accufund, developed for the computer, includes the following modules:

- (1) Accufund Accounting Suite
- (2) Automation Workbench
- (3) Payroll
- (4) Human Resources
- (5) Employee Portal

The BRADD also uses BambooHR-another software allowing employees to log time and prepare timesheets online and some onboarding functions.

VII. COST ALLOCATION POLICY

Essentially, those personnel and other costs incurred only because of the work element, and which may be readily and accurately ascribed to that element, are charged as direct costs. All other costs are charged indirectly when it is impractical to charge them directly to a cost objective without a disproportionate amount of effort or the cost is incurred for a common or joint purpose benefiting more than one cost objective. The indirect costs are distributed proportionately based upon an established methodology.

1. Salary - Work time of regular full-time, part-time, temporary, or seasonal staff is charged as a Direct Cost to the program element(s) in which they have assigned responsibilities or to which their work is deemed beneficial. Work time of employees that benefits more than one work element and the allocation of time to direct charge would require an inordinate amount of effort are charged to indirect costs.
2. Personnel Burden - All employees' benefit costs specifically related to an employee are charged in the same manner as that employee's salary, either direct or indirect. Some burden costs are general and cannot be specifically related and are charged as indirect.
3. Staff Travel/Training - The regular full-time, part-time, temporary, or seasonal staff charged directly to work element(s) will have their travel costs charged accordingly. Travel costs for indirect staff time will be charged to the indirect cost pool. Mileage and per diem follow 200 KAR 2:006.
4. Board Training - Training recommended for BRADD Board to increase the knowledge of officials to further the goals of the BRADD will be charged to the general fund. Mileage and per diem will be reimbursed following 200 KAR 2:006.
5. Other Travel - Costs or required reimbursements for other travel such as council members/other board members will be charged as a direct cost to the work element to which the activity is assigned.
6. Fuel, Vehicle Repair and Maintenance – Fuel, repair and maintenance cost related to vehicle designated to any specific work element will directly be charged to that element. The cost related to the Executive Director's vehicle will be charged to the indirect cost pool.
7. Other – Other costs, including but not limited to: payroll services, communications, printing, postage, equipment and supplies, will be charged as direct costs when possible. Other costs that cannot be readily identified to an individual program will be charged as indirect.
8. Building Cost/Rent – Office space, equipment and furniture depreciation, building insurance, utilities and routine operational costs such as janitorial and general maintenance of the main office building (at 177 Graham Ave.) will be charged as indirect. Space cost (e.g. rent, utilities, etc.) incurred by each of the District Senior Centers will be charged directly to the respective Center's cost element.
9. Insurance – General and public officials' liabilities, workers compensation, bonding, and other exposures are considered indirect costs.

10. Services and Fees - General services of benefit to all ADD programs, such as indirect audit costs, general legal advice, office supplies, pension management fee, and staff development programs, are costs that are shared as an economical and rational management methodology. It will be in the scope of the Independent Auditor to determine that such costs are allowable, appropriate, and shared properly.
11. Other In-Kind - In-kind contributions of services from outside agencies or personnel may be utilized as a match for certain programs provided that the value of the services is substantiated in an appropriate manner.
12. Senior center administrative cost – Administrative costs of admin staff in the main office related to senior centers, such as direct salary, benefit, travel, supplies, postage, printing, etc. are charged to a general senior center grant. Those costs are the equally distributed to all active centers for that month.

All additional costs, which are not identified above, may be charged as indirect costs, unless prohibited by federal regulations.

Determination of Indirect Cost Methodology

The determination of BRADD's indirect costs is based upon the State, Local, and Indian Tribe Indirect Cost Proposals (Uniform Guidance). The specific indirect cost methodology used is set forth in Appendix VII, Part 200, and Section F3 which reads:

“Indirect Cost Allocations Not Using Rates: In certain situations, governmental departments or agencies (components of the governmental unit), because of the nature of their Federal awards, may be required to develop a cost allocation plan that distributes indirect (and, in some cases, direct) costs to the specific funding sources. In these cases, a narrative cost allocation methodology should be developed, documented, maintained for audit, or submitted, as appropriate, to the cognizant agency for indirect costs for review, negotiation, and approval.”

