**HOUSING AUTHORITY OF**

**TEXARKANA, TEXAS**

**Cost Distribution and**

**Fee Recovery Plan**

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**COST DISTRIBUTION AND FEE RECOVERY PLAN OF THE**

**HOUSING AUTHORITY OF TEXARKANA, TEXAS**

1. BASIC PRINCIPLES

The Housing Authority of Texarkana Texas (HATT) receives Federal Funds to operate federally funded programs and also manages, or operates other non­federal programs. The Office of Management and Budget (OMB) Circular A­87 requires HATT to adopt a cost distribution and fee recovery plan that will insure that those other programs share in the central or indirect cost of operating all of the programs that are operated by the recipients. In accordance with Generally Accepted Accounting Principles (GAAP), expenses, which are expired costs, and revenues must be recognized within the accounting period in which they occurred. HUD, in accordance with 24 CFR 990, part H requires PHA's to be in compliance with OMB Circular A­87.

The HATT Cost Distribution and Fee Recovery Plan is broadly described as follows:

1. HATT charges each program directly for expenses incurred by the program.
2. All central office expenses, including salaries, are pooled in the Central Office Cost Center (COCC) and funded by charging fees to the programs HATT operates.
3. The Fee for Service method is used to distribute certain frontline costs. These are costs of project functions that are performed in the Central Office and must be charged back to the projects.
4. GENERAL ACCOUNTING POLICIES AND COST DISTRIBUTION METHODOLOGY
5. Basis of Accounting ­

Accrual Basis

1. Fiscal Period

January 1 – December 31

C. Factors Affecting Allowability of Costs

To be allowable under Federal awards, costs must meet the following general criteria:

1. Be necessary and reasonable for proper and efficient performance and administration of Federal awards.
2. Be allocable to Federal awards under the provisions of OMB A­87.
3. Be authorized or not prohibited under State or local laws or regulations.
4. Conform to any limitations or exclusions set forth in these principles, Federal laws, terms and conditions of the Federal award, or other governing regulations as to types or amounts of cost items.
5. Be consistent with policies, regulations, and procedures that apply uniformly to both Federal awards and other activities of the HATT Central Office Cost Center.
6. Be accorded consistent treatment. A cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been distributed to the Federal award as an indirect cost.
7. Except as otherwise provided for in this plan, be determined in accordance with generally accepted accounting principles.

**D. Description of Cost Distribution Methodology**:

 HATT uses multiple cost pools to account and distribute costs. Agency ­wide costs are pooled in the Central Office Cost Center (COCC) and are funded using a fee­ for ­service approach as prescribed in OMB A­87. HATT directly charges each program for costs to the fullest extent possible and where administratively feasible.

1. Low Rent Public Housing costs that are not attributable to a specific project are pooled in a Central Office Cost Center (COCC), which is funded by property management fees and bookkeeping fees paid by each Asset Management Project (AMP) and/or Housing Program.
2. Front line costs of public housing are either accounted for by a fee­ for ­service basis, are distributed on a pro ­rata basis, or are directly charged to each project.

E. Distribution of Salaries and Wages

1. Central Office Cost Center (COCC)

Employees that work on multiple programs within HATT or a single grant funded program are assigned to the COCC. Income for the COCC comes from fees charged to all programs and grants within HATT.

2. Public Housing AMPs

The Public Housing AMP cost pool consists of all personnel salaries that are attributable directly to a public housing property.

3. Housing Choice Voucher

The Housing Choice Voucher cost pool consists of all personnel salaries that are attributable directly to the HCV Department.

 4. Centralized Staff Performing Public Housing Duties

1. Pro­ rata distribution

Some employees working at HATT performing front­line tasks will continue to work from a central location. Per guidance provided by HUD, these individuals are allowed to have their costs pro­rated to all public housing AMPs based on some equitable and measurable means.

 b. Fee ­for­ Service

Other employees that are located centrally but perform front­line tasks will be charged hourly based on the work performed at each AMP. The amount of the fee is determined by the price the local market will bear for the service being performed.

F. Internal Controls

 The Housing Authority of Texarkana, Texas maintains adequate internal controls to ensure that no cost is charged both directly and indirectly to grants and projects and accumulates all indirect costs and revenues in separate income and expense accounts.

