**D4. GROUP 3—STATE EDUCATION AGENCY FINANCE OFFICER**

**INDIRECT COST SURVEY**

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**USDA/Food and Nutrition Service**

**School Nutrition and Meal Cost Study**

**State Education Agency Finance Officer Indirect Cost Survey**

**INTRODUCTION**

**About the Study.** The ***School Nutrition and Meal Cost Study*** (SNMCS) will continue the long-standing commitment of the US Department of Agriculture’s (USDA’s) Food and Nutrition Service (FNS) to periodic assessment of the school meal programs. This current assessment coincides with a period of considerable change for the National School Lunch Program (NSLP) and the School Breakfast Program (SBP). In recent years, schools participating in these programs implemented sweeping regulatory changes designed to increase children’s access to healthy foods at school and to promote adoption of healthy eating and physical activity habits. While FNS has conducted multiple studies of school nutrition and meal costs to date, SNMCS is the first such study after these major changes were implemented and the first to explore both nutrition and cost on a large national scale. This study will provide critical information of interest to USDA, the States, School Food Authorities (SFAs), and other program stakeholders that is not currently available.

The U.S. Department of Agriculture, Food and Nutrition Service, has contracted with Mathematica Policy Research and its research partners Abt Associates, Agralytica, and Relyon Media to conduct the SNMCS for SY 2014-2015. Participation in the study by selected states, districts, and schools is required under Section 305 of the Healthy, Hunger-Free Kids Act of 2010 (HHFKA).

SNMCS will collect a broad range of data from nationally representative samples of public SFAs, schools, and students and their parents during School Year (SY) 2014-2015. These data will provide Federal, State, and local policymakers with needed information about how federally sponsored school meal programs are operating after implementation of the new meal pattern and nutrient requirements and other changes in regulations. Comparisons of results from SNMCS with previous School Nutrition and Dietary Assessment (SNDA) and School Lunch and Breakfast Cost (SLBC) studies will provide information to assess the effects of the new nutrition standards on food service operations, the nutrient content of school meals offered and as served, meal costs and revenues, and student participation and dietary intake.

**Protecting Privacy.** All information gathered from SFAs, schools, and households is for research purposes only and will be kept private to the full extent allowed by law. Responses will be grouped with those of other study participants, and no individual schools, districts, or students will be identified. We are not conducting audits or monitoring visits. Participation in the study will not affect meal reimbursements to participating districts and schools or school meal program benefits to participating households.

**SEA Indirect Cost Survey.** The purpose of this survey is to update information about Local Education Agency (LEA) indirect cost rates that your agency provided for SY2011-2012. Responses from the previous survey have been pre-filled. We need to update information that is different for SY2014-2015 and also to obtain indirect cost rates for selected SFAs in your State. Please review these responses in advance of the telephone interview. A telephone interviewer will contact you to schedule a time to go over the survey questions and your responses. Please gather any necessary information to provide updates to the questions before the scheduled time with your telephone interviewer. You can also fax or e-mail a marked-up version of this survey to us to facilitate the process.

USDA/FNS needs your participation to assure that this study fairly and accurately represents the indirect costs of school meals. We thank you in advance for your time and cooperation in this important study. If you have any questions about the study, please feel free to contact Abt Associates toll-free at 855-XXX-XXXX, or send an e-mail to **SNMCS@abtassoc.com**

Definition: In this survey, we use the term “public Local Educational Agency” or “public LEA” to refer to public school districts, independent charter schools, and other public agencies operating schools at the local level.

**RESPONDENT INFORMATION**

1. Please provide the following contact information for the official in your State responsible for approving **public LEAs’** indirect cost rate applications or cost allocation plans for SY2014-2015.

Information pre-filled for 2011-2012 is correct ☐

Name:

Title:

Agency:

Telephone number:

E-mail:

1a. *If someone other than this person is responding to this questionnaire, please provide his or her name and contact information below.*

Name:

Title:

Agency:

Telephone number:

E-mail:

**ROLES FOR DETERMINING INDIRECT RATES**

The following questions are about the role your SEA has in the determining indirect rates.

