

ALLOWABLE & UNALLOWABLE COSTS

The grantee may use grant funds solely for approved project activities and in accordance with the approved project budget. The grantee shall adhere to cost principles established by the Office of Management and Budget (OMB) in Circular A-122, which can be found online at <http://www.whitehouse.gov/omb/circulars/a122/a122.html>. Circular A-122 provides, in greater detail, allowable and unallowable costs as defined by the OMB for recipients of Federal funding.

The following is a summary of National CASA grant budget categories and an abbreviated description of allowable costs.

SALARIES

Costs detailed in your approved grant budget. Salary costs associated with separation from employment are allowed as long as it is consistent with the organization's written policies regarding separation from employment.

PAYROLL TAXES

Costs associated with Federal, state, and local payroll taxes; such as FICA, workers compensation, and unemployment insurance. Grant funds may also provide a reserve under a self-insurance program for unemployment or workers compensation to the extent that the provisions represent reasonable estimates of liabilities for such compensation and that rates and premiums would have been allowable had insurance been purchased. However, provisions for self-insured liabilities which do not become payable for more than one year after the provision is made shall not exceed the present value or the liability.

EMPLOYEE BENEFITS

Costs detailed in your approved grant budget. Expenses must be consistent with your organization's written policies regarding employee benefits.

TRAVEL

Costs detailed in your approved grant budget. Travel costs are those expenses for transportation, lodging, subsistence and related items incurred by employees or volunteers while on official business for the organization. These costs may be charged on an actual basis, per diem or mileage basis, or a combination of the two. If actual costs are higher than per diem, then the per diem rate is the highest allowable cost. These costs must be reasonable and consistent with the organization's regular operations. Airfare must be coach class.

PRINTING

Costs detailed in your approved grant budget. Costs may include printing of training materials.

SUPPLIES

Costs detailed in your approved grant budget. Costs may include small furniture, training supplies, and postage. Recruitment/outreach items are limited to \$500 maximum.

EQUIPMENT

Costs detailed in your approved grant budget. Computer equipment is limited to \$2,000.00 and may include software, printer, LCD project and digital camera. Copier machines shall not be purchased with grant funds. May also include costs incurred for the necessary repair, maintenance and upkeep of equipment.

RENT/UTILITIES

Costs detailed in your approved grant budget. Expenses may include communication costs such as telephone costs for local and long distance service, additional phone services, internet service provider fees and facsimile fees

OTHER

Costs detailed in your approved grant budget. Other costs may include the following:

- **Professional Services**

Costs of professional and consultant services rendered by persons who are members of a particular profession or possess a special skill and who are not employees or officers of the organization. The reimbursement rate for such persons shall not exceed \$56.25 per hour, for a maximum of \$450 per day. A request for compensation over \$56.25 per hour requires prior approval from National CASA.

- **Accounting Services, Payroll Services, Audit**

These costs are allowable but must be prorated among other organizational funds in a reasonable manner. See audit requirements in the Terms and Conditions.

- **Insurance, Indemnification, Bonding**

These costs are allowable but must be prorated among other organizational funds in a reasonable manner.

- **Legal Services**

Legal costs are allowable on a case-by-case basis but require prior approval from National CASA.

- **Memberships, Subscriptions, Professional Activity**

Costs may include the cost of the organization's membership to civic, business, professional and technical organizations. Subscriptions to civic, business, professional and technical periodicals are also allowable. May also include costs to attend meetings and conferences sponsored by others whereby the primary purpose of the meeting is to disseminate technical information. These costs can include meals, transportation and other items incidental to such attendance, which should be obligated in the appropriate category, such as travel and other.

- **Advertising**

Costs incurred for the recruitment of volunteers through the media and for advertising job openings are allowable. Costs should be obligated in the appropriate category, such as printing or other.

- **Indirect rate**

Documented Federal Indirect Rate is capped at 15%

- **Training**

Costs may include items such as facility rental, speaker fees and other costs associated with training events. Food and beverages are unallowable costs with grant funds.

Expenses in any one category that exceed the approved budget amount in excess of \$500 require prior approval from National CASA. Prior approval must be requested before expenses are obligated.

UNALLOWABLE COSTS

- Bad Debts
- Bonuses
- Capital improvements
- Commissions
- Contingencies
- Contributions and donations
- Entertainment
- Fines, penalties and interest
- Food and beverages
- Fundraising
- Incorporation costs
- Lobbying
- Pre-award costs
- Recognition events and items
- Social activities