

# ***COST ALLOCATION PLAN***

***FISCAL YEAR 2018***

***July 1, 2018 — June 30, 2019***



Kentucky River Area Development District  
941 North Main Street  
Hazard, KY 41701

Kentucky River Area Development District  
Fiscal Year 2018 Cost Allocation Plan

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ATTACHMENT: FY 2016 Audit

**KENTUCKY RIVER AREA DEVELOPMENT DISTRICT, INC**

**COST ALLOCATION PLAN**

**FOR YEAR ENDING JUNE 30, 2018**

**INTRODUCTION**

In accordance with 2 CFR Part 225 (formerly Circular No. A-87), A-122, A-133 (OMB) and KRS 147.050, which provides standards and principles for the determination of federally aided program costs applicable to contracts and grants with State and Local governments, this Cost Allocation Plan is written for the specific purpose of identifying those costs and outlining the accounting system in use.

Federal, State and Local units of government or any other interested persons may obtain it from the Kentucky River Area Development District Office for subsequent examination.

This plan adheres to the instructions contained in the "Cost Principles for State, Local, and Indian Tribal Governments", 2 CFR Part 225 (OMB Circular A-87) and the "General Services Administration, Office of Federal Management Policy, Federal Management Circular" (FMC – 4).

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The Kentucky River Area Development District Board of Directors has adopted operating policies to cover fiscal and personnel operations of this District.

## THE PLAN

This Cost Allocation Plan is submitted to the Department for Local Government for the Kentucky River Area Development District (KRADD) for Fiscal Year 2018.

It shall be used to assure consistency in determining which costs are direct and which are shared, and as a method of allocating the shared cost pool to the program elements in the ratio of the direct salaries and fringe benefits, and to facilitate equitable distribution of shared expenses to the cost objectives served.

Direct costs are those that can be identified specifically with a particular cost objective, and shared costs are those (a) cost objective, and (b) not readily assignable to the cost objective specifically benefited, without effort disproportionate to the results achieved, as defined in 2 CFR Part 225 (Circular A-87), and "Administration, Circular: (FMC 74-4). Therefore, the only real difference between direct and shared is the ability to identify each cost with a specific cost objective.

The cost categories to be used are as follows:

### **DIRECT COSTS ONLY**

1. Compensation of employees for time devoted to a specific element and related personnel burden (FICA, Unemployment, Workers Compensation, Health Insurance and Annual Leave).
2. Travel costs as identified by employees whose time is directly charged.
3. Consultant or contractor who performs work on a particular element(s) ( i.e. Aging program subcontractors).
4. Meeting expense when directly related to an element.
5. Any other cost(s) directly related to a specific element that is readily assignable, such as training, membership dues, and meetings.

### **SHARED COSTS ONLY**

Costs incurred for a common or joint purpose benefiting more than one program element, and not readily assignable to the program elements specifically benefited, without effort disproportionate to the results achieved is considered shared.

### **MIXED AND SHARED COSTS**

Costs of certain salaries and related personnel burden, travel, registrations, meetings, etc. are sometimes mixed direct and shared.

### **LOCAL EXPENDITURES ONLY**

The acquisition of fixed assets and, if funds are available, a portion of Board and Committee travel Expenses are considered local costs.

## **DEFINITIONS OF SHARED COSTS**

### **Salary**

Salaries include cost of the Executive Director, Finance Officer, Receptionist and any other person(s) whose time is not dedicated to specific work elements and general job duties benefit the District as a whole.

### **Burden/Leave**

Burden consists of FICA, Unemployment, Workers' Compensation, Health Insurance, Retirement, and Annual Leave expenses that are associated with any employee's time that are not directly connected to an individual work element.

### **Travel**

Any travel expense that cannot be readily identified to a specific element by the person incurring the expenses is treated as a shared cost.

### **Building Maintenance**

Building Maintenance is any non-capital expense required to maintain the proper working order of the District office building. All District program and administration offices reside in the same location; therefore, building maintenance is a treated shared cost.

### **Utilities**

Since all utility expenses apply to one centralized District location, they are charged as shared costs.