**Below are some definitions of some key terms that are used throughout the survey.**

**DEFINITIONS OF KEY TERMS USED IN THIS SURVEY**

**Programs** are activities or services, such as instruction and school foodservice, that have identifiable direct costs. These direct costs may be charged to grants or other special-purpose accounts, or to the LEA’s general fund.

**Indirect costs** are costs incurred for the benefit of multiple programs, functions, or other cost objectives and therefore cannot be identified readily and specifically with a particular program or other cost objective. They typically support administrative overhead functions such as fringe benefits, accounting, payroll, purchasing, facilities management, utilities, etc. *(from: Indirect Costs: Guidance for State Agencies & School Food Authorities)*

2. Which of the following statements best describes the role of the SEA in determining how ***public LEAs*** allocate indirect costs to their programs or activities in reporting expenses for SY2014-2015? (*Check one answer in each row.)*

Information pre-filled for 2011-2012 is correct ☐

|  |  |
| --- | --- |
| **SEA Role for Public LEAs** | |
| a. SEA computed indirect cost percentage rate(s) | □ Yes □ No □ Don’t know |
| b. SEA approved LEA applications for indirect cost percentage rate(s) | □ Yes □ No □ Don’t know |
| c. SEA approved LEA cost allocation plan(s) using factor(s) other than percentage of direct costs *(Specify below.)* | □ Yes □ No □ Don’t know |
| *Description of approved cost allocation plans that use factors other than percentage of direct costs.* | |
| d. SEA provided guidance to LEAs regarding cost allocation plan(s) using factor(s) other than percentage of direct costs *(Specify below.)* | □ Yes □ No □ Don’t know |
| *Description of guidance provided regarding cost allocation plans that use factors other than percentage of direct costs.* | |
| e. Other SEA role regarding LEA indirect costs *(Specify below.)* | □ Yes □ No □ Don’t know |
| *Description of other SEA role regarding indirect costs.* | |

**If the answers in Question 2a and 2b are “No” or “Don’t know”, stop and go to the end of the survey.**

**RESTRICTED AND UNRESTRICTED INDIRECT RATES**

The following questions are about the use and application of restricted and unrestricted indirect rates.

**Below are the definitions of indirect cost rates used in this survey.**

**DEFINITIONS OF INDIRECT COST RATES USED IN THIS SURVEY**

**Restricted indirect rates** (restricted rates) are used for grants, such as Title I, with a requirement that Federal funds supplement, not supplant non-Federal funds.

**Unrestricted indirect rates** (unrestricted rates) may be used when this requirement does not apply.

3a. *(Ask if Q2a or Q2b is yes; else go to end)* ***For public LEAs***, did the SEA compute or approve restricted indirect cost rates, unrestricted cost rates, or both for all, some, or no public LEAs for SY2014-2015?

|  |  |
| --- | --- |
|  | **Did the SEA compute or approve this type of rate for all, some, or no public LEAs?** |
| Restricted rates | □ All □ Some □ None □ Don’t know |
| Unrestricted rates | □ All □ Some □ None □ Don’t know |

**Below is the definition of expendable equipment used in this survey.**

**DEFINITION OF “EXPENDABLE EQUIPMENT” USED IN THIS SURVEY (Q3b and Q3e)**

**“Expendable equipment”** means equipment purchases treated as an annual operating expense, not a capital expense, under Federal and State rules.

3b. ***For public LEAs,*** which of the following types of costs (objects of expenditure) were treated as indirect costs in each type of indirect cost rate computed or approved by the SEA for SY2014-2015? *(Complete for each column that applies in your State. Check one response for each row in each column.)*

