**Exhibit A – Allowable Costs**

 **The purpose of this exhibit is to:**

1. Provide further guidance on the allowable and unallowable costs for this grant.
2. Define the budget and expenditure categories available for reporting allowable direct costs in the Early Intervention Grants System (EIGS).

**Allowable Costs**

**Indirect Costs**

USDOE requires grants with a no supplant provision, such as Part C (34 CFR 303.225c) to follow specific regulations for indirect costs, which are contained in EDGAR 34 CFR 76.560-76.580. Subrecipients choosing to charge indirect costs to this grant shall follow Section 1.5 of the Agreement.

Indirect Costs. Indirect costs charged to the Grant shall be in accordance with 34 CFR 303.225(c) and 34 CFR 76.560-76.580. The maximum amount of indirect costs charged to the grant shall be determined by the following formula:

Indirect costs= (Restricted indirect cost rate) x (Base)

Base: Total direct costs excluding capital expenditures (including equipment as defined in this Section), alterations and renovations, food purchases, personal service contracts and subawards in excess of $25,000 per subcontract/subaward, previously charged indirect costs and flow through funds.

Subrecipients with USDOE as their cognizant agency shall use the Restricted Indirect Cost Rate (RICR) approved by the Ohio Department of Education (ODE) to charge indirect costs to the grant. Subrecipients submitting a provisional rate with their budget are required to upload their final rate approval letter from ODE by June 1, 2022. All indirect costs charged to the grant using the provisional rate shall be reconciled with the final rate no later than June 24, 2022. If necessary, Subrecipients shall request budget modifications and enter offsets in EIGS as needed to ensure that the total amount charged to indirect costs aligns with the final rate approved by ODE.

For Subrecipients that do not have USDOE as their cognizant agency, the RICR is 8%. Subrecipients charging indirect costs are required to submit documentation in EIGS in accordance with Section 3.2 of the Agreement.

# **Direct Costs**

Grant funds shall be used in accordance with 34 CFR §303.501 (Use of Funds) to provide service coordination as defined in 34 CFR §303.34, evaluation and assessment as defined in 34 CFR §303.321, other costs related to providing these mandated activities, and early intervention child find outreach activities in accordance with 34 CFR 303.302. Direct costs for providing these services shall be charged in accordance with Office of Management and Budget Uniform Guidance 2 CFR 200, as adopted by the USDOE in 34 CFR EDGAR. Allowable direct costs:

1. Meet the purpose of this grant as outlined in the grant agreement.
2. Are given consistent treatment. (A cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.)
3. Must not be included as a cost, or used to meet cost sharing or matching requirements, of any other federally-financed program in either the current or a prior period.
4. Are adequately documented.
5. Are reasonable.

**Allowable costs may be allocable:**

If a cost benefits two or more projects or activities in proportions that can be determined without undue effort or cost, the cost must be allocated to the projects based on the proportional benefit. The method and calculation for this proportion must be documented.

**Allowable Direct Cost Examples**

|  |  |  |  |
| --- | --- | --- | --- |
| **Uniform** **Guidance** **Section**  | **Uniform Guidance Section Title** | **Applicable EIGS** **Expense Category** | **Examples** |
| 200.421 | Advertising | Other | Recruitment or procurement, such as running an ad to hire a service coordinator or evaluator. Advertising for the purpose of child find is allowable. Advertising for the purpose of central coordination activities is unallowable.  |
| 200.430 | Compensation -Personal Services | Personnel | Salary |
| 200.431 | Compensation ‐Fringe Benefits | Personnel | Health Insurance |
| 200.432 | Conferences | Other  | Conference fees for grant related professional development |
| 200.439 | Equipment | Equipment | Surface Pro with unit cost >$1000 |
| 200.452 | Maintenance and repair costs | Other | Repairs to a grant funded Surface Pro |
| 200.453 | Materials and supplies costs, including costs of computing devices | Supplies | Paper, booklets, iPads, laptops, where per unit cost is <$1000, Battelle and Bayley evaluation materials |
| 200.454 | Memberships, subscriptions and professional activity costs | Other | Professional certifications such as Division of Early Childhood, Infant & Child Journals, Battelle and Bayley subscriptions |
| 200.456 | Participant Support Costs | Client Expense | Transportation cost for family to see an audiologist |
| 200.459 | Professional Service Costs | Contracts | Service coordination contracts, interpreters to support the provision of the services provided in accordance with this Agreement |
| 200.461 | Publication and printing costs | Supplies | Printing |
| 200.463 | Recruiting Costs | Other | Advertisement to recruit staff |
| 200.471 | Telecommunication costs and video surveillance Exceptions to these allowable costs are found in 2 CFR 200.216 | Utilities/ Phone Service | Phones, internet & cell phone service |
| 200.473 | Training and education costs | Training | Dr. Solomon's P.L.A.Y training |
| 200.474 | Transportation costs | Supplies | Stamps, FedEx, USPS services |
| 200.475 | Travel costs | Travel | Mileage, transportation, lodging, meal per diem for employees |