

**21st Century Community Learning Centers Grant**

The following summary is provided for your convenience and as a "guide" only. ADE accepts no responsibility for the interpretation of the cost principles as outlined below. Grantees should consult the complete set of applicable cost principles to determine allowability and unallowability of costs prior to expending funds. For a complete list go to [www.whitehouse.gov/omb/circulars](http://www.whitehouse.gov/omb/circulars). All costs must be budgeted and approved on the grant application prior to expenditure. Some costs require specific prior approval in the application, in which case the line item must be specifically budgeted and approved by ADE prior to expenditure.

<b>COST PRINCIPLES</b>			
<b>Items of Cost</b>	<b><u>OMB Circular A-87</u> State, Local, and Indian Tribal Governments</b>	<b><u>OMB Circular A-122</u> Non-Profit Organizations</b>	<b><u>OMB Circular A-21</u> Educational Institutions</b>
Accounting	Allowable.	Not addressed.	Not Addressed.
Advertising	Allowable for recruitment of grant personnel; procurement of goods and services; and disposal of surplus materials and any other specific purpose necessary to meet the requirements of the Federal award.	Allowable for recruitment of grant personnel; procurement of goods and services; and disposal of surplus materials and any other specific purpose necessary to meet the requirements of the Federal award.	Allowable for recruitment of grant personnel; procurement of goods and services; and disposal of surplus materials and any other specific purpose necessary to meet the requirements of the Federal award.
Advisory Councils	Allowable with specific approval from ADE.	Not addressed.	Not Addressed.
Alcoholic Beverages	<b>Unallowable.</b>	<b>Unallowable.</b>	<b>Unallowable.</b>
Alumni/Activities	Not addressed.	Not addressed.	<b>Unallowable.</b>
Audit Services	Allowable for audits conducted under the Single Audit Act (OMB Circular A-133).	Not addressed, but allowable for audits conducted under the Single Audit Act (OMB Circular A-133).	Not addressed, but allowable for audits conducted under the Single Audit Act (OMB Circular A-133).
Automatic Electronic Data Processing	Allowable.	Not addressed.	Not addressed.
Awards for Participation	Although not specifically addressed in OMB A-87, allowable when reasonable in cost and when necessary to accomplish program objectives. Acceptable awards include certificates, plaques, ribbons, and small trophies nominal in cost, or inexpensive instructionally related items such as pens/pencils to be used in the classroom.	Although not specifically addressed in OMB A-122, allowable when reasonable in cost and when necessary to accomplish program objectives. Acceptable awards include certificates, plaques, ribbons, and small trophies nominal in cost, or inexpensive instructionally related items such as pens/pencils to be used in the classroom.	Although not specifically addressed in OMB A-21, allowable when reasonable in cost and when necessary to accomplish program objectives. Acceptable awards include certificates, plaques, ribbons, and small trophies nominal in cost, or inexpensive instructionally related items such as pens/pencils to be used in the classroom.
Bad Debts	<b>Unallowable.</b>	<b>Unallowable.</b>	<b>Unallowable.</b>

