

**AGENDA ITEM # III.**

**FISCAL YEAR 2016**

**COST ALLOCATION PLAN**

**INDIRECT COST FORMULA**

**This Cost Allocation Plan has been prepared in accordance with OMB Circular A-87. It has been reviewed and approved by the Steering Committee, as represented by the local elected officials of the Five County Association of Governments.**

**The basis of cost allocation is direct personnel and fringe benefit costs. This basis provides the most fair allocation base for the Association's particular situation. This Plan includes:**

- 1. A certification by the Executive Director**
- 2. A list of the overhead limitation applicable to each grant involved**
- 3. A financial document sustaining rates proposed**
- 4. Audit Report FY 2014 - Combined Statement of Revenues and Expenditures**

**FIVE COUNTY ASSOCIATION OF GOVERNMENTS  
CERTIFICATE OF INDIRECT COSTS**

**This is to certify that I have reviewed the indirect cost rate proposal submitted herewith and to the best of my knowledge and belief:**

**(1) All cost included in this proposal dated May 23, 2014 are allowable in accordance with the requirements of the Federal award(s) to which they apply and OMB Circular A-87, "Cost Principles for State, Local, and Indian Tribal Governments". Unallowable costs have been adjusted for in allocating costs as indicated in the cost allocation plan.**

**(2) All costs included in this proposal are properly allocable to Federal awards on the basis of a beneficial or causal relationship between the expenses incurred and the agreements to which they are allocated in accordance with applicable requirements. Further, the same costs that have been treated as indirect costs have not been claimed as direct costs. Similar types of costs have been accounted for consistently and the Federal Government will be notified of any accounting changes that would affect the predetermined rate.**

**I declare that the foregoing is true and correct.**

**Governmental Unit: Five County Association of Governments**

**Signature:**

**Name of Official: Bryan D. Thiriot**

**Title: Executive Director**

**Date of Execution: \_\_\_\_\_, 2015**

**AGENDA ITEM # III. (Continued)**

**EXPLANATION OF ACCOUNT TITLES**

**Community Planning - U.S. Department of Commerce - Economic Development**

**Administration**

**Special Contracts - Flow-through monies and short-term contracts**

**Area Agency on Aging - Utah Department of Human Services**

**Weatherization – Housing and Community Development Division**

**Aging Waiver - Medicaid Waiver**

**CDBG - Community Development Block Grant**

**Child Care - Child Care Resource & Referral**

**Nutrition - Utah Department of Human Services**

**CSBG - Community Services Block Grant**

**RSVP - Retired Senior Volunteer Program**

**HEAT Assistance - Housing and Community Development Division**

**Volunteer Center – Washington County and Iron County**

**Senior Companion (SCP) - Corporation for National and Community Service**

**MPO Planning – Utah Department of Transportation**

**Transportation Program – Utah Department of Transportation**

**Foster Grandparent (FGP) - Corporation for National and Community Service**

**HOME Program - Housing and Community Development Division**

**United Way - United Way Dixie**

**SSBG - Social Services Block Grant**

**New Choices Waiver - Medicaid Waiver**

**St. George DPA - St. George City Down Payment Assistance Program**

**RPO Planning - Rural Planning Organization**

**TANF – Temporary Assistance for Needy Families**

**MSH - Mutual Self Help Housing Program**

**AGENDA ITEM # III. (Continued)**

**FIVE COUNTY ASSOCIATION OF GOVERNMENTS**

As required by A-87, the following is a listing of the overhead limitation applicable to each grant or contract that may be involved with the Five County Association of Governments cost allocation plan.

<b>Economic Development</b>	<b>None</b>
<b>Aging Waiver</b>	<b>Amount set by Contract</b>
<b>Aging / Nutrition</b>	<b>8.5% of total grant</b>
<b>Weatherization</b>	<b>10% of total grant</b>
<b>SSBG</b>	<b>10% of total grant</b>
<b>RSVP - FGP - SCP</b>	<b>Amount set by Contract</b>
<b>CDBG</b>	<b>10% of total grant</b>
<b>CSBG</b>	<b>10% of total grant</b>
<b>Case Management</b>	<b>15% of total grant</b>
<b>Child Care Resource &amp; Referral</b>	<b>10% of total grant</b>
<b>Transportation Planning</b>	<b>Amount set by Contract</b>
<b>New Choices Waiver</b>	<b>15% of total grant</b>
<b>MPO &amp; RPO</b>	<b>Amount set by Contract</b>
<b>United Way</b>	<b>Amount set by Contract</b>
<b>HEAT</b>	<b>Amount set by contract</b>
<b>Community Svs. Cont. Mgmt.</b>	<b>10% of total grant</b>
<b>Foster Grandparent</b>	<b>Amount set by Contract</b>
<b>Senior Companion</b>	<b>Amount set by Contract</b>
<b>RSVP</b>	<b>Amount set by Contract</b>
<b>MSH</b>	<b>Amount set by Contract</b>

