

Planning and Program Development Department

COST ALLOCATION PLAN / INDIRECT RATE REFERENCE PACKET

This packet is a reference tool when preparing a Cost Allocation Plan / Indirect Rate for submission to AHFC. It includes descriptions of what should be contained within the plan, OMB Uniform Guidance, as well as a sample for reference.

A Grantee must submit to AHFC a Cost Allocation Plan or an Indirect Rate, in accordance with the Grants Management Regulations 15 AAC 154.776 Cost Allocation and with the OMB Uniform Administrative Guidance 2 CFR 200.414(e), (f), and (g) Indirect Costs for Federal grant funds. The indirect cost options include a cost allocation plan, de minimis indirect rate and a negotiated indirect rate.

NO PAYMENTS WILL BE MADE UNTIL THE COST ALLOCATION PLAN / INDIRECT RATE IS RECEIVED AND APPROVED BY AHFC.

1. The Cost Allocation Plan (see 15 AAC 154.776 and 2 CFR 414(e)) must explain the logic and methodology of identifying, measuring, and allocating expenses among the Grantee's activities, programs, and / or departments, as appropriate. The allocation may not result in payments to the Grantee from all funding sources which exceed the amount owed for such expenses. Any change in the cost allocation plan must be approved in writing by AHFC. The Cost Allocation Plan must provide evidence that it is the Grantee's duly authorized Cost Allocation Plan. Such evidence can include the Cost Allocation Plan appearing on Grantee letterhead, signed by the Executive Director or a duly authorized representative of Grantee.

A Cost Allocation Plan could include, but may not be limited to:

- A. General overhead of the Grantee, contractors or subcontractors, if charged to this grant;
- B. Managerial, administrative or support personnel costs, if charged to this grant;
- C. Direct service / production personnel, if their time is charged to this grant and non-grant activities;
- D. Any costs that are not directly attributable to the delivery of this grant's scope of services if these costs are charged to this grant; and / or,
- E. All costs funded by this grant, if the grant funds more than one activity, program, or department.

2. A De Minimis Indirect Cost Rate (see 2 CFR 200.414(f));

3. A Federally approved Negotiated Indirect Cost Rate (see 2 CFR 200.414(g)).

Approved:

AHFC Grant Management Signature

Date