



LANE WORKFORCE PARTNERSHIP

FINANCE POLICY # 3

Rescission: Fiscal Policy #5 July 1, 2016 (Amends Policy Issued: August 21, 2000)

References: Uniform Grant Guidance 2 CFR 200 and 2900

Effective Date: 07/01/2016

Topic: INTERNAL COST ALLOCATION

Costs are allocable to grants (titles/fund accounts) based on the benefit received by the grant. The majority of costs recorded into the accounting system are direct charges. In all instances where multiple funding sources would benefit the following criteria is used:

- a. Allocation based on actual staff time spent (Default). The salaries, fringe benefits and travel of staff working on multiple programs will be allocated by the number of actual hours spent in each program.
- b. Allocation based on time analysis. Based on actual staff time sheets, an analysis of time spent working in each program/activity.
- c. Allocation based on actual payroll expenditures as tracked by employees each pay period.
- d. Allocation formula based on personnel and space factors. Utilization of an allocation formula to expense non-personnel costs based on number of personnel and/or space used. The square footage of each area is distributed based on the actual use of that area. If the area is primarily occupied for a staff person(s), then the personnel allocation based on time analysis will be used. This determines the percentage of space allocated to each program. This allocation is then applied to other non-personnel costs.
- e. Allocation based on number of customers served. Use of the total number of active customers in a program or service based on data collected in ITrac. ITrac is the statewide data collection system for Oregon maintained by Worksystems, Inc. in Portland.

All subcontracts will be allocated to the benefitting grant or contract prior to execution. All allocated costs are managed by the allocation module in the electronic accounting system.

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