### **AGENDA ITEM # III. (Continued)**

#### **STAFF SALARIES & EMPLOYEE BENEFITS**

Personnel costs are allocated on the basis of a monthly time sheet. The key factor is the total number of hours spent on work that is directly for a program. If an employee spends 100 percent of time on work for a specific program, the salary and fringe benefits for that period will be charged in total to that program. Should an employee do work for two or more programs, salary and fringe benefits will be allocated in the exact proportion that the hours spent indicate. Program directors must review and approve time sheets.

#### **ACCOUNTANT COSTS**

The accounting system is established as an all-inclusive system to all programs. For this reason, accountant costs cannot be charged directly to a specific program and are charged to administration.

#### **TRAVEL EXPENSE**

Travel expense will be charged according to the monthly travel sheet submitted. Travel is charged to the program for which the expense is incurred. Approval by program directors is required before payment. The AOG provides a pool of motor vehicles owned or leased by the AOG. Actual miles driven by each cost center is assessed at an established rate per mile. Per Diem and hotel costs are reimbursed as established by travel policies.

#### **PRINTING AND COPYING**

Printing of plans, covers of plans, forms, etc., are charged to the particular program. If a form is to be used by the Association of Governments as a whole, it is charged to administration. Control of copy costs is handled in the following manner: Each program has a specific account code which is entered into the copy machine each time a copy is made. Entering this code enables the machine to accurately account for each copy made and allocate that copy to a particular account. A special account code is used for administration costs. These are copies taken in the course of business of the association as a whole. A monthly meter reading of the machine indicates how many copies have been made by each account and expenses are broken out proportionately.

## ***AGENDA ITEM # III. (Continued)***

### **OFFICE FURNITURE AND EQUIPMENT**

When an item of equipment is purchased, its specific purpose is identified. That purpose is directly traceable to a program or to the association as a whole. A desk for the director of a program would be paid for and charged directly to that program.

### **OFFICE SUPPLIES**

Office supplies are charged to specific programs. All office supplies are purchased through various office suppliers, so as to take full advantage of sale prices and lower costs, and they are coded for each department for direct costing.

### **SPACE COSTS**

Rent is charged to the specific program as the space is used. If the landlord puts a value on the particular room used, that cost is charged. If a section of a building is rented as a whole and several departments use it, the rent cost is allocated by square feet of usage with a factor to allow for quality. Space for the Executive Director's office, or for a joint reception area and conference room, cannot be charged directly to any program without going to an unjustifiable length in allocation. These costs, therefore, are charged to administration.

### **COMMUNICATIONS**

Fixed phone charges are allocated by equipment usage or the same way that the charges are billed. Long distance or toll charges are billed as used and charged to appropriate accounts. Equipment used by the Executive Director and toll charges incurred by him in the course of association business will be charged to administration.

### **POSTAGE**

Postage use is controlled by a postage meter. Each program has a specific account code which is entered into the postage meter each time mail is processed. Entering this code enables the machine to accurately account for the amount of postage used by each program. A monthly meter reading of the machine indicates the amount of postage incurred by each account and expenses are allocated proportionately.

## **AGENDA ITEM # III. (Continued)**

### **AUDITING**

Because of the structure of the Association of Governments, it is nearly impossible to audit one program without auditing them all. The association operates out of a general bank account; it has one employer identification number; and it is considered the employer of all employees. The costs of audit under conditions of OMB Circular A-133 are charged to administration.

### **FISCAL MANAGEMENT**

The association's payroll management system is maintained by computer. Fiscal management services are purchased from Hinton Burdick Hall & Spilker, PLLC, and charged to Administration.