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Bonding Costs	Allowable for employees who handle grant funds when in accordance with sound business practices.	Allowable for employees who handle grant funds when in accordance with sound business practices.	Not addressed.
Budgeting	Allowable for development, preparation, presentation and execution of grant budgets.	Not addressed, but allowable as in OMB A-87.	Not addressed, but allowable as in OMB A-87.
Civil Defense	Not addressed.	Not addressed.	Generally allowable (costs are distributed to all institutional activities)
Commencement & Convocation Costs	Not addressed	Not addressed.	<b>Unallowable</b> except as specified in OMB A-21.
Communication (includes telephone, FAX, postage, messenger service, electronic communications, etc.)	Allowable.	Allowable.	Allowable.
Compensation for Personnel Services (includes salaries, wages, and fringe benefits)	Allowable if costs are reasonable, comparable for similar work, & charges are supported with time distribution records or other documentation as stipulated in OMB A-87.	Allowable if costs are reasonable, comparable for similar work, & charges are supported with personnel reports as stipulated in OMB A-122.	Allowable if costs are reasonable and are supported with documentation that meets the criteria outlined in OMB A-21.
Construction, remodeling, or alterations	<b>Unallowable</b>	<b>Unallowable</b>	<b>Unallowable</b>
Contingencies	<b>Unallowable.</b>	<b>Unallowable.</b>	<b>Unallowable.</b>
Contributions/Donations to Others	<b>Unallowable.</b>	<b>Unallowable.</b>	<b>Unallowable.</b>
Deans of Faculty and Graduate Schools	Not addressed.	Not addressed.	Salaries and expenses are allowable as they apply to the management/ administration of a grant program.
Defense, Prosecution, Claims and Appeals	<b>Unallowable</b> for prosecution of claims against federal/state government.	<b>Unallowable</b> in defense of antitrust suit or prosecution of claims against federal/state government.	<b>Unallowable</b> for prosecution of claims against federal/state government.
Depreciation and Use Allowance	Allowable based on acquisition cost as stipulated in OMB A-87.	Allowable based on acquisition cost as stipulated in OMB A-122.	Allowable based on acquisition cost as stipulated in OMB A-21.
Disbursing Service	Allowable for cost of disbursing funds by Treasurer or other designated officer.	Not addressed.	Not addressed.

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Displays, Demonstrations, and Exhibits	Allowable	Allowable	Allowable
Employee Morale, Health and Welfare	Allowable as stipulated in OMB A-87.	Allowable as stipulated in OMB A-122.	Allowable as stipulated in OMB A-21.
Entertainment (including amusement, diversion, social activities, and ceremonials and any costs associated with such)	<b>Unallowable.</b>	<b>Unallowable.</b>	<b>Unallowable.</b>
Equipment and Other Capital Expenditures (includes shipping costs and ancillary charges)	All capital costs require specific approval from ADE.	All capital costs require specific approval from ADE.	All capital costs require specific approval from ADE.
Executive Lobbying Costs	<b>Unallowable.</b>	<b>Unallowable.</b>	<b>Unallowable.</b>
Field Trips	Although not specifically addressed in OMB A-87, <u>educational</u> field trips are allowable when directly related to a teacher's lesson as part of classroom instruction & when necessary to meet program objectives. Limited to in-state travel <u>only</u> .	Although not specifically addressed in OMB A-122, <u>educational</u> field trips are allowable when directly related to a teacher's lesson as part of classroom instruction & when necessary to meet program objectives. Limited to in-state travel <u>only</u> .	Although not specifically addressed in OMB A-21, <u>educational</u> field trips are allowable when directly related to a teacher's lesson as part of classroom instruction & when necessary to meet program objectives. Limited to in-state travel <u>only</u> .
Fines and Penalties	<b>Unallowable</b> except when incurred as a result of compliance with specific federal award provisions.	<b>Unallowable</b> except when incurred as a result of compliance with specific federal award provisions.	<b>Unallowable</b> except when incurred as a result of compliance with specific federal award provisions.
Food Costs	Although not specifically addressed in OMB A-87, food costs are allowable for students & participants as long as they are necessary & reasonable to accomplish the goals & objectives of the program.	Although not specifically addressed in OMB A-122, food costs are allowable for students & participants as long as they are necessary & reasonable to accomplish the goals & objectives of the program.	Although not specifically addressed in OMB A-21, food costs are allowable for students and participants as long as they are necessary & reasonable to accomplish the goals & objectives of the program.
Fringe benefits (employees)	Allowable.	Allowable.	Allowable.
Fundraising, including financial campaigns and solicitation of gifts, donations, contributions, etc.	<b>Unallowable.</b>	<b>Unallowable.</b>	<b>Unallowable.</b>