### **Communications/Information Systems Access/Postage**

All communication costs are to be charged as shared costs because time spent direct costing these expenses would outweigh the benefits. This category includes telephones, Internet connections, and postage.

### **Ceremonies and Special Projects**

Ceremonies and Special Projects are any expense related to meetings or conferences, as described in OMB Circular A-87, Attachment B, Selected Items of Cost subsection 27, held by the District that cannot be directly related to a specific work element. These expenses may include meals, facility rentals, and speaker fees.

### **Office Supplies**

Office Supplies are purchased in quantities, whenever possible, so as to have extra supplies when needed. These supplies are centrally located and are replenished by a staff person in

order to maintain an adequate supply. Due to the centralized location and the volume of supplies used, it is not cost efficient to direct charge office supplies.

### **Automobile Maintenance**

Automobile Maintenance is any expense, such as oil changes and other routine maintenance issues, related to maintaining the operation of the District's automobiles. These automobiles are used by all staff and it would be impossible or impractical to direct cost this expense.

### **Computer Services**

Computer Services are costs for any professional service used to maintain and repair the District's computer equipment and does not include the purchase of computer equipment. These services benefit the District as a whole and it is impractical to attempt to direct cost these expenses.

### **Equipment Rental**

Rented office equipment benefits all work elements during the course of the fiscal year. Since it is impractical to track the usage of such equipment by work element, all equipment rental fees are charged as shared costs. Equipment purchases are not shared costs; any equipment purchased in excess of \$5,000 is capitalized.

### **Background Checks**

Background checks are required for each new employee. Only employees' background checks that cannot be tied to a specific program are charged as indirect.

### **Software Maintenance**

Software maintenance refers directly to the expense of maintaining and supporting existing software, which cannot be directly tied to a specific work element (i.e. accounting software).

### **Equipment Maintenance**

Since the District's office equipment benefits all programs, any supplies or services needed to maintain the equipment is charged as a shared cost.

### **Employee Training**

Employee Training is charged as a shared cost when training is a benefit to the District as a whole and the time of those employees attending the training is a shared cost. Employee Training is direct charged when the training relates to specific work elements.

### **Printing/Publications**

Both are charged as shared whenever it is impossible or impracticable to charge directly.

## **Subscriptions**

Subscriptions of any type of publication are allocated as a shared cost whenever it is impossible or impractical to charge directly.

## **Bonding and Insurance**

Bonding and Insurance is required to operate the District and benefits all elements and are considered impracticable to charge directly.

## **Membership Dues**

Membership Dues to professional organizations, which benefit the District as a whole, are treated as a shared cost.

## **Consultants**

Consultants are used when the District has issues that go beyond the realm or expertise of staff. The related costs are treated as a shared cost when the service they are providing cannot be connected to a specific work element and benefit the agency as a whole. For example, since the District does not employ a full-time Human Resources position, the District consults with Human Resources professionals regarding hiring and employee policy issues.

## **Audit**

The Single Audit Act, as required by Circular A-133, requires the District have an annual independent audit. Since the audit looks at the District as a whole, all audit fees are charged as shared cost.

## **Amortization Expense**

Amortization Expenses are banking fees for projects and accounts benefiting the agency as a whole that may be due over a period of time.

## **Depreciation Expense**

Asset depreciation is calculated on an annual basis and is charged as shared cost. All capitalized assets benefit the District as a whole; therefore, it is not cost effective to directly allocate the calculated depreciation costs.

## **Health Insurance Admin Fee**

The District's health insurance carrier charges a nominal fee per month for plan administration. Since, the fee is small and the service benefits all employees, it is not cost effective to direct charge this expense.

## **Other Expenses**

Miscellaneous expenses that do not fall into other cost categories and either benefits the District as a whole or is impossible or impractical to direct cost, are treated as shared costs.