G. Capital Funds

 HATT only directly charges low rent capital improvements costs to the Capital Fund. No costs of operation or administration are indirectly allocated to the Capital Fund. The COCC receives an administrative management fee of 10% of the total Capital Fund grant amount in Budget Line Item (BLI) 1410. Capital Fund management improvements (BLI 1408) and operations (BLI 1406) dollars are not used to fund the COCC. All 1408 and 1406 dollars are used by the AMPs.

1. Listing of Programs Serviced by the Housing Authority
2. Section 8 Program

The Section 8 program provides for housing assistance payments to private owners of residential units on behalf of eligible low/ very low income families. The program provides for such payments with respect to existing and moderately rehabilitated housing covering the difference between maximum rental on a dwelling unit and the amount of rent contribution by a participating family and related administrative expense. The authority is also eligible to receive reimbursement of preliminary expenses prior to lease up.

1. Low Rent Public Housing

This type of housing consists of apartments and single­ family dwellings owned and operated by the authority.

1. Public Housing Capital Fund Program

Substantially all additions to land, buildings and equipment are accomplished through modernization programs, comprehensive grant programs or development programs. Modernization programs replace or materially upgrade deteriorated portions of the authority’s housing units. Funding is provided through programs established by the Department of Housing and Urban Development. Development programs are used to acquire additional housing units for the public housing programs, and funding is provided through grants from the Department of Housing and Urban Development. HUD provides annual contributions for the payment of principal and interest on project notes and bonds.

1. HOPE VI Revitalization Grant

HATT received a HOPE VI Grant in September of 2008 to run through June of 2013. The purpose of the grant is to provide financing leverage to demolish and rebuild severely distressed public housing and to provide social and community services to address resident needs.

1. Woodbridge

HATT provides management services to a privately owned apartment complex known as Woodbridge.

1. **Low Income Housing Tax Credit Properties**

 HATT’s COCC provides administrative support services and contracted services to various properties developed under the Low Income Housing Tax Credit Program.

1. INCOME/EXPENSE DETAIL DESCRIPTION AND OVERVIEW

The tables below illustrate the cost pools, types of expenses, income and the manner in which costs will be handled. There are some costs that can be associated with an individual but not necessarily a program (e.g. travel and training costs). These costs will “follow the salary” of the individual whom the costs are associated with.

1. Central Office Cost Center (COCC) – Expenses

1. Certain costs are generated as a result of serving the strategic needs of the housing authority. Costs that are deemed to be ‘agency­-wide’ costs are pooled in the Central Office Cost Center. They are not attributable to a discrete program and therefore are funded by multiple programs using a fee­ for­ service approach.
2. The following employees are assigned to the COCC and charged as indicated. This is inclusive of all salary and benefit costs as well as other administrative expenses related to the employee.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Department  | Title  | COCC | Woodbridge | HOPE VI |
| Executive Office  | Executive Director  | 77% | 8% | 15% |
|  | Executive Secretary  | 100% |  |  |
| Finance  | Director of Finance  | 77% | 8% | 15% |
|  | Payroll Manager | 92% | 8% |  |
|  | Finance Clerk  | 50% | 50% |  |
| Housing  | Director of Housing Programs | 100% |  |  |
| Property Management | Director of Property Management | 100% |  |  |
| Maintenance  | Director of Maintenance/Modernization  | 93% |  | 7% |

1. Other administrative expenses charged to the COCC. Following are examples of other types of administrative costs that may be charged to the COCC.

|  |  |  |
| --- | --- | --- |
| Cost  | Description  | Methodology  |
| Legal  | Costs associated with an attorney reviewing contracts unrelated to specific programs and any retainer fees paid are funded by the COCC.  | Direct charge to the COCC  |
| Audit  | Audit costs are for the entire authority and should be distributed to all programs.  | Distributed to the different programs based on estimates provided by the auditors to audit each program and the expense for the public housing program will be distributed based on the number of units  |
| Telephone  | Telephone costs for the authority. If bills can be broken out and associated with a given project the project will be charged those costs directly.  | If bills cannot be broken out the telephone expense will be distributed among all programs based on the number of phones used for each program  |
| Sundry Expense  | Agency wide sundry expenses  | Direct charge to the COCC  |
| Utilities  | Any utility costs associated with the operation of the central office or a centralized maintenance building will be charged to the central office cost center.  | Direct charge to the COCC  |
| Maintenance Labor  | Any time spent at the central office by maintenance staff will be charged to the central office  | Direct charge to the COCC  |
| Maintenance Materials  | Any materials used at the central office will charged directly  | Direct charge to the COCC  |
| Contract Costs  | Contract costs not related to a specific program will be charged to the central office  | Direct charge to the COCC  |
| Insurance Costs  | Any insurance costs associated with the operation of the central office or otherwise not directly attributable to any program should be charged to the central office. Auto insurance is charged based on where the employee who uses the car is charged  | Direct charge to the COCC  |