BRADD programs and funding awards sometimes begin or end in the middle of the basis period, the time during which costs are incurred and accumulated for allocation. Due to the nature of these awards, the BRADD chose this methodology since it is the appropriate, most equitable, and most accurate manner to allocate our indirect costs. By using this methodology, actual indirect costs are charged throughout the year to the funding sources instead of using an amount established through a predetermined rate. Cumulative indirect costs are therefore allocated on a monthly basis, eliminating the need to reallocate adjustments in another basis period. A Summary Schedule of Programs and Indirect Cost Calculation sheet for the most recent audited year are included to illustrate the indirect cost methodology.

Process for Indirect Cost Allocation

Indirect cost pools are established containing all identified costs to be allocated. The basis for indirect cost allocation is the cumulative year to date direct salary and burden (excluding annual leave). The cumulative year to date indirect cost pools are allocated to each element based on percentage of year-to-date salary and benefits of that element to the total year to date direct

salaries and benefits of all active participating elements. If an element is closed during the fiscal year, it becomes inactive, and its salary and benefits are not counted toward the basis for indirect cost allocation. The indirect cost that has been allocated to it is also excluded from the indirect cost pool for allocation from the point it became inactive.

BRADD is currently utilizing one indirect cost pool. The cost pool represents indirect costs that benefit all programs/elements and would be impractical to charge them directly. Those costs are, but not limited to, indirect salaries and benefits, travel, audit and legal, telephone, supplies, insurance, postage, printing, accounting software, computer support and maintenance, dues, depreciation charges (if any) for the building, utilities, janitor, building supplies and maintenance and any other costs that benefit more than one program/element.

The indirect cost pools are monitored to ensure that those expenses that can be direct charged are not included.

VIII. SUPPORTING DOCUMENTATION

All expenditures are supported by required authorizations and documentation prior to payment. Procedures and policies, with required forms, have been adopted and are available in the BRADD Administrative Policies Handbook and the financial internal control policies. The following is a summary of the required forms and processes used to support payment.

Employee Timesheet- Time sheets of all staff in the main office and full time staff at the District Senior Centers are prepared on paper and signed by each employee for each semi-monthly pay period to denote their work in that period for the various elements. The form is then submitted to the employee's immediate supervisor or designee for review, approval and/or signature and forwarded to those who are responsible for processing payroll to check for possible errors or omissions. Time sheets of the part time staff at District Senior Centers are prepared and verified by the Senior Center Coordinator using the daily sign in/out sheet before submitting to finance for payroll processing.

Travel Form - A travel form is prepared and submitted semi-monthly by employees or Board members claiming reimbursement for incurred travel expenses. The form is certified by the claimant, reviewed and signed by the employee's immediate supervisor or designee and reviewed by a Finance Officer for compliance with policies, errors and/or omissions.

Travel log – When staff use BRADD's vehicles to travel, there is a logbook in each vehicle for staff to record the date, beginning and ending mileage, and grant number. At the end of each month, the Finance Office records travel costs based on the logbook. For vehicles designated to specific grants, all expenditures related to them such as gas, insurance, maintenance, and repair etc. are directly charged to those grants every month.

Credit Card Form - Credit cards are issued to staff that travel on a regular basis. For those employees that do not travel as often, a card is available for checkout on an as needed basis. Policies have been established for eligible uses of credit cards. Credit card forms, with original receipts, must be submitted to the Finance Officer for review of the eligibility of the costs and for errors and/or omissions on a monthly basis. Any purchases in excess of \$500 are required to follow BRADD's purchase workflow and/or procurement policies. The Executive Director reviews and approves credit card statements on a monthly basis.

Other documents- Other supporting documents including, but not limited to, invoices, payment request, contracts, packing slips etc. are reviewed by Finance Officer before payments can be made.

