

The Poverello Center, Inc. allocates shared (indirect and direct shared) costs to all funding sources, including Ryan White HIV/AIDS Program Part A and EHE funds, in a manner that is reasonable, allocable, consistent, and documented in full compliance with **2 CFR §§200.405–200.406, 2 CFR Part 300**, and the Ryan White National Monitoring Standards.

PROCEDURE

I. General Principles All costs charged to federal awards shall be: A. **Necessary and reasonable** for the performance of the award B. **Allocable** – the cost benefits the specific program to the extent charged C. Treated **consistently** across all funding sources (direct vs. indirect) D. Adequately **documented** at the time of allocation

II. Direct vs. Indirect Costs

- **Direct Costs** are identified specifically with a particular program or activity (e.g., case manager salary 100% on Ryan White, food pantry food purchases).
- **Indirect/Shared Costs** benefit more than one program and are allocated using the methods below.

III. Allocation Bases and Methods (updated annually or upon major change)

Cost Category	Allocation Method	Documentation / Frequency
Salaries & Fringe Benefits	Monthly time tracking / effort reports by employee	Timesheets or PARs signed by employee & supervisor – monthly
Rent & Utilities	Square footage occupied by each program	Annual floor-plan measurement & calculation <i>as Floor PLAN CHANGES</i>
Office Supplies & Printing	Percentage of full-time equivalent (FTE) staff per program	Quarterly review of staffing levels
Telephone & Internet	Percentage of FTE staff per program	Quarterly review
Insurance (property, liability, D&O)	Percentage of total direct expenses per program	Annual calculation
IT Support & Software Licenses	Percentage of FTE staff per program	Quarterly review

Cost Category	Allocation Method	Documentation / Frequency
Administrative/Executive Salaries (CEO, Finance, HR)	Approved federally negotiated indirect rate OR de minimis 10% of modified total direct costs (MTDC)	Annual election documented in financial records
Vehicle/Fuel/Maintenance	Actual mileage logs by program	Monthly mileage log signed by driver

IV. Time Tracking Requirements All staff who work on more than one funding source (including Ryan White) shall complete bi-weekly timesheets or personnel activity reports (PARs) that:

- Reflect an after-the-fact distribution of actual activity
- Account for 100% of time worked
- Are signed by the employee and supervisor
- Are reviewed and approved by the CEO or designee

V. Indirect Cost Rate The Poverello Center elects the **10% de minimis indirect cost rate** (2 CFR §200.414(f)) unless a federally negotiated rate is higher and approved. This rate is applied to modified total direct costs (MTDC) on all federal awards.

VI. Review and Certification The Cost Allocation Plan and supporting calculations are reviewed annually by the CEO and Board Treasurer. Any changes are documented and approved by the Board of Directors. The CEO certifies quarterly that allocations remain reasonable and consistent.

Approvals:



Thomas S. Pietrogallo, Chief Executive Officer

11/27/25

Date

BOD Approved Date: Pending

Date Established: 11/27/2025

Date Revised: N/A