Information pre-filled for 2011-2012 is correct ☐

|  |  |  |
| --- | --- | --- |
| **Type of cost (Object)** | **Restricted Rate** | **Unrestricted Rate** |
| Salaries and wages | □ Yes □ No □ Don’t know | □ Yes □ No □ Don’t know |
| Employee benefits and payroll taxes | □ Yes □ No □ Don’t know | □ Yes □ No □ Don’t know |
| Workers’ compensation | □ Yes □ No □ Don’t know | □ Yes □ No □ Don’t know |
| Supplies and expendable equipment | □ Yes □ No □ Don’t know | □ Yes □ No □ Don’t know |
| Equipment rental | □ Yes □ No □ Don’t know | □ Yes □ No □ Don’t know |
| Energy (gas, oil, or electricity) | □ Yes □ No □ Don’t know | □ Yes □ No □ Don’t know |
| Water or sewer | □ Yes □ No □ Don’t know | □ Yes □ No □ Don’t know |
| Communications (phone, internet) | □ Yes □ No □ Don’t know | □ Yes □ No □ Don’t know |
| Insurance ( liability, auto, etc.) | □ Yes □ No □ Don’t know | □ Yes □ No □ Don’t know |
| Other purchased services (accounting, legal, travel etc.) | □ Yes □ No □ Don’t know | □ Yes □ No □ Don’t know |
| Other *(Describe below.)* | □ Yes □ No □ Don’t know | □ Yes □ No □ Don’t know |
| *Description of other type of costs for Restricted Rate.* |  | |
| *Description of other type of costs for Unrestricted Rate.* |  | |

The following question deals with the support functions that are included in indirect cost rate(s).

**Below are the definitions of support functions used in this survey.**

**DEFINITIONS OF SUPPORT FUNCTIONS USED IN THIS SURVEY**

**“Accounting, budget, finance, and payroll”** includes tasks to process payments to and from the LEA\*, maintain financial records, manage cash, and produce financial reports.

**“Data processing operations and programming”** includes all support for mainframe, server, and client computers, and for communications networks (voice and data).

**“Administration of personnel, benefits, and human resources”** includes recruiting, hiring, enrollment/disenrollment in benefit plans, and other human resource (HR) administration functions. This does not include the costs of non-HR personnel or the cost of employee benefits (health/dental insurance, pension/retirement, tuition assistance, etc.).

**“Purchasing and contracting”** includes solicitation and review of bids for purchases and contracts, preparation and negotiation of purchasing agreements and contracts, processing purchase requests and purchase orders, and managing contracts (other than processing of contractor invoices).

**“General administration and policy”** includes the Superintendent and other administration not listed elsewhere.

**“School board”** includes salaries or other compensation to board members, and support staff assigned to school board.

**“Custodial and janitorial”** means routine cleaning, storage, setting up/rearranging furniture, and other work performed by staff or contractors whose primary work is routine cleaning, storage, and setting up/rearranging furniture.

**“Building operations and maintenance”** means services of this type not provided by custodial/janitorial staff, particularly more skilled services (such as heating/ventilation/air conditioning maintenance or repair).

**“Equipment and vehicle operations and maintenance”** includes management of motor pools, routine maintenance and repair of vehicles, and routine maintenance and report of equipment.

**“Refuse disposal, pest control, other sanitation”** refers to when these services are not performed as part of “custodial and janitorial” or “building operation and maintenance” services.

**“Security”** includes tasks to ensure the safety of students, LEA\* personnel, and LEA\* property.

**“Storage and transportation of goods”** refers to when these services are not performed as part of “custodial and janitorial” or “building operation and maintenance” services.

**“Providing and maintaining uniforms”** includes obtaining, distributing, and cleaning uniforms for LEA\* personnel.

**“Medical/health services and supplies”** refers to school-based health services such as a school nurse, traditional first aid, administration of medications, screening services (vision, hearing), counseling, mental health services, etc.