## **SUBSTANTIVE RECORDS**

### **1. TIME SHEETS**

Each employee for recording the program, code and total hours worked per element maintains a biweekly time sheet. A percentage of direct and shared time for each element is determined and applied to the employee's monthly gross salary to compute salary cost prorated to each element. Annual or sick leave taken is recorded in the same manner. The employee signs the time sheet, which is then approved, by the Supervisor or Executive Director before reimbursement is issued.

### **2. TRAVEL EXPENSE VOUCHERS**

Each employee is responsible for keeping his travel report up-to-date. It is totaled at the end of each pay period, dated, signed by the claimant, and presented to the department head and forwarded on to the Executive Director for approval before reimbursement is issued.

### **3. OUT-OF-DISTRICT TRAVEL AUTHORIZATION**

The employee requests permission from the Executive Director for out-of-district travel whenever it is deemed necessary. The Finance Officer keeps the request on file.

### **4. VACATION AND SICK LEAVE REQUEST**

A request for leave form is filled out and presented to the Department Head for approval. It is then either approved or disapproved by the Executive Director. The request form is then filed with the employee's time sheet.

## INDIRECT COST RATE CALCULATION

Total Indirect Costs are a combination of any cost that cannot be directly related to a specific work element. These costs may be salaries, benefits, travel, utilities, etc. These costs are cumulative and allocated monthly based on the District's indirect cost rate method.

The Modified Total Direct Cost method is used for the calculation of the indirect cost rate. The modified total direct costs include salaries/wages, benefits, and annual leave accrual amounts charged directly to any program, with the exception of the Title V SCSEP program costs. Any salary/wage and benefit expenses for the Title V SCSEP enrollee wages are pass-thru funds and indirect costs may not be applied. Also, the total pension liability from Local Operations is not included in the calculation. The Total Indirect Costs are divided by the Modified Total Direct Costs to determine the agency's indirect cost rate.

**Indirect Cost Calculation  
For Year Ending June 30, 2016**

<u>Indirect Costs Applied</u>	
Personnel Expense	\$230,662
Fringe Benefits	106,924
Staff Travel	15,615
Auditing	35,500
Supplies	48,535
Postage	11,437
Telephone & Utilities	27,543
Dues, fees, subscriptions	18,150
Equipment, Leases, & Depr.	131,494
Other	65,624
<b>Total Indirect Costs Applied</b>	<b><u>\$690,854</u></b>
<u>Direct Salary &amp; Benefit Expenditures</u>	
<b>Salary Total as Listed in FY 2016 Audit</b>	<b>\$1,463,780</b>
Less:	
Title V Enrollee Wages*	(159,343)
Indirect Salary Expenses	(230,662)
<b>Total Direct Salary Expenditures</b>	<b>\$1,073,775</b>
<b>Benefit Total as listed in FY 2016 Audit</b>	<b>\$942,467</b>
Less:	
Net Pension Liability from Local Operations	(159,619)
Less:	
Title V Enrollee Benefits*	(12,651)
Indirect Benefits Expenses	(106,924)
<b>Total Direct Benefits Expenditure</b>	<b>\$663,903</b>
<b>Total Direct Salary &amp; Benefits Expenditure</b>	<b>\$1,737,678</b>
<b>Indirect Cost Rate for FY 2016</b>	<b>39.76%</b>

