



OREGON DEPARTMENT OF FISH & WILDLIFE POLICY Administrative Services Division

Title: Cost Allocation Policy	ASD_271_PO
Supersedes: N/A	
Applicability: All ODFW Employees	
Reference: 2 C.F.R. § 200.4 2019 , OAR 166-300(28) , Statewide OAM Policies 10.40.00 (2012) and 15.05.00 (2017)	
Effective Date: May 1, 2019	Approved: <i>Anica Klavin</i>

I. PURPOSE

To clarify ODFW Manager responsibilities associated with cost allocation.

II. DEFINITIONS

Allocation methodology: a process of assigning a cost, or a group of costs, to one or more cost objective(s), in reasonable proportion to the benefit provided or other equitable relationship. The process may entail assigning a cost(s) directly to a final cost objective (using an allocation base) or through one or more intermediate cost objectives.

Allocation base: the basis upon which an entity allocates its costs (e.g. square footage, number of staff assigned to a project, etc.).

Cost objective: a program, function, activity, award, organizational subdivision, contract, or work unit for which cost data are desired and for which provision is made to accumulate and measure the cost of processes, products, jobs, capital projects, etc. A cost objective may be a major function, a particular service or project, a Federal award, or an indirect (Facilities & Administrative) cost activity.

III. POLICY

Before authorizing an expenditure, ODFW Managers must ensure the expenditure is allowable and in compliance with all applicable statutes, regulations, and policies. This includes, but is not limited to, [Statewide OAM Policy 10.40.100 \(Expenditures\)](#), Federal Regulation 2 CFR 200 (Federal Awards only), as well as any stipulations set forth in the award letter (if applicable). Before authorizing an **allocated** expenditure, it is the responsibility of ODFW Managers to ensure:

1. Allocated costs are **calculated accurately**
2. The allocation methodology used is **equitable**
3. The allocation methodology utilized is **consistently applied**
4. The allocation methodology is **reviewed on a recurring basis**, to ensure the basis for determination of an equitable allocation methodology is up to date

ODFW Managers are responsible for ensuring support for the expenditure is retained. Required support includes a description of the **allocation methodology** utilized and a description of the **basis for determination of the allocation methodology**. Supporting records must be retained in accordance with Federal and State laws and securely destroyed at the end of the retention period.

OAR 166-300(28) requires grant records to be retained for 5 years after the final or annual expenditure report has been accepted before being destroyed.