

Revised Administrative Cost Policy- November 2007

For Commission-funded programs, total Administrative Costs must not exceed 15% of the total grant budget. The 15% administrative cap also applies to all subcontractors. A lower threshold of 1 - 10% will apply to contracts with pass-through items such as stipends, reimbursements and subcontracts, with the percentage depending on the dollar amount of the pass-through.

Grantees must provide line-item detail for Administrative Costs in their grant budgets.

Administrative Costs may include: audit, insurance, administrative postage and reproduction, copier lease, administrative rent and utilities, pagers, landline and cell phone bills, janitorial services, and a portion of salaries and benefits for administrative staff (e.g. executive director, bookkeeper, MIS staff and receptionist).

The grantee must have a cost allocation plan that shows the percentages used to allocate Administrative Costs to the grant budget. Acceptable methods include allocating costs by number of FTEs working on the program or square footage used by program staff, or another methodology approved by Commission staff. The grantee must be prepared to present and explain the cost allocation plan during grant budget negotiations.

Exceptions to the policy will be considered on a case-by-case basis, and will require approval of Commission staff and the Fiscal Committee.

Implementation: This policy will be in effect for all contract budgets negotiated after July 1, 2008.