

GOVERNORS WORKFORCE BOARD RHODE ISLAND

ALLOWABLE COSTS GUIDANCE

The following is a list of *generally* allowable and unallowable costs for GWB-issued grants. To best meet employer and job seeker demand; we strive to be as flexible as possible while still including proper safeguards and limitations. Awardees are strongly encouraged to check in with GWB staff regarding any costs they are unsure of. This list is a general guidance, not a definitive one.

Direct costs – Those costs that can be readily identified as related to a specific grant. Typical costs charged directly to a grant are the compensation of employees who work on that grant, their related fringe benefit costs, the costs of materials and other items of expense incurred for the grant.

Indirect (Allocated) costs – Those costs that can be chargeable or assignable to a grant in accordance with the relative benefits received. An example of such a cost is electricity or rent. Such costs benefit both the grant and other work of the entity and can be distributed in proportions that may be approximated using reasonable methods and are deemed to be necessary to the overall operation of the entity. Entities that opt to charge such costs to the grant should discuss their methodology with GWB staff for approval.

Expense item	Status
Advertising and public relations	Allowable <i>if related to the award</i> . (for example: Advertising for an upcoming training program funded with GWB funds is allowable; Advertising for a trade show unrelated to the GWB is not)
Advisory boards / councils	Unallowable as a direct cost; Allowable as an indirect allocated cost.
Alcoholic beverages	Unallowable. (Partnerships that wish to serve such beverages at a partnership event should provide them as an in-kind contribution)
Alumni/ae activities	Unallowable.
Audit services	Allowable as an indirect allocated cost.
Bad debts	Unallowable.
Bonding costs	Allowable.
Collection of improper payments	Allowable as either a direct cost or an indirect allocated cost.
Commencement and convocation costs	Unallowable except for reasonable and limited costs related to graduation/program completion events.
Compensation – personal services	Allowable.
Compensation – fringe benefits	Allowable.
Conferences (hosting)	Allowable. (Including rental of facilities, speakers' fees, <i>reasonable</i> costs of meals and refreshments, local transportation, and other items incidental to such conferences)

Contingency provisions	Allowable.
Contributions and donations	Unallowable.
Defense and prosecution of criminal and civic proceedings, claims, appeals and patent infringements	Unallowable.
Depreciation	Allowable as an indirect allocated cost.
Employee health and welfare costs	Allowable.
Entertainment costs	Unallowable.
Equipment and other capital expenditures	Allowable as an indirect allocated cost.
Exchange rates	Allowable.
Fines, penalties, damages and other settlements	Unallowable.
Fundraising and investment management costs	Fundraising costs are unallowable; Investment management costs associated with pensions, self-insurance etc. are allowable as an indirect allocated cost.
Gains and losses on disposition of depreciable assets	Unallowable except for those assets originally purchased with grant funds.
General costs of government	Unallowable.
Goods or services for personal use	Unallowable. (Contact GWB staff for definition of Personal Use)
Idle facilities and idle capacity	Unallowable.
Insurance and indemnification	Allowable.
Intellectual property	Contact GWB staff.
Interest	Contact GWB staff.
Lobbying	Unallowable.
Losses on other awards or contracts	Unallowable.
Maintenance and repair costs	Allowable.
Materials and supplies costs, including costs of computing devices	Allowable. (Contact GWB staff for a precise list of allowable computing devices)
Meals and food	Allowable if <i>related to the successful performance of the grant</i> . Grantees should minimize meal costs and lower-cost options should always be the first option.
Memberships, subscriptions, and professional activity costs	Allowable if <i>related to the successful performance of the grant</i> .
Organization costs (ie. Incorporation costs, associated legal fees)	Unallowable.
Participant support costs	Allowable with prior approval. (For example: Stipend for

	participants, bus vouchers for participants, etc.)
Plant and security costs	Allowable.
Professional service costs	Allowable.
Proposal costs	Allowable as an indirect allocated cost.
Publication and printing costs	Allowable.
Rearrangement and reconversion costs	Allowable as an indirect allocated cost.
Recruiting costs	Allowable.
Rental costs of real property and equipment	Allowable.
Selling and marketing costs	Unallowable.
Specialized service facilities	Allowable as an indirect allocated cost.
Student activity costs	Unallowable. (For example: Costs incurred for intramural activities, student publications, student clubs, and other non-education/training student activities)
Rental costs of real property and equipment	Allowable.
Taxes	Allowable. (However, back taxes and associated fines/penalties are unallowable)
Termination costs	Contact Grant Advisor.
Training and education costs	Allowable.
Transportation costs	Allowable. (Mileage reimbursement will be set at the state rate)
Travel costs	Allowable if <i>related to the successful performance of the grant</i> . Grantees should minimize travel costs and lower-cost options should always be the first option. (Car rentals should be modest and any air travel should be at the lowest-cost possible.)
Trustees	Allowable.