SkillSource and its subrecipients and contractors provide various services authorized by separate State and Federal laws (i.e. Workforce Innovation and Opportunity Act, Older Americans Act, Dropout Reengagement). This directive explains how costs are accounted for when it benefits a single program or simultaneously benefits multiple programs.

A. Assignable Direct Costs:

All costs specifically identified with a particular final cost objective (ie. program, activity, and cost category) will be charged directly to applicable grants or contracts.

Application:

a. Compensation of employees for the time and effort devoted to deliver specific program services.

b. Cost of materials acquired, consumed, or expended specifically for the purpose of the grant/contract.

c. Equipment and other approved capital expenditures

d. Other items of expense incurred to carry out a specific program.

e. Services furnished for the grant/contracted program by other agencies.

B. Unassigned Direct Costs:

Costs which cannot be readily assigned to a single program or cost category will be distributed among the grants/titles based upon a reasonable cost allocation method. This includes various combinations of Executive, Individualized Career Services, Basic Career Services, Instructional, Youth, Education and Case Management.
1. Allocated costs are typically distributed based on direct staff hours as the allocation basis. These costs include but are not limited to; unassigned salaries and benefits, facilities, supplies, communications and miscellaneous costs. Relative staff time represents the portion of effort on behalf of each grant or program. Some facility related costs are distributed based upon a combination of square footage and time, Clearing Moses lake Facilities (GA), and Clearing Othello Facilities (GA).

   a. Each month, staff time charged directly to a grant, title, or administration is totaled and program allocation percentages for the month are calculated.

   b. Non-personnel costs (ie. supplies, equipment, facilities, and communications) are allocated based upon an appropriate distribution code selected in the AP voucher entry process. These costs are distributed based upon the allocation percentages calculated for that particular month.

   c. Clearing accounts are established for program salaries and benefits, related to delivery of Basic Career services (core), and General (supervision, support, info technology). These expenses are allocated based upon staff hours direct charged to each fund source and assigned at month end following staff payroll.

   d. Distribution codes are updated each month following staff payroll. These codes are used to distribute costs in the accounts payable entry process.

       Clearing CareerServices (CD/GA),
       Clearing Core (CD/GA),
       Clearing CareerServices/Instructional (CD/GA),
       Clearing Executive/CareerServices/Instructional (CD),
       Clearing Executive/CareerServices (CD),
       Clearing Upstairs (CD),
       Clearing Downstairs (CD),
       Clearing Moses lake Facilities (GA), and
       Clearing Othello Facilities (GA).
       Clearing Youth (CD/GA)

2. Administrative and Executive Program costs are pooled and assigned monthly to active grants and contracts. These costs are assigned to the grants/contracts of origin based upon relative share of expenditures for that same time period. Administrative functions benefit all fund sources WIOA as one program even though it is comprised of multiple titles and grants (Adult, Youth, Dislocated Worker, Rapid Response, and Governors Discretionary). Executive Program functions benefit Title I programs.

   1. Expenditures are pooled then allocated to each grant/contract monthly based upon relative share of total expenses for that same time period. The journal entry is an automated process using the allocations module in MIP/Abila.

C. Indirect Cost Rate: SkillSource does not use an indirect cost rate.

D. Instructional Cost Pools:

All costs associated with Basic Skills, Computer Basics, and Office Information (GA only) are pooled then allocated monthly based upon classroom enrollments. The journal entry is an
automated process using the allocations module in MIP/Abila. Basic Education Instructional costs of youth co-enrolled into both the State Education Program and the Federal Youth Program will be first allocated to the State Education Funding to the extent available and then to the Federal Youth Program based upon enrollment.

E. Staff Vacation Adjustment, Travel, and Training:

Costs specifically identified with a particular final cost objective will be charged directly. Unassignable costs will be allocated using the distribution code for that particular staff person created based upon that individuals most recent payroll.