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Items of Cost	<u>OMB Circular A-87</u> State, Local, and Indian Tribal Governments	<u>OMB Circular A-122</u> Non-Profit Organizations	<u>OMB Circular A-21</u> Educational Institutions
Gains and Losses on Disposition of Assets	Allowable as stipulated in OMB A-87.	Allowable as stipulated in OMB A-122.	Allowable as stipulated in OMB A-21.
General Government Expenses	<b>Unallowable.</b>	Not addressed.	Not addressed.
Gifts or items that appear to be gifts	<b>Unallowable.</b>	<b>Unallowable.</b>	<b>Unallowable.</b>
Goods and Services for Personal Use	<b>Unallowable.</b>	<b>Unallowable.</b>	<b>Unallowable.</b>
Hospitality Rooms	<b>Unallowable.</b>	<b>Unallowable.</b>	<b>Unallowable.</b>
Housing and Personal Living Expenses.	<b>Unallowable.</b>	<b>Unallowable.</b>	<b>Unallowable.</b>
Idle Facilities and Capacity	<b>Unallowable</b> except as stipulated in OMB A-87.	<b>Unallowable</b> except as stipulated in OMB A-122.	Not addressed.
Insurance	Insurance is allowable when pursuant to the grant award and when in accordance with the governmental unit's policy and sound business practice.	Insurance is allowable when pursuant to the grant award and when in accordance with the organization's policy and sound business practice.	Insurance is allowable when pursuant to the grant award and when in accordance with the institution's policy and sound business practice.
Interest	Cost incurred for interest on borrowed capital or the use of a governmental unit's funds, however represented are <b>unallowable</b> except as specifically provided in OMB A-87.	Interest on debt paid (or incurred) to an external party to acquire or replace capital assets, including renovations, alterations, and equipment, is allowable as specifically outlined in OMB A-122.	Interest paid to an external party for building purchase, construction, remodeling, or equipment is allowable as specifically outlined in OMB A-21.
Labor Relations	Not addressed.	Allowable as specified in OMB A-122.	Allowable as specified in OMB A-21.
Legal Expenses	Not addressed.	Not addressed.	Not addressed.
Legislative Expenses and Expenses for Similar Governmental Bodies (such as school boards)	Not addressed	Not addressed	Not addressed
Lobbying	<b>Unallowable.</b>	<b>Unallowable.</b>	<b>Unallowable.</b>
Losses on other Awards	Not addressed	Not addressed	Not addressed
Maintenance, Operations, and Repair	Maintenance and operation of <u>building space</u> used for grant activities is allowable as specified in OMB A-87.	Maintenance and operation of <u>building space</u> used for grant activities is allowable as specified in OMB A-122.	Maintenance and operation of <u>building space</u> used for grant activities is allowable as specified in OMB A-21.