### **OTHER COSTS**

This expense category is designed for those types of expenses that may occur through the course of the accounting period that are necessary but not considered "normal." The organization could possibly go through the period without incurring this type of expense, but because of the number of different things involved that could happen, one or more surely will. Upgrades to the computer server, fax machine, repair and maintenance of equipment, etc., are examples. These expenses are charged to the program they benefit or to administration, if all programs are benefitted.

### **APPLIED ADMINISTRATION COSTS**

All costs not directly chargeable to a specific program are charged to administration. These costs include the salary, fringe benefits, clerical costs, and expenses of the Executive Director and support staff. Other costs that are not directly chargeable are also included and charged under the heading of administration costs. The net of all administration costs are applied across the board by the use of a single composite rate. This rate is the ratio of net administration on common costs divided by total direct personnel costs.

# AGENDA ITEM # III. (Continued)

## FIVE COUNTY ASSOCIATION OF GOVERNMENTS INDIRECT COST ALLOCATION PLAN FY 2018

	Admin	Home Program	Home Program Admin	Home Program	AAA	Weath.	BSYP	Vol. Ctr Iron	CCBER	Nutrition	HEAT	Mob. Mgmt	Vol. Ctr Wash.	Frontier Grand	Rural Foster Gr	United Way	HS Trans. Planning	Disse MPO	Senior Comp.	CSBG	Iron Co. RPO	FOYC	New Choices Waiver	St. Geo. DPA	Critical Needs Handling	TANF	Mutual Self Help	Total	
Salaries	177,546	33,597	2,358	29,857	44,572	302,012	71,646	4,903	217,662	6,458	200,179	76,082	19,113	20,854	37,488	16,590	11,893	156,395	20,210	86,839	17,608	15,997	165,520	8,729	1,887	31,204	24,133	1,772,270	
Fringe Benefits	84,433	10,170	1,425	12,008	32,865	216,111	56,640	5,088	121,364	3,194	99,361	15,075	12,457	17,588	28,404	1,647	7,441	84,091	15,000	47,756	8,704	1,402	66,870	6,913	572	3,509	13,131	969,046	
Travel	4,144																												
Current Expenditures	93,676																												
Equipment	1,406																												
TOTAL	361,205	45,717	3,783	41,865	77,437	518,123	128,286	9,991	339,026	9,652	299,480	41,137	31,570	38,442	60,892	18,237	19,314	240,486	35,210	134,595	26,312	17,389	232,390	15,642	2,459	14,712	37,264	2,681,316	
Less Allowable Costs	0																												
Allowable Admin Exp.	361,205																												

Indirect cost rate calculated by dividing allowable administration costs of \$361,205 by \$2,681,316 which equals 13.47% in accordance with OMB Circular A.87.

% of Admin  
Costs  
Other Fund  
Salaries  
and Fringe  
13.47%

Total  
Salaries  
and Fringe  
Including  
Admin  
2,943,295

**AGENDA ITEM # III. (Continued)**

**Five County Association of Governments  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
All General Funds  
For The Year Ended June 30, 2014**

