

Allowability of Costs Process Overview

There are numerous steps involved in reviewing costs for allowability to any grant. The following is meant to be a general overview.

1. Review of incoming grants prior to acceptance and signing to ensure that all provisions of the grant can be satisfied, including allowable costs. The grant review is available to all in the organization, and a summary is shared with the Fiscal team.
2. Subcontracts with our providers include the required grant provisions. Note that training and guidance are provided to provider program staff by Worksystems. Budgets are developed during the contracting process with each provider for each subcontract. The budget provides a framework for allowable costs.
3. Use of our Billing Workbooks as provided to our subcontractors which is provided to them with a guide and training from Worksystems fiscal staff.
4. Upon receipt of a billing workbook from a provider, a review is performed by Worksystems fiscal staff for compliance with budget and subcontract. Each workbook is logged upon receipt, as is the completion of the review as well as the data entry from the workbook.
 - a. Any deviations from budget or contract is immediately addressed via email between Worksystems fiscal staff and subcontractors fiscal staff. As necessary, program staff from both entities are included in the discussion.
 - b. A corrected workbook will be requested if all concerned agree it is necessary, with Worksystems staff providing direction and guidance.
 - c. The billing workbook is only recorded in the financial system after review is completed and corrections received if required.
 - d. Program staff also review billing workbooks for accuracy and cost allowability under the and contractual program requirements. Program staff will alert Worksystems fiscal if they detect any issues.
5. Periodically, an issue may be detected after review and data entry have occurred. Sometimes this is due to a communication from a provider indicating an error detection in their documents or another programmatic issue has occurred (for example, a participant becomes ineligible). In this situation, a re-evaluation of the billing workbook by both Worksystems fiscal staff and program staff and a plan for correction is determined. The workbook is corrected and updates are processed in the GL. In some cases, Worksystems fiscal staff will make the required changes to a provider's workbook and send it back to the provider with a detailed explanation. The provider is asked to acknowledge and accept the changes.
6. For other non-subcontract costs, purchase requisitions are processed and approved for specific funding sources. Invoices are also approved by the appropriate managers, typically those charged with responsibility for the grant agreements related to the costs.
7. In generating a billing or draw request for specific grant funding, reports are generated from the financial systems and costs are evaluated for allowability. If there are questions about allowability at this point, they will be shared with other fiscal staff and/or CFO as well as program staff as necessary. If any costs are deemed unallowable at this point, they will be excluded from the billing and GL corrections will be made.
8. All corrections in the course of processing costs and grant billings are to be appropriately documented.