

Northwest Workforce Council

POLICY AND PROCEDURES DIRECTIVE

DATE ISSUED: August 25, 2005

SUBJECT: Allowable Costs

REFERENCE: WIA 01-33

INTRODUCTION

Expenditures of Workforce Investment Act (WIA) funds are allowable only for those activities permitted by the WIA Title I and related regulations. The Workforce Investment Act (WIA) Title I Final Rule, Title 20 CFR 667.200 and the "Comprehensive Financial Management Technical Assistance Guide" provide federal direction regarding allowable activities.

POLICY

As a Private Non-Profit Corporation, the Northwest Workforce Council follows Federal Office of Management and Budget (OMB) Circular A-122: Cost Principles for Non Profits to identify allowable and unallowable costs.

Certain costs relating to equipment and capital expenditures are allowable only if approval is granted prior to the purchase. The WIA Regulations, Section 667.200 (c) delegates the authority for granting prior approval for those selected items of cost to the Governor and approval is obtained from the Employment and Training Division, Washington State Employment Security Department.

References:

- Washington State WIA POLICY NUMBER: 3260 - Allowable Cost and Prior Approval Requirements
- Public Law 105-200
- 20 CFR Part 652
- OMB Circular A-122, Cost Principles for Non-Profits