

## OhioMHAS Indirect Cost Rate Rule

### Additional OhioMHAS Budget Information

**Allowable Costs** - Relevant budget expenditure definitions are described in Sub award Budget and Expenditure Report Definitions. All costs budgeted and claimed must comply with the assurances applicable to the particular Block Grant CFDA 93.958 and PATH CFDA 93.150.

**Direct Costs** - Costs that can be specifically identified with a particular cost objective or program and are charged directly as part of the cost of the program. Administrative costs for a particular program should be budgeted as direct costs. Direct costs must comply with assurances applicable to the particular grant/CFDA number.

**Indirect/Administrative Costs** - The costs of a Sub-Awardee not readily assigned to a particular program but are necessary to the operation of the agency and performance of the program. Actual indirect costs meeting the requirements specified below are allowed in amounts **up to ten percent (10%) of the total budget** for non-university organizations and up to **five percent (5%) of the total budget** for programs affiliated with colleges and universities. Under appropriate circumstances, upon application, OhioMHAS may waive these limits for the budgeting and claiming of indirect costs.

### **Indirect costs must:**

Indirect Costs must be included in to the standard budget and narrative.

Be calculated according to the principles set forth in the applicable OMB Circular(s);  
Be limited to those costs properly allocated to the particular program, and;  
Comply with the assurances applicable to the particular grant/CFDA number.

**Other information relating to Federal Cost Principles and Grant Administration Requirements may be found at the following web links:**

**OMB Circular A-21:** Cost Principles for Educational Institutions (Revised 05/10/04)  
[http://www.whitehouse.gov/sites/default/files/omb/assets/omb/fedreg/2005/083105\\_a21.pdf](http://www.whitehouse.gov/sites/default/files/omb/assets/omb/fedreg/2005/083105_a21.pdf)

**OMB Circular A-87:** Cost Principles for State, Local, & Indian Tribal Governments  
(Revised

05/10/2004) [http://www.whitehouse.gov/sites/default/files/omb/assets/omb/fedreg/2005/083105\\_a87.pdf](http://www.whitehouse.gov/sites/default/files/omb/assets/omb/fedreg/2005/083105_a87.pdf)

**OMB Circular A-102:** Grants and Cooperative Agreements with State and Local Governments

(Rev. 10/07/94, Amended 08/29/97) [http://www.whitehouse.gov/omb/circulars\\_a102](http://www.whitehouse.gov/omb/circulars_a102)

**OMB Circular A-110:** Uniform Administrative Requirements for Grants and Agreements with

Institutions of Higher Education, Hospitals & Other Non-Profit Organizations  
(Revised 11/19/93, Amended 9/30/99)

<http://www.whitehouse.gov/sites/default/files/omb/assets/omb/circulars/a110/2cfr215-0.pdf>

**OMB Circular A-122:** Cost Principles for Non- Profit Organizations (Revised 05/10/04)

[http://www.whitehouse.gov/sites/default/files/omb/assets/omb/fedreg/2005/083105\\_a122.pdf](http://www.whitehouse.gov/sites/default/files/omb/assets/omb/fedreg/2005/083105_a122.pdf)

**OBM Circular A-133:** Audits of States, Local Governments, & Non-Profit Organizations  
(Revised

06/27/03) [http://www.whitehouse.gov/sites/default/files/omb/assets/a133/a133\\_revised\\_2007.pdf](http://www.whitehouse.gov/sites/default/files/omb/assets/a133/a133_revised_2007.pdf)

CFR 31.2: Commercial Organizations

45 CFR 74: Subpart E Hospitals