

3.13 ARRA SWCAP
Friday, February 19, 2010

Agency ARRA Teams,

The State of Ohio plans to recover ARRA administrative costs through a SWCAP Section II recovery methodology consistent with instructions provided by the Federal Office of Management and Budget on May 11, 2009.

To date we have not been able to receive organized information from the federal government regarding which ARRA programs are billable. So, we are asking state grant administrators and fiscal officers to review their ARRA grant instructions and provide us with definitive information indicating whether or not your grant program is subject to OMB Circular A-87 Section II SWCAP cost recovery.

Please provide the following information:

1. Program Name
2. CFDA #
3. Department
4. Is the grant billable according to federal guidance?
 - a. Please provide specific reference to written federal agency guidance indicating the ability to bill or not bill the program

Please provide this information by Friday, March 5, 2010 to Peter King at OBM (peter.king@obm.state.oh.us) so we may proceed with the FY 2009 and FY 2010 billing based on revenues received.

Background

Federal Office of Management and Budget Instructions (May 11, 2009), in part stated:

Under the provisions of OMB Circular A-87, States can recoup Recovery Act administrative costs through the State-wide Cost Allocation Plan (SWCAP), which is submitted to the Department of Health and Human Services (HHS) annually for review and approval. The costs can either be included as "centralized services" costs (commonly known as "Section I costs") or as "billed services" costs (commonly known as "Section II costs"). These costs can be included in the SWCAP as an addendum plan pertaining only to Recovery Act programs and activities, thus providing transparency to the total amount of Recovery Act administrative costs and its allocation to the programs. Specific guidance for developing the SWCAP is provided in OMB Circular A-87, Attachment C, State/Local Wide Central Cost Allocation Plans and HHS's document - Cost Principles and Procedures for Developing Cost Allocation Plans and Indirect Cost Rates for Agreements with the Federal Government (ASMB C-10).

This SWCAP Schedule II billed cost methodology was approved by the United States Department of Health and Human Services as authorized by OMB Circular A-87 on October 16, 2009 for the periods SFY 2009 through SFY 2011.

Thanks for your attention to this request. If you have any questions, please contact Peter King at (614) 728-4659.