B. Central Office Cost Center – Income

Central office expenses are funded through fees charged to the different programs operated by HATT. The following table lists the different income sources for the HATT central office cost center.

|  |  |  |
| --- | --- | --- |
| Program  | Fee  | Description  |
| Public Housing  | Property Management Fee  | HATT charges each public housing AMP a $42.94 Per Unit Month (PUM) charge for each eligible unit  |
|  | Bookkeeping Fee  | HATT charges each public housing AMP a $7.50 PUM charge for each eligible unit  |
|  | Asset Management Fee  | If the public housing AMP is meeting all the necessary cash flow requirements HATT will charge the AMP an asset management fee between $4-­$10 PUM based on what the AMP can afford  |
| Capital Fund  | 10% of total grant amount  | HATT takes 10% of the total capital grant amount under BLI 1410 for central office operations  |
| Section 8 Administration Fee  | $12 PUM  | HATT charges the HCV program $43,632 for administrative oversight of the program  |

C. Public Housing – AMP Expenses

1. Expenses can be charged to an AMP in three different ways: direct charge, pro ­rata and fee­ for­ service.

* + 1. Direct charge – an electricity bill or the maintenance person who works at a given AMP would be an example of a direct charge.
		2. Pro ­rata – an asset manager who shares time across multiple AMPs or a centrally located occupancy staff member are examples of people who will be charged pro­ rata.

* + 1. Fee ­for­ service – a fee­ for­ service charge in public housing is assessed by the COCC to an AMP for a front­line service provided to the AMP by a centralized employee. Currently HATT does not use the fee ­for­ service approach for any public housing employees.
1. Following is a list of employees charged directly to each AMP. If the title is listed as having less than 1 full­time employee [i.e. (1/2)] that title is shared with another AMP. In that case the expense for that position should be pro­rated across all AMPs it covers based on the number of units at each AMP.

|  |  |
| --- | --- |
| AMP  | Title  |
| AMP 112 & 689 | Property Manager  |
|  | Mechanic A |
|  | Mechanic B |
|  | Maintenance Aide A |
| AMP 025  | Property Manager  |
|  | Mechanic B (2) |
| AMP 037  | Property Manager  |
|  | Mechanic A  |
|  | Mechanic B  |
|  | Maintenance Aide A |

1. Following is a list of employees pro­rated to all AMPs as well as the methodology used to pro­rate the cost.

|  |  |
| --- | --- |
| Title  | Pro­ration Methodology  |
| Admissions Specialist (Occupancy Duties)  | Pro­rated to all AMPs based on the number of units  |
| Mechanic A (HVAC)  | Pro­rated to all AMPs based on the number of units  |
| Resident Services Specialist  | Pro­rated to all AMPs based on the number of units  |
| Maintenance/Modernization Clerk  | Pro­rated to all AMPs based on the number of units  |
| Receptionist (40% of time spent on Application and Rent Collection;40% of time spent on HOPE VI Reception Duties; 20% of time spent on COCC reception duties)  | Pro­rated to all AMPs, HOPE VI, and COCC based on percentage of time used  |

1. HATT attempts to track other administrative expenses at the AMP level but there are some cases where this is not possible. The following table shows examples of other administrative charges and how they are charged at the AMP level.