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Materials and Supplies (includes shipping costs)	Allowable.	Allowable.	Allowable.
Meetings/Conferences	Allowable for dissemination of information related to the grant program.	Allowable for dissemination of information related to the grant program.	Allowable for dissemination of information related to the grant program.
Memberships	<u>Allowable</u> for membership with <u>business, professional and technical</u> organizations related to the grant program. Membership must be in the name of the grantee organization and not in the name of an individual.	<u>Allowable</u> for membership with <u>business, professional and technical</u> organizations related to the grant program. Membership must be in the name of the grantee organization and not in the name of an individual.	<u>Allowable</u> for membership with <u>business, professional and technical</u> organizations related to the grant program. Membership must be in the name of the grantee organization and not in the name of an individual.
Memorabilia	<b>Unallowable.</b>	<b>Unallowable.</b>	<b>Unallowable.</b>
Motor Pools	Allowable for grant purposes.	Not addressed.	Not addressed.
Organization Costs (related to the establishment or reorganization of an organization such as management consultants, accountants, attorneys, or investment consultants)	Not addressed.	Not addressed.	Not addressed.
Pre-Award (Pre-Agreement) Costs	<b>Unallowable</b> unless specific approval is given by ADE.	<b>Unallowable</b> unless specific approval is given by ADE.	<b>Unallowable</b> unless specific approval is given by ADE.
Professional and Consultant Services	Allowable.	Allowable.	Allowable.
Promotional Items (such as T-shirts, caps, tote bags, key chains, etc.)	<b>Unallowable.</b>	<b>Unallowable.</b>	<b>Unallowable.</b>
Proposal Costs (i.e., preparing grant applications/proposals)	The cost of preparing grant applications for <u>continuing formula entitlement grant programs</u> is allowable.  ADE does not allow costs of preparing grant applications/proposals for <u>competitive discretionary grants</u> . Costs for preparing applications/proposals to obtain <b>other</b> grant monies are <b>not allowable</b> .	The cost of preparing grant applications for <u>continuing formula entitlement grant programs</u> is allowable.  ADE does not allow costs of preparing grant applications/proposals for <u>competitive discretionary grants</u> . Costs for preparing applications/proposals to obtain <b>other</b> grant monies are <b>not allowable</b> .	The cost of preparing grant applications for <u>continuing formula entitlement grant programs</u> is allowable.  ADE does not allow costs of preparing grant applications/proposals for <u>competitive discretionary grants</u> . Costs for preparing applications/proposals to obtain <b>other</b> grant monies are <b>not allowable</b> .

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Public Relations	Allowable only when specifically required by the grant award; for communicating with the public with regard to grant activities; or to keep the public informed on matters of public concern and as specified in OMB A-87, Attachment B, section 2.d. Costs of public relations designed solely to promote the LEA are <b>unallowable</b> .	Allowable only when specifically required by the grant award; for communicating with the public with regard to grant activities; or to keep the public informed on matters of public concern and as specified in OMB A-122, Attachment B, section 1. Costs of public relations designed solely to promote the organization are <b>unallowable</b> .	Allowable only when specifically required by the grant award; for communicating with the public with regard to grant activities; or to keep the public informed on matters of public concern and as specified in OMB A-21, section J.1. Costs of public relations designed solely to promote the institution are <b>unallowable</b> .
Publication and Printing Costs (includes distribution and mailing of publications)	Allowable.	Allowable as <u>indirect costs</u> . Allowable as <u>direct cost</u> to grant program only with specific approval from ADE.	Not addressed.
Rearrangements and Alterations	Allowable for ordinary and normal rearrangement and alteration of facilities.	Allowable for ordinary and normal rearrangement and alteration of facilities.	Allowable for ordinary and normal rearrangement and alteration of facilities.
Reconversion Costs	Allowable to restore facility to condition existing immediately prior to the grant award (less costs related to normal wear and tear).	Allowable to restore facility to condition existing immediately prior to the grant award (less costs related to normal wear and tear).	Allowable to restore facility to condition existing immediately prior to the grant award (less costs related to normal wear and tear).
Recruiting and Relocation Costs	Not addressed.	Allowable as specified in OMB A-122.	Allowable as specified in OMB A-21.
Reference Materials	Not specifically addressed, but allowable when related to the grant program.	Not specifically addressed, but allowable when related to the grant program.	Not specifically addressed, but allowable when related to the grant program.
Rental Costs	Allowable to the extent that the rates are comparable to that of other rental property in the locale and as specified in OMB A-87.	Allowable to the extent that the rates are comparable to that of other rental property in the locale and as specified in OMB A-122.	Allowable to the extent that the rates are comparable to that of other rental property in the locale and as specified in OMB A-21.
Royalties and Other Costs for Use of Patents	Not addressed.	Allowable as specified in OMB A-122.	Allowable as specified in OMB A-21.
Sabbatical Leave Cost	Not addressed.	Not addressed.	Allowable provided Institution has uniform policy.
Scholarships and Student Aid Costs	Not addressed.	Not addressed.	Allowable only when the purpose of the grant is to provide training to selected participants and with specific approval from ADE as specified in OMB A-21.

