



<b>Cost Allocation Plan Checklist</b>	
<b>Indicator</b>	<b>Key Elements</b>
<b>Effective Date</b>	Plan should indicate date adopted and period for which it is effect
<b>Narrative</b>	Explanation of purpose of plan, distinction between direct and common (indirect/shared) costs. Explanation of allocation methods -see below
<b>Spreadsheet</b>	Rows show all types of costs and columns show distinct cost centers – including all programs, management, and fund-raising costs. If spreadsheet columns are organized by grant/award, there is a column for costs not included in any grant or award and met with unrestricted income.
<b>Organization-wide plan</b>	Does the plan state explicitly that costs are allocated to all programs/functions that benefit and includes all expenses that will be incurred, both those covered by specific awards, and those covered by unrestricted funds
<b>Use of 10% de minimis rate</b>	Does the plan state that the agency will recover its indirect costs by charging awards the 10% de minimis rate? Does the plan explain which costs are being recovered through the 10% rate?
<b>Plan submitted as part of an indirect cost rate proposal</b>	Is the plan part of the agency's proposal for an indirect cost rate? If so, what agency was it submitted to? Has the agency received a response? Do they have a provisional or final rate or other type of rate?
<b>Base used in indirect cost rate proposal</b>	If the plan is presented as an indirect cost rate proposal – either one that has been submitted for review or simply one using the proposal format recommended by HHS, what base is used to determine the indirect cost rate: <ul style="list-style-type: none"> <li>• Modified Total Direct Cost</li> <li>• Total Salaries excluding fringe benefits.</li> <li>• Total Salaries including fringe benefits</li> </ul>
<b>Status of indirect cost rate determination</b>	Does the agency have a current indirect cost rate? Is it provisional? When does the provisional period end? Do they have a final rate for prior years? Have they submitted a proposal for a final rate?
<b>Defines “administrative”</b>	Does the plan describe which costs it considers to be “administrative”? Is the definition consistent with 2 CFR 200?

<b>Explains allocation method for administrative costs</b>	<b>Does the plan explain how “administrative” costs will be allocated? Is the method an allowable method?</b>
<b>Defines “overhead” or “indirect”</b>	<b>Does the plan define overhead or indirect costs (sometimes called common costs, always including agency-wide “administrative” costs? Does the plan explain how indirect costs are allocated? Is it an allowable method?</b>
<b>Defines direct costs</b>	<b>Does the plan define which costs are considered direct costs?</b>
<b>Includes allowable allocation methods</b>	<b>Does the plan explain how direct costs will be allocated when they benefit more than one cost center? Is the allocation method allowable under 2 CFR200?</b>
<b>Includes unallowable allocation methods</b>	<b>Are any of the methods described for allocating costs unallowable under 2 CFR 200? Which methods?</b>
<b>Follow-up???</b>	<b>What is unclear in the plan? Can the agency present a justification for using a method you have initially considered unallowable?</b>