3c. ***For public LEAs,*** which of the following support functions (as defined on the previous page) are treated as indirect costs in each type of indirect cost rate approved by the SEA for SY2014-2015? *(Complete for each column that applies in your State. Check one response for each row in each column.)*

Information pre-filled for 2011-2012 is correct ☐

|  |  |  |
| --- | --- | --- |
|  | **Restricted Rate** | **Unrestricted Rate** |
| Accounting, budget, finance and payroll | □ Yes □ No □ Don’t know | □ Yes □ No □ Don’t know |
| Data processing operations and programming | □ Yes □ No □ Don’t know | □ Yes □ No □ Don’t know |
| Administration of personnel, benefits and human resources | □ Yes □ No □ Don’t know | □ Yes □ No □ Don’t know |
| Purchasing and contracting | □ Yes □ No □ Don’t know | □ Yes □ No □ Don’t know |
| General administration and policy (Superintendent’s office, etc.) | □ Yes □ No □ Don’t know | □ Yes □ No □ Don’t know |
| School board | □ Yes □ No □ Don’t know | □ Yes □ No □ Don’t know |
| Custodial and janitorial | □ Yes □ No □ Don’t know | □ Yes □ No □ Don’t know |
| Building operations and maintenance | □ Yes □ No □ Don’t know | □ Yes □ No □ Don’t know |
| Equipment and vehicle operations and maintenance | □ Yes □ No □ Don’t know | □ Yes □ No □ Don’t know |
| Refuse disposal, pest control, other sanitation | □ Yes □ No □ Don’t know | □ Yes □ No □ Don’t know |
| Security | □ Yes □ No □ Don’t know | □ Yes □ No □ Don’t know |
| Storage and transportation of goods | □ Yes □ No □ Don’t know | □ Yes □ No □ Don’t know |
| Providing and maintaining uniforms | □ Yes □ No □ Don’t know | □ Yes □ No □ Don’t know |
| Medical – nurses, school clinic, etc. | ☐ Yes ☐ No ☐ Don’t know | ☐ Yes ☐ No ☐ Don’t know |
| Other *(Describe below.)* | □ Yes □ No □ Don’t know | □ Yes □ No □ Don’t know |
| *Description of other support function for Restricted Rate.* |  | |
| *Description of other support function for Unrestricted Rate.* |  | |

**DEFINITION:** Indirect cost rate = Total indirect cost/Total direct cost base.

Programs are generally included in the direct cost base for an indirect cost rate when they are considered to benefit from the expenditure of indirect costs. For example, salaries of teachers are a direct cost of regular day instruction programs that may be included in the base of total direct costs for computing an indirect cost rate. An indirect cost of these programs might be payroll administration.

3d. ***For public LEAs,*** which of the following types of programs were included in the **base of direct costs** or the denominator for each type of indirect cost rate computed or approved by the SEA for SY2014-2015? *(Complete for each column that applies in your State. Check one response for each row in each column.)*

Information pre-filled for 2011-2012 is correct ☐

|  |  |  |
| --- | --- | --- |
|  | **Restricted Rate** | **Unrestricted Rate** |
|  | □ No restricted rates (skip rest of column) | □ No unrestricted rates (skip rest of column) |
| Regular day instructional programs | □ Yes □ No □ Don’t know | □ Yes □ No □ Don’t know |
| Special education programs | □ Yes □ No □ Don’t know | □ Yes □ No □ Don’t know |
| Occupational or career/technical day programs | □ Yes □ No □ Don’t know | □ Yes □ No □ Don’t know |
| Adult education | □ Yes □ No □ Don’t know | □ Yes □ No □ Don’t know |
| School lunch program and other food service | □ Yes □ No □ Don’t know | □ Yes □ No □ Don’t know |
| U.S. Dept. of Education programs not listed above | □ Yes □ No □ Don’t know | □ Yes □ No □ Don’t know |
| Other Federal programs not listed above | □ Yes □ No □ Don’t know | □ Yes □ No □ Don’t know |
| State programs not listed above | □ Yes □ No □ Don’t know | □ Yes □ No □ Don’t know |

