

The top banner features a semi-truck on the left, a bus in the middle, and the American flag on the right, all set against a dark background with white stars.

OMB Circulars

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Grant Administration

Circular A-87

- Cost Principles for State and local Governments
- Qualifies items for reimbursements



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Circulars

- A – 87 (2 CFR Part 225)
- A – 102 (49 CFR Part 18)
- A – 133



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Circular A-87 (Basic Cost Principles for State & Local Governments)

Defines what costs are. They must be:

- Eligible
- Necessary
- Reasonable
- Authorized (not prohibited by law or regulation)
- Consistent with policy and procedures
- Consistent treatment (consistently direct or indirect)



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All Reimbursable items must be:

- Necessary
- Reasonable
- Allocable to the approved CVSP
- Allowable under 49 CFR part 350 and 49 CFR part 18.

The eligibility of specific items is subject to review by FMCSA.



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Funding/Cost Eligibility

Reimbursable activities include:

- National Program Elements
- Sanitary food transportation inspections
- CMV size & weight enforcement with inspection
 - At non-fixed locations
 - At specific locations where weight of CMV can significantly affect safe operation (i.e. steep grades)
 - At seaports where inter-modal containers entering/leaving the U.S.

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Personnel Expenses

- Recruiting and screening
- Training
- Salaries and fringe benefits
- Supervision



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Equipment and Travel Expenses

- Equipment
 - Uniforms
 - Communication equipment
- Special inspection equipment
- Vehicles and maintenance
- Fuel and oil
- Travel
 - Per diem



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Facilities (indirect expenses)

- Rental of offices or facilities used for
 - Inspections
 - Enforcement personnel
 - Support staff
 - Equipment
- Rent, overhead, & maintenance, if measurable and recurring
- Improvements permitted
- Does not include fixed scales



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Data Acquisition

Program-related data storage and analysis

Identified as:

- Developing data base
- Coordinating resources
- Improving efficiency



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Administrative Expenses

Clerical and administrative expenses directly for MCSAP activities

- Supplies
- Equipment
- Contract employees



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Real Property

No-

Purchase of land or buildings are
NOT eligible for reimbursements

Yes-

Rental of property or land leases
are eligible for reimbursements



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Direct and Indirect Costs

- Direct Costs – identified specifically with a particular final cost objective
- Indirect Costs – benefits more than one objective (goods, services, facilities) A number of pools of indirect costs may need to be shared by several governmental unit departments.



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Selected Items of Cost

- *Training Costs (Y)*
- *Travel Costs (Y)*
- *Alcoholic Beverages (N)*
- *Bad Debts (N)*
- *Compensation for Personnel Services (Y)*
- *Depreciation & Use Allowances (Y)*
- *Equipment & Other Capital Expenditures (Y)*
- *General State Government Expenses (N)*



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Circular A-102

“Grants and Cooperative Agreements with State and Local Governments”

- A.K.A. - **“The Common Rule”** codified at 49 CFR Part 18
- Establishes consistency and uniformity among federal agencies in grant management and in cooperative agreements with state and local governments
- Applies to grants and sub-grants to states and local governments



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Circular A-102 (Common Rule)

Dictates the procedure:

- Consistent
- Uniform
- Required Forms
- Terms Defined

The top of the slide features a background image of an American flag with stars and stripes. In the foreground, there are images of a white semi-truck and a white bus. The text 'Grant Administration' is overlaid in white on the right side of this image.

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Circular A-133

- Non-Federal entities that expend \$500,000 or more in a year in Federal awards shall have an audit conducted for that year
- At the completion of the audit, the one who has been audited must prepare a corrective action plan to address each audit finding included in the current year auditor's reports
- Costs for an audit required and conducted in accordance with A-133 provisions are eligible for reimbursement.
- Audit reports must be submitted to Federal audit clearinghouse



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A-133 (Single Audit)

State must have

- Internal accounting and other control systems to provide reasonable assurance that it is managing federal financial assistance programs in compliance with applicable law and regulation
- Entities that expend \$500,000 or more in a year in Federal awards accounted for in an annual audit.



Questions?