COURSE SYLLABUS

Developing and Negotiating Indirect Cost Rates Course (Self-Paced)

This course teaches professionals how to build, justify, negotiate, and manage indirect cost rates under federal awards. Participants learn how to develop defensible rate proposals, navigate negotiations with cognizant agencies, and manage indirect cost recovery in ways that support compliance, sustainability, and audit readiness.

> Group classes in Live Online and onsite training is available for this course. For more information, email onsite@graduateschool.edu or visit: https://www.graduateschool.edu/courses/developing-and-negotiating-indirect-cost-rates-course-self-paced

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Course Outline

Module 1: Purpose and Role of Indirect Costs in Federal Awards

- Purpose of indirect cost recovery and its role in supporting compliance, governance, and program delivery.
- Distinction between direct and indirect costs under 2 CFR 200.
- Risks associated with under-recovery and over-recovery of indirect costs.

Module 2: Regulatory Framework and Policy Authority

- Overview of 2 CFR 200 Subpart E and federal cost principles.
- Standards of cost allowability, allocability, and reasonableness.
- Responsibilities of cognizant agencies and regulatory requirements for rate approval.

Module 3: Building the Indirect Cost Pool and Allocation Base

- Identifying allowable indirect cost pools that support multiple programs.
- Selecting logical allocation bases that distribute shared costs fairly.
- Avoiding double counting, misclassification, and weak allocation methodologies.

Module 4: Developing the Indirect Cost Rate Proposal

- Components of a complete indirect cost rate proposal.
- Required schedules, narratives, and supporting documentation.
- Understanding provisional, final, and fixed rate structures and submission timing.

Module 5: Negotiation Strategy and Cognizant Agency Dynamics

- Understanding how cognizant agencies evaluate indirect cost rate proposals.
- Common negotiation challenges and documentation expectations.
- Communicating cost rationale clearly during rate negotiations.

Module 6: Audit Risk, Findings, and Defensibility

- Common audit findings related to indirect cost practices.
- Documentation auditors expect to support rate development and application.
- Linking indirect cost practices to financial systems, policies, and internal controls.

Module 7: Managing Approved Rates Across the Award Lifecycle

- Applying negotiated indirect cost rates consistently across federal awards.
- Managing multiple rates, funding streams, and organizational changes.
- Handling rate revisions, extensions, and award closeout considerations.

Module 8: Capstone Simulation — Developing and Negotiating Indirect Cost Rates

- Selecting an appropriate indirect cost methodology for an organizational scenario.
- Identifying cost pools and allocation bases for a defensible rate proposal.
- Preparing documentation and negotiation strategies suitable for cognizant agency review.