3e. *(Ask if “Yes” for “School lunch program and other food service” for either restricted or unrestricted rate)* ***For public LEAs,*** which of the following types of food service costs are included in the **base of direct costs** or denominator for each type of indirect cost rate computed or approved by the SEA for SY2014-2015? *(Complete for each column that applies in your State. Check one response for each row in each column.)*

|  |  |  |
| --- | --- | --- |
|  | **Restricted Rate** | **Unrestricted Rate** |
|  | □ No restricted rates (skip rest of column) | □ No unrestricted rates (skip rest of column) |
| Salaries and wages | □ Yes □ No □ Don’t know | □ Yes □ No □ Don’t know |
| Purchased food | □ Yes □ No □ Don’t know | □ Yes □ No □ Don’t know |
| USDA donated foods | □ Yes □ No □ Don’t know | □ Yes □ No □ Don’t know |
| Employee benefits and payroll taxes | □ Yes □ No □ Don’t know | □ Yes □ No □ Don’t know |
| Workers’ compensation | □ Yes □ No □ Don’t know | □ Yes □ No □ Don’t know |
| Supplies and expendable equipment | □ Yes □ No □ Don’t know | □ Yes □ No □ Don’t know |
| Equipment rental | □ Yes □ No □ Don’t know | □ Yes □ No □ Don’t know |
| Energy (gas, oil, or electricity) | □ Yes □ No □ Don’t know | □ Yes □ No □ Don’t know |
| Water or sewer | □ Yes □ No □ Don’t know | □ Yes □ No □ Don’t know |
| Communications (phone, internet) | □ Yes □ No □ Don’t know | □ Yes □ No □ Don’t know |
| Insurance( liability, auto, etc.) | □ Yes □ No □ Don’t know | □ Yes □ No □ Don’t know |
| Other purchased services (accounting, legal, travel etc.) | □ Yes □ No □ Don’t know | □ Yes □ No □ Don’t know |
| Other *(Describe below.)* | □ Yes □ No □ Don’t know | □ Yes □ No □ Don’t know |
| *Description of other type of costs for Restricted Rate.* |  | |
| *Description of other type of costs for Unrestricted Rate.* |  | |

3f. ***For public LEAs***, are salaries for the following types of personnel ever included — entirely or in part — in the pool of indirect costs for either type of indirect cost rate computed or approved by the SEA for SY2014-2015? *(Complete for each column that applies in your State. Check one response for each row in each column.)*

Information pre-filled for 2011-2012 is correct ☐

|  |  |  |
| --- | --- | --- |
|  | **Restricted Rate** | **Unrestricted Rate** |
|  | □ No restricted rates (skip rest of column) | □ No unrestricted rates (skip rest of column) |
| Teachers | □ Yes □ No □ Don’t know | □ Yes □ No □ Don’t know |
| Teachers’ aides | □ Yes □ No □ Don’t know | □ Yes □ No □ Don’t know |
| Educational specialists | □ Yes □ No □ Don’t know | □ Yes □ No □ Don’t know |
| School administrative personnel (includes principals, assistant principals, office personnel etc. | □ Yes □ No □ Don’t know | □ Yes □ No □ Don’t know |
| Pupil support personnel (guidance counselors, social workers, nurses etc) | □ Yes □ No □ Don’t know | □ Yes □ No □ Don’t know |
| Cooks and other cafeteria workers | □ Yes □ No □ Don’t know | □ Yes □ No □ Don’t know |
| Foodservice administrative or food warehouse/transportation workers | □ Yes □ No □ Don’t know | □ Yes □ No □ Don’t know |

3g. Please explain the situations when salaries for any of the types of ***public LEA*** personnel listed above are included, entirely or in part, in the pool of indirect costs for the restricted or unrestricted indirect cost rate.

**4. Please provide indirect cost rates for the following LEAs for SY2014-2015.** You may attach or email a complete listing of indirect cost rates for all LEAs in your State if you prefer.

|  |  |  |
| --- | --- | --- |
| **Sampled LEAs** | **Restricted rate** | **Unrestricted rate** |
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**END OF SURVEY.**

That was our last question. Thank you for providing this information for the ***School Nutrition and Meal Cost Study***. We will review this questionnaire, and if any further clarification is needed, we will call and review the questions and your responses with you. If you have any questions about the study, please call us toll-free 855-XXX-XXXX or send an email to **SNMCS@abtassoc.com**.

**Prepared by Mathematica Policy Research and Abt Associates**