	<u>Fund 1</u>	<u>Fund 2</u>	<u>Fund 3</u>	<u>Fund 4</u>	<u>Fund 5</u>	<u>Fund 6</u>	<u>Fund 7</u>	<u>Fund 8</u>	<u>Fund 9</u>
	<u>Administration</u>	<u>Waiver Admin</u>	<u>Home Program</u>	<u>Aging Waiver Services</u>	<u>Community &amp; Economic Dev.</u>	<u>Special Contracts</u>	<u>Area Agency On Aging</u>	<u>Weatherization</u>	<u>Retired Senior Volunteer Program</u>
<b>REVENUES:</b>									
State	\$	\$ 17,582	\$ 8,924	\$ 77,073	\$ 100,000	\$ 416,943	\$ 204,703	\$ 104,144	\$ 5,500
Federal		41,327			165,380	407,019	322,288	707,678	184,605
State Appropriations									
Indirect Cost Allocations	318,093								
County/Local Participation					91,275	38,873			500
Accrued (Unearned) Revenue		(743)	6,682		(33,219)	(5,549)		(5,552)	
Other					46,435	54,699		18,951	
<b>TOTAL REVENUES</b>	<b>318,093</b>	<b>58,166</b>	<b>15,606</b>	<b>77,073</b>	<b>369,871</b>	<b>911,985</b>	<b>526,991</b>	<b>825,221</b>	<b>190,605</b>
<b>EXPENDITURES</b>									
Director	48,281	12,993			17,930		44,572		13,678
Planner/Coordinator		3,112	2,358	29,857	145,644			54,144	43,476
Supervisor		11,313						206,384	
Secretarial	129,265	6,179					7,356	41,484	14,492
Payroll Taxes	16,786	2,194	297	2,953	15,515		4,951	30,065	6,657
State Retirement	28,580	3,764	408	4,166	29,410		8,674	52,095	11,636
Group Insurance	39,067	4,162	720	4,917	35,349		11,884	133,951	38,347
Total Payroll & Related Expense	261,979	43,717	3,783	41,895	243,848		77,437	518,123	128,286
Materials								145,716	
Fiscal Management	17,652								
Rent	20,666	512		1,002	2,570		1,257	31,158	7,680
Travel	4,144	8,369	1,159	3,906	12,740		10,676	33,545	1,950
Printing	5,274	404	33	574	3,655		772	953	1,535
Postage	3,708	21	9	170	1,741		475	866	1,961
Telephone	3,107	427	44	1,356	2,343		791	5,755	1,865
Office Supplies	2,573	113		366	1,318		181	5,691	1,161
Indirect Cost Allocation		4,730	454	6,832	29,262		9,293	33,161	15,394
Consultant/Contract Services		152		7,967	3,982			445	
Capital Outlay	1,406	464		57	1,170			25,855	741
County Council on Aging							424,492		
Other	40,696		10,124		4,344	916,743			30,032
<b>TOTAL EXPENDITURES</b>	<b>361,205</b>	<b>58,909</b>	<b>15,606</b>	<b>64,122</b>	<b>306,973</b>	<b>916,743</b>	<b>526,986</b>	<b>801,268</b>	<b>190,605</b>
Excess (Deficit) of Revenues Over Expenditure:	(43,112)	(743)		12,950	62,898	(4,758)	5	23,953	
TRANSFER FROM (TO) OTHER FUNDS	43,143	743		(10,027)	(50,030)	9,370	(86)		
OTHER FUNDING SOURCES/(USES)									
BEGINNING FUND BALANCE	3,377			6,128	406,870	9,663	7,868	158,033	
YEAR END FUND BALANCE	\$ 3,408	\$	\$	\$ 9,051	\$ 419,738	\$ 14,275	\$ 7,787	\$ 181,986	\$

See Notes to Financial Statements

**AGENDA ITEM # III. (Continued)**

<u>Fund 10</u> Human Services	<u>Fund 11</u> Volunteer Center-Iron Co	<u>Fund 13</u> Child Care R & R	<u>Fund 14</u> Nutrition	<u>Fund 15</u> Heat Assistance	<u>Fund 18</u> Mobility Management	<u>Fund 19</u> Volunteer Center-Wash Co	<u>Fund 20</u> Foster Grandparent	<u>Fund 21</u> Rural Foster Grandparent	<u>Fund 22</u> United Way Dixie	<u>Fund 24</u> H.S. Transp. Planning	<u>Fund 25</u> Transportation Planning
\$	\$	\$	\$ 312,234	\$ 412,229	\$ 6,875	\$ 4,000	\$ 5,500	\$ 171,058	\$	\$	\$ 10,000
		456,914	464,778		30,997		85,286			18,115	375,455
	7,514					93,670	40,858	100	22,840		43,999
				(834)						(13)	(24,724)
86	10,946	12,141	306,978								
86	18,460	469,055	1,083,990	411,395	37,872	97,670	131,644	171,158	22,840	18,102	404,730
	69	80,943	5,365		4,366	14,161	5,673	4,844		4,650	73,412
	4,834	119,581		42,698	21,419	4,952	8,369	27,282	16,590	7,283	82,983
		17,138		157,431	277						
			1,093				6,812	362			
	523	18,903	613	18,331	2,637	1,807	2,242	3,003	1,647	1,175	14,942
	765	32,692	1,117	20,681	3,116	3,305	3,575	4,849		1,951	24,455
	3,800	69,769	1,464	60,349	9,322	7,345	11,771	20,552		4,315	44,694
	9,991	339,026	9,652	299,490	41,137	31,570	38,442	60,892	18,237	19,574	240,486
			1,006,039	22,464							
		20,181	1,237	27,283		2,412	1,767	1,469	340		2,701
	3,820	16,686	316	4,432	965	4,319	589	3,012	14	318	12,502
	47	7,740	94	790	212	523	876	375	400	180	734
	110	2,001	118	423	3	786	473	569	107	2	148
	181	6,971	81	6,353	452	548	555	343	204	206	2,072
	2,766	2,390		5,227	25	2,433	1,238	1,509	1,043	26	572
	1,198	38,626	1,158	35,939	4,936	3,788	4,613	7,307	2,188	2,325	28,858
								168			105,121
	142	2,667	65,368	3,994	15	311			245		592
	205	29,417	10,066			10,028	84,341	95,514			3,606
	18,460	465,705	1,094,129	411,395	47,745	56,718	132,894	171,158	22,778	22,611	397,392
86		3,350	(10,139)		(9,873)	40,952	(1,250)		62	(4,529)	7,338
					9,697	(38,127)				4,529	(7,338)
1,273	200	21,178	136,097		387	2,000			(62)		
\$ 1,359	\$ 200	\$ 24,528	\$ 125,958	\$	\$ 211	\$ 4,825	\$ (1,250)	\$	\$	\$	\$