|  |  |  |
| --- | --- | --- |
| Cost  | Description  | Methodology  |
| Audit  | Costs associated with the audit of the public housing program  | Pro­rated to the AMPs based on the number of units  |
| Legal  | Cost associated with legal expenses for each AMP based on time spent by an attorney working on AMP based legal work as well as any court expenses  | Direct charge to the AMP  |
| Telephone  | Telephone costs for the authority. If bills can be broken out and associated with a given project the project will be charged those costs directly.  | If bills cannot be broken down by AMP the telephone expense will be distributed among public housing based on the number of phones in use at each AMP  |
| Sundry Expense  | AMP based sundry expenses  | Direct charge to the AMP  |
| Utilities  | AMP based utility costs  | Direct charge to the AMP  |
| Maintenance Materials  | AMP maintenance materials  | Direct charge to the AMP  |
| Contract Costs  | Contract costs, when possible, are tracked at the AMP level. If not feasible, the cost will be prorated to the AMPs using the service.  | Direct charge or prorate to the AMPs based on the number of units  |
| PILOT  | Expense associated with the payment in lieu of taxes for each individual AMP  | Direct charge to the AMP  |
| Insurance Costs  | Insurance costs are tracked and charged at the AMP level.  | Direct charge to the AMP  |
| Tenant Services  | When possible the costs associated with resident services are tracked at the AMP level.  | Direct charge or prorate to the AMPs based on the number of units  |
| Central Work Orders  | HATT takes work order phone calls at one location. The expenses for taking the work orders centrally are prorated to the AMPs  | Prorated based on number of work orders for each AMP  |
| Central Occupancy  | HATT processes applications and background for occupancy in a central location. The expenses for the central occupancy processing are prorated to the AMPs  | Prorated based on number of files passed forward to asset manager for each AMP  |
| Central Rent Collection/ Cashiers  | HATT collects at the COCC. The expense of collecting the rent is prorated to the AMPs  | Prorated based on number of units  |
| Safety  | The cost for the safety officers working in the Public Housing program are prorated to the AMPs.  | Prorated based on number of units  |
| Property Management & Bookkeeping Fees  | HUD has prescribed a $46.69 PUM property management and $7.50 PUM bookkeeping fee for HATT. This fee is charged to each AMP based on the number of eligible unit months at each AMP for general oversight by the central office. | Monthly direct charge to each AMP based on the number of eligible units  |
| Asset Management Fee  | HUD has prescribed an asset management fee of ­$10 PUM. This fee can only be charged if the AMP has enough cash flow.  | Monthly direct charge to each AMP based on the total number of units  |

D. Public Housing – AMP Income

1. There are three main sources of income for the public housing program

a. HUD Subsidy – annual operating subsidy provided by HUD to operate the public housing program at HATT.

b. Tenant Rent – rental income from HATT public housing residents paid to HATT is collected and recorded by development.

1. Other Income – income from interest on investments, services (laundry) and/or other tenant charges (maintenance charges). Where possible, HATT tracks income streams by development (e.g. laundry rooms, charges to tenants). Where it is not currently possible (e.g. investment income), HATT will distribute the income based on number of units. In the future, when balance sheets are AMP specific, each AMP will have a specific investment income amount.

E. Capital Fund – Expenses

1. Expenses of the Capital Fund Program (CFP) are handled differently than any other program run by HATT.

1. On a monthly basis the COCC charges the CFP a management fee of 10% of the grant amount to budget line item 1410.

1. Budget line items 1406 & 1408 are used for AMP specific expenses and are not used for central office expenses.
2. When capital work begins at a development the actual expense is booked at the AMP level and is “refunded” by drawing down the amount from HUD’s primary grant disbursement system, the Electronic Line of Credit Control System (e­LOCCS).

2. The Capital Fund Program is a grant program; therefore all employees working for the program, with a few exceptions, are part of the COCC. Employees working on construction projects at the AMPs will be expensed to the AMPs and supported through appropriate budgeting measures to the individual AMPs.

F. Capital Fund – Income

The income for the capital fund is defined by HUD based on the funding available for the program.

G. Section 8 Program – Expenses

1. All expenses for the housing choice program are direct expenses related to the program. The three main non-salary expenses for the program are Housing Assistance Payments, Utility Assistance Payments and the central office administration fee. The central office administrative expense is charged as 20% of the total Housing Choice Voucher Admin fee OR $12.50 PUM + $7.50 PUM.

1. The employees listed below are all directly charged to the Section 8 Program:

|  |
| --- |
| Title |
| Housing Inspector |
| Housing Specialist (1 ½; ½ charged to Hope VI) |

H. Section 8 Program – Income

The income for the Section 8 Program is defined by HUD based on the funding available for the program and the number of vouchers HATT leases up on an annual basis.

1. Woodbridge – Expenses

The expenses for the Woodbridge Apartments are direct expenses related to the operation of the apartment complex as well as indirect expenses incurred by the COCC to oversee the complex.

