



**STATE OF SOUTH CAROLINA  
DEPARTMENT OF EDUCATION**

**MOLLY M. SPEARMAN**  
*STATE SUPERINTENDENT OF EDUCATION*

**MEMORANDUM**

**TO:** District Superintendent/CATE Director

**FROM:** Melissa A. Myers, Audits Manager  
Office of Auditing Services

**DATE:** May 6, 2016

**RE:** Indirect Cost Proposals FY 2016–17

Enclosed are copies of the restricted and unrestricted Indirect Cost Proposals for local educational agencies for fiscal year 2016–17. The carry-forward computation for each rate type is also included.

Please note that fiscal year 2015-16 was the last fiscal year that the SCDE calculated a separate food service indirect cost rate. Please ensure that you have adjusted your chart of accounts in accordance with correspondence distributed by the SCDE on February 4, 2015 in regards to new accounts that have been established for the Heads of Component Units, Subawards, and Food Service Direct Purchased Services.

Please review the general information instruction packet located at <http://ed.sc.gov/finance/auditing/indirect-cost-resources/fy-2016-2017/scde-fy-2016-2017-indirect-cost-rates-proposals-general-information/> (see attached). Verify totals on the enclosed proposals to ensure that each amount agrees with your 2014–15 audit report.

**If the attached figures are incorrect, please insert the correct figures in the appropriate column in red and recalculate the rate.**

**Sign the certification for each rate type, scan, and e-mail to [auditing@ed.sc.gov](mailto:auditing@ed.sc.gov).** Certified copies of all rates will be returned to you within two weeks of the receipt of your proposals.

The deadline for submission is Friday, June 3, 2016. If you have any questions, please contact me at 803-734-8453 or [mmyers@ed.sc.gov](mailto:mmyers@ed.sc.gov).

MAA/dlw  
Enclosures

cc: School Business Official (Memo Only)  
Nancy Williams, CPA, Director, Office of Auditing Services