**AGENDA ITEM # III. (Continued)**

Fund 27 Senior Companion	Fund 28 CSBG	Fund 32 Iron Co. RPO	Fund 33 Habitat for Humanity	Fund 34 Friends of the Volunteer Center	Fund 36 New Choices Waiver	Fund 37 St. George Down Payment Asstnce	Fund 39 Critical Needs Housing	Fund 40 TANF Program	Fund 44 Mutual Self Help	Totals (Memorandum Only)	
										June 30, 2014	June 30, 2013
\$ 5,500	\$ 319,330	\$	\$	\$	\$ 357,733	\$	\$ 20,000	\$ 88,079	\$ 75,459	\$ 1,652,711	\$ 1,618,666
92,562							122,271			4,544,830	4,430,157
										318,093	276,037
12,850		31,429		24,842						408,750	389,478
1,500	(12,880)				12,570	(8,687)		1,327		(70,122)	8,854
2,606			5,324							458,166	402,907
115,018	306,450	31,429	5,324	24,842	370,303	113,584	20,000	89,406	75,459	7,312,428	7,126,099
5,197	49,724	3,769						265	12,334	402,226	395,996
13,439		13,839		15,937	140,176	8,729	1,887	10,939	11,799	831,347	819,538
	37,115				18,387					448,045	415,451
1,554					6,957					215,554	194,007
2,084	8,362	1,054		1,402	14,552	959	182	1,170	2,337	177,343	178,073
3,417	15,073	1,482			24,124	1,595	301	1,854	3,792	286,877	263,579
9,508	24,321	6,168			28,194	4,359	89	484	7,002	581,903	545,626
35,219	134,595	26,312		17,339	232,390	15,642	2,459	14,712	37,264	2,943,295	2,842,290
										1,174,219	1,162,984
										17,652	16,900
1,767	4,231	506	3,587	2,408	4,468				410	139,592	128,337
531	10,193	757		2,748	11,077	65			5,244	154,277	154,843
528	2,162	218	851	315	1,284	252			609	31,390	32,350
425	315	1	682		251	2			24	15,391	16,126
480	2,377	341	40	347	4,189	155			918	42,501	42,574
1,277	4,237	80	15	1,685	648				675	37,249	40,678
4,226	16,392	3,157			24,752	1,877		1,926	4,472	286,864	246,551
					31,192		17,541		22,000	188,568	185,581
	2,462	16			455				1,843	114,435	90,355
										424,492	371,519
108,691	129,486				17	95,591		72,768	2,000	1,643,669	1,775,074
153,144	306,450	31,388	5,175	24,842	310,723	113,584	20,000	89,406	75,459	7,213,594	7,106,162
(38,126)		41	149		59,580					98,834	19,937
38,126											
		(59)	(160)							752,793	732,856
\$	\$	\$ (18)	\$ (11)	\$	\$ 59,580	\$	\$	\$	\$	\$ 851,627	\$ 752,793