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Selling and Marketing	Not addressed.	<b>Unallowable</b> for selling or marketing any products or services of the organization. Allowable as direct costs with specific approval from ADE when they are necessary for the performance of the grant program.	Unallowable.
Severance Pay	Allowable if required by law, employer-employee agreement, or agency policy as specified in OMB A-87.	Allowable if required by law, employer-employee agreement, or agency policy as specified in OMB A-122.	Allowable if required by law, employer-employee agreement, or agency policy as specified in OMB A-21.
Souvenirs	<b>Unallowable.</b>	<b>Unallowable.</b>	<b>Unallowable.</b>
Specialized Service Facilities	Not addressed.	Allowable as specified in OMB A-122.	Allowable as specified in OMB A-21.
Student Activity Cost	Not addressed.	Not addressed.	<b>Unallowable</b> unless specifically approved by ADE as part of the grant agreement.
Subscriptions	Allowable for <u>business, professional, and technical</u> periodicals when related to grant program. Subscriptions must be in the name of the grantee organization and not in the name of an individual.	Allowable for <u>business, professional, and technical</u> periodicals when related to grant program. Subscriptions must be in the name of the grantee organization and not in the name of an individual.	Allowable for <u>business, professional, and technical</u> periodicals when related to grant program. Subscriptions must be in the name of the grantee organization and not in the name of an individual.
Taxes	Allowable except for self-assessed taxes.	Allowable as specified in OMB A-122.	Allowable as specified in OMB A-21.
Termination of Grant Award	Not addressed.	Allowable as specified in OMB A-122.	Allowable as specified in OMB A-21.
Training and Education	Training for employee development is allowable.	Training for employee development is allowable.	Although not specifically addressed in OMB A-21, training for employee development is allowable.
Transportation of Goods	Allowable for transporting goods purchased with grant funds.	Allowable for transporting goods purchased with grant funds.	Allowable for transporting goods purchased with grant funds.

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Travel Costs (for employees)	Travel costs are allowable for expenses for transportation, lodging, subsistence, & related items incurred by employees traveling on official business. Such costs may be charged on an actual cost basis, on a per diem or mileage basis in lieu of actual costs incurred, or on a combination of the two, provided the method used is applied to an entire trip, and results in charges consistent with those normally allowed in like circumstances in non-federally-sponsored activities. Notwithstanding the provisions of section 23, travel costs of officials covered by that section, when specifically related to federal awards, are allowable with the prior approval of a grantor agency.	Travel costs are allowable for expenses for transportation, lodging, subsistence, and related items incurred by employees traveling on official business. Such costs may be charged on an actual cost basis, on a per diem or mileage basis in lieu of actual costs incurred, or on a combination of the two, provided the method used is applied to an entire trip, and results in charges consistent with those normally allowed in like circumstances in non-federally-sponsored activities. Notwithstanding the provisions of section 23, travel costs of officials covered by that section, when specifically related to federal awards, are allowable with the prior approval of a grantor agency.	Travel costs are allowable for expenses for transportation, lodging, subsistence, and related items incurred by employees traveling on official business. Such costs may be charged on an actual cost basis, on a per diem or mileage basis in lieu of actual costs incurred, or on a combination of the two, provided the method used is applied to an entire trip, and results in charges consistent with those normally allowed in like circumstances in non-federally-sponsored activities. Notwithstanding the provisions of section 23, travel costs of officials covered by that section, when specifically related to federal awards, are allowable with the prior approval of a grantor agency.
Tuition and fees related to tuition	Allowable as it pertains specifically to the grant program.	Not specifically addressed, but allowable as it pertains to the grant program.	Not specifically addressed, but allowable as it pertains to the grant program.
Underrecovery of Costs under Federal Agreements	<b>Unallowable.</b>	Not addressed.	Not addressed.