

Indiana WIC Program
Indiana State Department of Health

Cost Allocation Plans

Policy

Local agencies (LAs) must submit a written Cost Allocation Plan (CAP) for shared direct and/or indirect costs with other programs.

Authority

7CFR Part 3016, OMB Circulars A-87, A-102, A-110, A-122, A-133;
ASMB C-10

Procedures

- I. LA must submit:
 - A. CAP to the State Agency (SA) with the budget each fiscal year.
 - B. Amendments to the plan(s) in writing as changes occur.
- II. The cost allocation plan should address the following:
 - A. Sources of organization funds – these are the programs and activities the LA is allocating costs to.
 - B. Description of costs to be allocated. These are administrative and general expenses including:
 - 1. Accounting department.
 - 2. Human resources department.
 - 3. Organization-wide technology such as an Intranet.
 - 4. Senior management such as the Executive Director, CEO, etc.
 - C. Description of methods to allocate costs including bases for allocation such as square footage, number of employees, etc.

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- III. If the LA is allocating costs to WIC and some, but not all, other programs, the cost allocation plan will include a list of such allocations including:
 - A. Description of costs.
 - B. Benefit to WIC.
 - C. Method of allocation.
- IV. The SA will not reimburse shared direct and/or indirect costs not supported by the CAP.
- V. SA will not accept indirect rate proposals.