J. Woodbridge – Income

The income received by Woodbridge is from rent collected by the complex. No federal funds are received for this program.

K. HOPE VI – Expenses

The expenses charged to the HOPE VI program are for the demolition and reconstruction of public housing, relocation of tenants and for Community Support Services provided to the tenants affected by the transition.

L. HOPE VI – Income

The HOPE VI Grant is $20,000,000. These funds are leveraged with various other sources to fund the entire HOPE VI project.

M. Unallowable Costs

HATT recognizes that certain costs are unallowable charges and has internal controls referenced in the Internal Control Policy to ensure that such costs are not charged. Some examples of unallowable costs are:

1. Contingency provisions
2. Legal costs for defense of any civil or criminal fraud proceeding
3. Donations and contributions
4. Fines and Penalties
5. Lobbying
6. CURRENT GUIDANCE ON COST ASSIGNMENT1

 The following chart is intended as a preliminary guide for PHAs in assigning costs as either a front-line expense or a management fee expense. For simplification purposes, the term “management fee” in this context includes the bookkeeping fee.

|  |  |
| --- | --- |
| Activity/Expense  | Assignment of Cost  |
| General Corporate Oversight  | Management fee expense.  |
| Human Resources  | PHAs can charge projects for the cost of advertising, drug­ testing, and other direct costs incurred centrally for front­line staff. With HUD approval, fees for extraordinary union negotiations can be charged to projects as front­line expenses.  |
| Regional Management  | Management fee expense.  |
| Corporate Legal  | Only legal expenses directly related to the operation of a project – e.g., eviction services, tenant grievances, landlord/­tenant disputes, etc. – can be charged to the project as a front­line expense. Projects cannot be charged legal “retainers.” Any charges to the project for in­-house legal staff must be based on the services received/timesheets.  |
| Project Accounting  | Management fee expense.  |
| Information Technology  | All sites with computers can be charged directly for annual software/hardware purchase, upgrades, repairs, Internet access and training of site personnel. License agreements and maintenance service contracts for front­line equipment can be charged as a front­line cost based on a reasonable proration. Additionally, PHAs can charge each project the cost of repairs to front­line equipment by central staff, based on actual work performed. All other costs, including the full cost of the help desk, are to be paid from the management fee. Central servers and software that support the central office (not projects) should be recovered through management fees.  |
| Risk Management  | Costs of central risk management personnel are paid from the management fee; however, any premiums or self­-insured retentions that are project­ specific should be charged as a front­line cost.  |

1 “Preparing for Asset Management Under the New Public Housing Operating Fund Rule (24 CFR 990)”, U.S. Department of Housing & Urban Development Office of Public and Indian Housing 4/20/2007 HATT Cost Distribution and Fee Recovery Plan Page 15 of 29

