

**Community Services Block Grant**  
**Budget Line Item Narratives**  
**Effective Date:** January 1, 2014

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**.1 Administration Costs-** refer to indirect costs associated with the salaries and benefits of central executive functions of the agency, management and general costs, and facility costs that are not directly related to a particular program, service, or activity, but impact the agency as a whole. As an example, these costs include legal, accounting and finance, technology, procurement, facility, board and board development, strategic planning and direction, or overall agency operations. Travel expenses for central executive staff should be included in the administrative costs, if the travel is not related to a particular program, service, or activity. Additional costs may include depreciation and use allowances on buildings and equipment.

**.2 Agency Provided Services-** refer to direct program costs associated with the delivery of a particular project, service, or activity, included the administrative support related to the delivery of the program, service or activity. These costs will include the amount of benefits or services provided. Examples of costs that can be considered under APS are: supplies, materials, equipment, travel and training, salaries and benefits of program staff and management, and training and conferences. These costs are allowable only if they are directly related to the delivery of the particular program, service, or activity. Indirect costs associated with service delivery such as phones, rent, technology, printing, postage and similar management and general expenses should be charged to agency provided services.

**.3 Equipment-** refers to costs associated with the acquisition of an article of non-expendable tangible personal property having a useful life of more than one year. Equipment has an annual cost of \$5,000 or more and required approval from the funder before purchase.

**.4 Subcontractor Costs-** refers to costs associated with service delivery or professional services that have been contracted to an organization other than the subgrantee. All subcontractor costs \$25,000 or over must receive prior approval from the funder before acquisition of the service. Subcontractor costs should be budgeted in one of two categories: Direct Client Services or Professional Services.

Direct Client Services- refers to costs that have been subcontracted to another organization for service delivery of a particular program, service, or activity.

Professional Services- refers to costs associated with the acquisition of a professional service such as legal, financial consultants, independent audit, etc.