

Montana Coalition Against Domestic and Sexual Violence (MCADSV)

Cost Allocation Plan

2019-2020

Purpose/General Statements:

The purpose of this cost allocation plan is to summarize, in writing, the methods and procedures that MCADSV will use to allocate costs to various programs, grants, contracts, agreements and unrestricted funds (funds).

Per the new Omniscircular effective for agencies after 12/26/14 (formerly known as the OMB Circular A-122, "Cost Principles for Non-Profit Organizations,") establishes the principles for determining costs of grants, contracts, and other agreements with the Federal Government. MCADSV's Cost Allocation Plan is based on the Direct Allocation method described in the OMB Super Circular for the Single Audit. The Direct Allocation Method treats most costs as direct costs except general administrative and overhead expenses. General expenses not allocated on the basis of a direct benefit received are accumulated in an administrative expense fund and allocated to programs on a rational and consistent basis. The Administrative Pool, DV Pool, Non-Direct Services Pool, and Training Pools are all allocated pools developed to support the rational and consistent basis, they will either be allocated based on distribution of labor hours or by percentage of funding.

Allocated Direct Costs:

Direct costs are those costs that can be specifically identified to a particular fund. The entire cost may be identified to the fund, or it may be charged to more than one fund based upon an allocation basis that bears a direct relationship to the benefit received by each fund.

Allocable Costs:

Allocable costs are those costs that have been incurred for common or joint objectives and cannot be readily identified with a particular fund. The allocable pool for these expenses includes most general expenses to operate the Coalition. Examples include general administrative personnel and related costs, fiscal personnel and related costs, general supplies, postage, copier expenses, monthly telephone and internet charges, general liability insurance, and any other costs that cannot be identified to a particular fund.

Each month, these actual expenses are allocated using a basis most appropriate for the cost being prorated. The allocation basis selected for each joint cost produces an equitable distribution to

programs, grants, contracts, agreements and unrestricted funds, and is established in accordance with reasonable criteria and is supported by current data. Following is a listing of typical costs and the basis for allocating each:

Salaries and fringe benefits

All employees prepare after-the-fact time and attendance reports on semi-monthly timesheets. These timesheets provide the basis of all salary and fringe benefit charges to the grants. Salaries and fringe benefits specifically identified to a fund (grant) are charged accordingly. Salaries and fringe benefits for administrative and fiscal staff are allocated according to hours worked in program area and are collected in the administrative expense pool.

Office space

The Coalition rents space in Helena, Montana. Each month, the office space rent (and parking permits) is allocated to all funds based upon the cost of square footage per space occupied. Office space for administrative and fiscal staff is also allocated on a square footage basis according to hours worked in programs and is collected in the administrative expense pool prior to the allocation for all programs.

Audit, accounting and other consulting costs

Audit, accounting and other consulting expenses are costs incurred for common objectives and are necessary for the overall operation of the Coalition. As such, these costs will be consistently allocated according to the relative benefit received and will be distributed equitably across the organization. Administrative and fiscal staff accounting and auditing costs are collected in the administrative expense pool based on hours worked in program area. In 2013 a percentage by fund cost pool was developed for activities that are more equitably allocated based on a percentage of funding rather than labor hours at a specific point in time. This includes costs for moving expenses and other activities that are more difficult to identify and allocate based on labor hours.

Telephone and internet

Administrative and fiscal staff telephone expenses are charged to the administrative expense pool based on hours worked in program area. Program staff telephone expenses are charged to the based on labor hours.

NOTE:

The Montana Coalition Against Domestic and Sexual Violence has minimal allocable costs charged to the unrestricted fund. Salaries are charged to unrestricted if the work done for that salary is considered an unallowable cost to a grant (i.e. lobbying and fundraising) and any other costs that are associated with these activities.