|  |  |
| --- | --- |
| Activity/Expense  | Assignment of Cost  |
| Centralized Procurement  | PHAs can charge projects for the cost of any advertising and other direct costs incurred centrally for project­ specific procurement actions. Other centralized procurement tasks are paid from management fee.  |
| Central Warehouses  | With prior HUD approval, the costs of a central warehouse can be charged as a front­line cost only if the PHA can demonstrate that the costs are less than what the project would otherwise incur if the goods were obtained by on­site staff.  |
| Central Rent Collection  | A PHA that chooses to utilize central rent collections may charge back to each project on a pro­ rata basis the cost of any related bank charges and the cost of the rent collection clerk(s), provided that (1) the employee’s job description lists rent collection as a specific position responsibility and (2) the PHA documents the time performing front­line functions and the time the employee spends on central office functions. (General tenant accounting costs are recovered through the bookkeeping fee and are not considered front­line expenses.)  |
| Central Work Orders  | After the first year of project-­based accounting, a PHA may charge the cost of centralized work orders as a front­line expense only if the PHA documents/justifies that the cost is reasonable and necessary.  |
| Centralized Inspections Services  | A PHA may charge centralized inspections (for unit/preventive maintenance inspections only, not quality control inspections) as a front­line expense based on the services received by each project. The amounts shall not be more than what a PHA would pay a private vendor for the same service.  |
| Resident Services  | To the extent practical, all resident services should be site­-based, with costs tracked to the project. Where PHAs cannot reasonably track costs to a project, PHAs will be permitted to pro­rate centralized resident services costs across properties. However, in all instances the costs must be reasonable and necessary.  |
| Security/Protective Services  | See also comment under Resident Services. In addition, HUD may require PHAs with extensive centralized security/protective services operations that cannot readily be tracked to a project to submit a plan to provide for more direct deployment of these expenses in the future.  |
| Centralized Waiting List, Screening, Leasing, and Occupancy  | While few private housing operators maintain centralized leasing functions, PHAs have only recently been permitted to establish site-­based waiting lists. PHAs that maintain centralized waiting lists and admissions may pro­rate the costs of that function to each project either based on average turnover, or some other reasonable method. However, in all instances the costs must be reasonable and necessary.  |
| Central Reexaminations  | PHAs that maintain centralized recertification systems may pro­rate the costs of that function to each project on a reasonable basis. However, in all instances the costs must be reasonable and necessary. The PHA may not charge the project for a supervisor.  |
| Centralized Maintenance Services | The PHA can use one of four methods: • Where the PHA has bid out work under effective competition and is the most responsible low­ bidder, the PHA may charge the bid price. • Where the PHA provides a specialized service centrally (e.g., extermination, trash collection, unit painting), the PHA may charge the market price for that service, based on actual work performed. For example, if the market price for monthly unit extermination is $3.00 PUM, the PHA can charge the project this market price. The PHA must maintain documentation of its determination of market pricing. • Where the PHA provides a technical service centrally (e.g., plumbing, electrical), the PHA can charge the market price for that labor, based on actual work per­formed. For example, if Project A needs a maintenance plumber for 3 hours, the central office can charge the market price for a plumber for those 3 hours. (The PHA must absorb the attendant costs of this plumber through the fees collected.) The PHA must maintain documentation of its determination of market pricing. In all instances, the work must be necessary and the PHA should not charge for work that would normally be handled by on­site maintenance staff. • Where the PHA has centrally­ provided routine maintenance services (general maintenance, cleaning, etc.), the PHA may only charge the direct cost of the employee (salary and fringe) but with no mark­up for overhead or for supervision. Charges must be for services received. To the extent that it is reasonable for the project to require a vehicle (or a shared vehicle), the PHA may directly pro­rate the cost of the vehicle and other sundry costs. |
| Telephone Costs  | HUD prefers that PHAs obtain separate, project­ specific telephone bills; however, if a PHA has a master account that cannot be broken out by project, the PHA will be permitted to recover these costs through a method that reasonably pro­rates the phone bills to each project.  |

1. SUBMISSION REQUIREMENTS
2. Plan Revision

HATT will revise, or amend the plan for each year in which it claims central service cost under Federal awards. The plan should include (a) a projection of the next year’s allocated central service cost (based either on actual costs for the most recently completed year or the budget projection for the coming year), and (b) a reconciliation of actual allocated central service costs to the estimated costs used for either the most recently completed year or the year immediately preceding the most recently completed year.

HATT must develop and maintain this plan in accordance with the requirements described in OMB A­87 Circular and maintain the plan and related supporting documentation for audit. HATT is not required to submit the plan(s) for Federal approval unless they are specifically requested to do so by the cognizant agency.

1. Documentation Requirements for Submitted Plans

The documentation requirements described in this section may be modified, expanded, or reduced by the cognizant agency on a case­ by­ case basis. For example, the requirements may be reduced for those central services which have little or no impact on Federal awards. Conversely, if a review of a plan indicates that certain additional information is needed, and will likely be needed in future years, it may be routinely requested in future plan submissions. Items marked with an asterisk (\*) should be submitted only once; subsequent plans should merely indicate any changes since the last plan.

1. Generally, HATT’s plan must be accompanied by the following:
2. An organization chart sufficiently detailed to show HATT operations, including the

 COCC;

1. Comprehensive Annual Financial Report (or a copy of the Executive Budget if budgeted costs are being proposed) to support the allowable costs of each Cost Center service activity included in this plan;
2. A certification that the plan was prepared in accordance with OMB A­87 Circular, contains only allowable costs, and was prepared in a manner that treated similar costs consistently among the various Federal awards and between Federal and non­-Federal awards/activities.
3. For each allocated central service, the plan must also include the following:
4. A brief description of the service \*,

1. Identification of the unit rendering the service and the operating program receiving the service, the items of expense included in the cost of the service;
2. The method used to distribute the cost of the service to the specific benefited agencies;
3. A summary schedule showing the distribution of each service to the specific benefited agencies.