



Response to Questions on the 2016 LOBs

Request By: Supervisor Smyth

Relevant LOB(s): LOB #251

Question: What percentage of the Consolidated Community Funding Pool funds go to administrative costs for non-profits?

Response:

The percentage of the Consolidated Community Funding (CCFP) pool expenditures for FY 2015 that were expended on Indirect Costs was 4.4%, or \$498,601. Costs are self-reported by program organizations and verified by DAHS staff through the enhanced contracts monitoring process.

Under the CCFP, Indirect Costs are defined as those costs to an organization that are not readily identifiable with a particular project/program or activity, but necessary to its general operation. There is currently not a budget category for “administrative costs” under the CCFP; however, organizations applying to the CCFP are required to explain how indirect costs, which can include components of administrative costs, are determined in the budget justification section of their proposal.

Some examples of Indirect Costs under the CCFP are: Management and Administrative Personnel, Telephone, Rent, Custodial Service, Payroll, Data Processing, Purchasing, Accounting, Vehicles and Insurance.

As DAHS continues to work with stakeholders to identify and to implement enhancements to the CCFP process, efforts will be made to address how organizations structure their program budgets in such ways to establish financial stewardship and accountability and promote partnerships to further leverage CCFP investments for the maximum benefit for participants.