IX. BARREN RIVER AREA DEVELOPMENT DISTRICT
Summary Schedule of Programs
For the year ended June 30, 2025

<u>Description</u>	<u>General</u>	<u>JFA and</u>	<u>ODCP</u>	<u>Aginc</u>	<u>PDS</u>	<u>VDS</u>	<u>Revolving</u>	<u>Total</u>
	<u>Fund</u>	<u>Non-JFA</u>					<u>Loan Prog</u>	
Salaries	1,295	565,176	39,424	751,000	880,362	9,173	5,393	2,251,822
Benefits	442	232,322	15,538	333,228	386,284	3,787	1,969	973,570
Annual leave	100	33,329	1,910	44,198	52,928	904	450	133,819
Travel & Training	14,140	42,992	6,729	25,474	36,976	292	158	126,760
Other Costs	54,161	60,602	3,861	192,128	294,965	-88,61	25,896	631,524
Contractual Services	-	-	-	1,303	1,587	-	-	2,890
Program Services	54,062	460,816	275,289	4,081,111	20,426,921	72,152	-	25,370,351
Indirect costs	447	205,090	14,135	279,331	325,749	3,333	1,893	829,978
Total expenditures	<u>124,647</u>	<u>1,600,326</u>	<u>356,884</u>	<u>5,707,774</u>	<u>22,405,772</u>	<u>89,552</u>	<u>35,759</u>	<u>30,320,714</u>

X. Barren River Area Development District
JFA and Non-JFA
Statement of Indirect Costs
For the Year Ended June 30, 2025

	<u>Indirect Cost</u>	
Salaries and benefits	478,366	
Travel	7,347	
Audit and Legal	58,720	
Pension Management	2,550	
Telephone	22,836	
Supplies	6,482	
Insurance	50,331	
Postage	2,898	
Printing	924	
Dues and Subscription	471	
Computer support and Maintenance	38,175	
Other	24,287	
Rent	11,754	
Utilities	25,726	
Building Maintenance and Janitorial	<u>99,110</u>	
 Total Indirect Cost	 <u>829,978</u>	
 Allocation basis: Total direct salary and benefits	 3,225,392	 25.73%
 Indirect Cost Rate	 25.73%	

U.S. Department of Commerce, Economic Development Administration
1401 Constitution Avenue, NW
Washington, DC 20230

CERTIFICATE OF INDIRECT COSTS

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

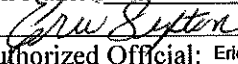
(1) All costs included in this proposal dated 04/22/2026 [identify date indirect cost rate proposal was finalized] to establish indirect costs rate(s) for July 1, 2026 to June 30, 2027 [identify start/end dates for the fiscal year covered by the indirect cost rate] are allowable in accordance with the requirements of the Federal award(s) to which they apply and OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (codified at 2 C.F.R. Part 200) 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 agreements 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 and the Federal Government will be notified of any accounting changes that would affect the predetermined rate.

(3) The indirect cost rate calculated within the proposal is 28.41% [identify rate(s)], which was calculated using a direct cost base type of Salary & Fringe [identify type of direct cost base – Salary & Fringe, MTDC, etc.]. The calculations were based on actual costs from fiscal year last 7 yrs to obtain a federal indirect cost billing rate for fiscal year 2027.

(4) All documentation supporting the indirect cost rate identified above must be retained by the Recipient. This rate should be reviewed and validated as part of the Recipient's annual financial audit.

Subject to the provisions of the Program Fraud Civil Remedies Act of 1986, (31 USC 3801 et seq.), the False Claims Act (18 USC 287 and 31 USC 3729); and the False Statement Act (18 USC 1001), I declare to the best of my knowledge that the foregoing is true and correct.

Organization Name: Barren River Area Development District
Signature: 
Name of Authorized Official: Eric Sexton
Title: Executive Director
Email Address and Phone: eric.sexton@bradd.org (270) 781-2381
Date of Execution: 04/22/2026

