

ATTACHMENT V

Uniform Grant Management Standards Allowable Costs

Document Overview: This Attachment serves as a quick reference for allowable cost per the Uniform Grant Management Standards published by the Governor's Office of Budget and Planning, June 2004. The attachment also identifies restrictions on the expenditure of general revenue for selected items which require the prior approval of the DADS Contract Manager. DADS grants the LA approval for selected items, identified in this attachment that are purchased with contract funds when directly related to IDD services or properly allocated. This document is not a substitute for the published copy of UGMS nor does it address program income. Approval of the budget does not constitute prior approval of the selected items of cost. Refer to UGMS for the detailed description of allowable costs. As specified, certain items require the prior approval of DADS. Contact your DADS contract manager regarding these restricted items.

Item Of Cost	UGMS Item Number	UGMS Section & Page	Status	Restrictions	Additional Information
Accounting	1	II B 18	Allowable		
Advertising	2	II B 18	Allowable	<p>Allowable only for recruitment of personnel, the procurement of goods and services, or disposal of surplus equipment.</p>	<p>Unallowable-(1) All advertising and public relations other than those specified in subsection c, (2) cost of conventions, meetings and other activities including (a) cost of displays, demonstrations, and exhibits, (b) cost of meeting rooms, hospitality suites, (c) salary and wages for above, (3) cost of promotional items, (4) promotion of the government unit, (5) publicizing or directing attention to official or employee, and (6) cost of influencing outcome of an election.</p>
Public relations	2	II B 18	Allowable	<p>Allowable if 1) specifically required by grant, (2) Incurred to communicate with public and press pertaining specific grant activities, or (3) necessary to keep the public informed on matters of public concern.</p>	
Advisory councils	3	II B 19	Allowable	<p>Allowable when authorized by awarding agency or as an indirect cost.</p>	
Alcoholic beverages	4	II B 19	Unallowable		

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Audit services	5	II B 19	Allowable	Allowable for audits in accordance with OMB A-133.	Other audit services are allowable when approved by awarding agency.
Automatic electronic data processing	6	II B 19	Allowable	Expenditures of 8% of allocated IDD general revenue, up to \$100,000, are allowable without DADS approval for automatic data processing equipment which includes computer hardware and software, whether by outright purchase, rental-purchase agreement or other method of purchase.	See capital equipment - item 20.
Bad Debts	7	II B 19	Unallowable		
Bonding cost	8	II B 19	Allowable	Expense must be in accordance with sound business practice.	
Budgeting cost	9	II B 19	Allowable		
Communications	10	II B 19	Allowable		
Personnel	11	II B 19	Allowable	Generally wages, salaries and fringe benefits are allowable . There are restrictions - See UGMS, Sec 11, page 19 and section h.	Unallowable costs in other sections are not allowable in this section.
Construction	12	II B 25		Must have prior written approval of the awarding agency. Prior approval is granted for expenditures for the acquisition and construction of real and personal property conducted according to THSC §§534.020-534.022.	
Contingencies	13	II B 25	Unallowable	Unallowable for occurrences which cannot be foretold.	Excludes contributions for self-insurance, pension plan reserves and health benefit reserves which are allowable .

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Contributions, donations	14	II B 25	Unallowable		
Legal expense	15	II B 25	Allowable	Allowable if required in the administration of the program.	Unallowable if for the defense of any civil or criminal fraud proceeding or for cost incurred by a contractor in connection with any criminal, civil or admin proceeding by U.S. Government per 10 U.S.C. 2324(k).
Depreciation use allowance	16	II B 25	Allowable	Allowable with restrictions.	See section 16, II B 25.
Disbursing service	17	II B 27	Allowable		
Employee morale health and welfare	18		Allowable	Income generated from these activities offset expense.	
Entertainment	19		Unallowable		
Equipment, capital expenditures	20		Allowable	Allowable as a direct expense when approved by the awarding agency. Expenditures of 2% of IDD general revenue, up to \$100,000, are allowable for purchases of vehicles without prior approval.	See section 20, II B 27.
Fines and penalties	21	II B 28	Unallowable		
Fund raising	22	II B 28	Unallowable		
Investment management cost	22	II B 28		Unallowable if to enhance income from investments. Allowable if associated with investments for pensions, self-insurance or other funds which include state or federal perception.	

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Gains and losses	23	II B 28		Gains and losses from disposition of depreciated equipment are generally added or deducted from the equipment and are not directly charged against the grant.	See section 23, II B 28.
General government expense	24	II B 29	Unallowable		
Idle facilities Idle capacity	25	II B 29	Allowable	Generally unallowable except when necessary to meet fluctuation in workload or as a normal cost of doing business.	
Insurance and indemnification	26	II B 30	Allowable	Actual losses which could have been covered by insurance are unallowable . Contributions to a self-insurance reserve are allowable subject to restrictions.	See section 26, II B 30.
Interest	27	II B 31	Unallowable	Unallowable except financing charges and interest are allowable if associated with the allowable costs of building acquisition, construction, reconstruction or remodeling.	See section 27, II B 31.
Lobbying	28	II B 32	Unallowable		
Maintenance, operations and repairs	29	II B 32	Allowable		
Materials and supplies	30	II B 32	Allowable		

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Memberships, subscriptions and professional activities	31	II B 32	Allowable	Memberships and subscriptions in business, technical and professional organizations are allowable. Cost of meetings and conferences where the primary purpose is the dissemination of technical information, including rent and transportation are allowable. The cost of membership in civic and community social organizations is allowable with approval. The cost of meals or beverages or both, incurred while sponsoring or hosting a meeting or conference is <i>NOT allowable</i> .	
Motor pools	32	II B 33	Allowable		
Pre-award costs	33	II B 33	Allowable	Cost are allowable only if incurred after the date of the award and only with written approval of the awarding agency.	
Professional and consultant cost	34	II B 33	Allowable	Expenditures up to 1% of the general revenue allocation are allowable for management studies by third parties to improve the effectiveness and efficiency of the LA, without prior approval of DADS.	
Proposal cost	35	II B 33	Allowable	May be charged directly with prior approval of awarding agency.	
Publication and printing cost	36	II B 33	Allowable		
Rearrangement and alternations	37	II B 33	Allowable		

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Reconversion costs	38	II B 33	Allowable	Allowable subject to prior approval of the awarding agency.	
Rental costs	39	II B 33	Allowable	Rental or lease expenditures on buildings and related facilities up to the market value of the lease space are allowable . Other restrictions apply.	See section 39, II B 33.
Security deposits	40	II B 34	Allowable		
Taxes	41		Allowable		
Training	42		Allowable	Allowable for employee development.	
Travel costs	43		Allowable	Restrictions apply.	See section 43, II B 34
Under recovery	44	II B 35	Unallowable	Any excess costs over the federal or state contribution under one award agreement are unallowable under other award agreements.	