

## Attachment F: Allowable Costs

Determinations of cost allowability are based on principles found in the Federal OMB Cost Principles (A-87). Costs must meet certain criteria to be allowable. The costs must be reasonable, necessary, and conform to limitations set forth in legislation, regulation, or circulars. They must be consistent with the grantee's policies and procedures such as agency procurement policies. Grantees are required to determine and adequately document costs in accordance with Generally Accepted Accounting Principles (GAAP). Failure to follow these principles may result in an inappropriate use of Federal funds; as the result of an audit finding or questioned cost, the grantee may have to repay the funds or incur a financial penalty.

Total project budget should include all the funds to be utilized for the project.

**Administrative Costs are NOT allowed under this grant. Administrative Costs may be used as match only.**

**Space costs are NOT allowed under this grant.**

**No Supplanting:** Funds must be used as an addition to existing funds for the program and not replace funds which have been appropriated, designated or come from parent fees for current program operation.

### **Grantee may use funds for the following:**

1. **Equipment and supplies:** All equipment purchases over \$5,000 are considered capital expenses, which are not allowed under this Grant.
2. **Materials:** Materials and supplies used to conduct the program are allowable. Purchase of televisions, VCRs, DVD players, computers, or motor vehicles are not allowed. Grant funds may not be used to purchase used equipment from any source.
3. **Training:** Registration fees for approved (by W&FL) training for direct-labor employees offered through the statewide Utah Higher Education Institutions and professional association conferences are allowable.
4. **Travel:** Travel shall be reimbursed according to the then current State per diem policy. Out-of-State travel must be pre-approved by the Department prior to Grant award.
5. **Personnel:** Full and part-time program staff costs. Salaries and benefits for group leaders and/or directors (working specifically on the objectives of the grant or contract— i.e. direct labor costs) are allowable. Salary or wages for time spent attending training or meetings required by the Grant are allowable.
6. **Consultant fees** for services contracted to accomplish specific grant/contract objectives.