**Kentucky River Area Development District  
Modified Total Direct Program Costs  
As of June 30, 2016**

<b>Program</b>	<b>Direct Personnel Costs</b>	<b>Direct Benefits Costs</b>	<b>Modified Total Direct Costs</b>	<b>Indirect Applied</b>	<b>Indirect Rate</b>
Title III B Admin	14,000	7,113	21,113	8,394	39.76%
Title III Ombudsman	8,422	5,479	13,901	5,527	39.76%
Title III B Case Mngt	12,759	8,329	21,088	8,384	39.76%
Title III C1 Admin	10,976	5,518	16,494	6,558	39.76%
Title III C2 Admin	11,228	5,761	16,989	6,754	39.76%
Title VII Ombudsman	2,277	1,506	3,783	1,504	39.76%
Elder Abuse	1,393	931	2,324	924	39.76%
Title III E Admin	3,514	2,035	5,549	2,206	39.75%
Title III E Caregiver	20,490	12,898	33,388	13,274	39.76%
KY Caregiver	15,343	9,357	24,700	9,820	39.76%
KY Ombudsman	14,823	9,788	24,611	9,785	39.76%
Homecare Admin	20,468	10,742	31,210	12,408	39.76%
Homecare Assessments	2,971	2,385	5,356	2,129	39.75%
Homecare Case Mngmt	81,269	58,988	140,257	55,762	39.76%
Homecare Social Services	85,686	65,855	151,541	60,249	39.76%
Title V Admin	8,359	3,175	11,534	4,586	39.76%
Title V Other	13,121	5,448	18,569	7,383	39.76%
SHIP	11,525	6,033	17,558	6,981	39.76%
ADRC	12,122	7,505	19,627	7,803	39.76%
CDSME	1,283	717	2,000	814	40.70%
IAO	591	399	990	394	39.80%
MIPPA SHIP	9,389	4,756	14,145	5,624	39.76%
MIPPA AAA	7,102	3,617	10,719	4,166	38.87%
MIPPA ADRC	4,254	2,273	6,527	2,672	40.94%
HBE	166	244	410	163	39.76%
FAST	1,069	727	1,796	714	39.76%
CDO HCB Financial Mngt	130,721	78,461	209,182	83,165	39.76%
CDO HCB Support Broker	284,336	173,973	458,309	182,211	39.76%
Transportation Planning	44,263	23,752	68,015	27,041	39.76%
Transp. Road Update	2,896	2,002	4,898	1,947	39.75%
FEMA Pre-Disaster Mitigation	10,387	6,215	16,602	6,601	39.76%
FEMA Flood Assistance	4,217	2,717	6,934	2,757	39.76%
Performance Contracts	80,097	46,732	126,829	50,422	39.76%
JFA	142,258	88,472	230,730	91,732	39.76%
<b>Total</b>	<b>1,073,775</b>	<b>663,903</b>	<b>1,737,678</b>	<b>690,854</b>	<b>39.76%</b>

## **FORMAL BOOKS OF ACCOUNT**

The Kentucky River ADD uses an accounting software system that the following reports are generated from on a monthly basis:

### **EXPENDITURE JOURNAL**

The Expenditure Journal lists each cash disbursement made. The details in this report include the vendor paid, the check number, check date, and amount paid.

### **GENERAL LEDGER**

The General Ledger details every transaction and includes beginning and ending account balances; as well as, transaction dates, transaction descriptions, and transaction amounts.

### **ACCOUNTS RECEIVABLE LEDGER**

The Accounts Receivable Ledger shows each active customer and includes all invoices, payment history, and outstanding balances.

### **TRIAL BALANCE**

The Trial Balance shows all General Ledger account balances.

### **PAYROLL REGISTER**

The Payroll Register details all payroll costs, including wages and benefits, paid to each employee. These costs are organized by employee and are allocated by work element and general ledger account.

### **PAYROLL DISTRIBUTION REPORT**

The Payroll Distribution report details time allocation for each employee for a specific payroll. Accounting software automatically charges wage and burden costs to individual work elements according to the allocations in the payroll distribution report.

## **SUPPORTING DOCUMENTATION**

The following is a list of supporting documents used by the Kentucky River Area Development District:

1. Deposit Slip
2. Check
3. Cash Receipt
4. Bank Statement
5. Bank Reconciliation
6. Purchase Order
7. Invoice
8. Cancelled Checks
9. Out-of-District Travel Authorization
10. Vacation/Sick Leave Authorization Form
11. Travel Expense Vouchers

**Kentucky River Area Development  
District  
Roster of Work Elements  
Fiscal Year 2018**

<u>Account Code</u>	<u>Account Title</u>
000	General
100	Indirect
120	Community Economic Development
125	CDBG
130	ARC Planning
140	Management Assistance
150	Program Administration
230	Transportation Planning
370	Water/Wastewater Training
371	Performance Contracts
373	Revolving Loan Fund
375	Pre Disaster Mitigation
376	Flood Assistance Mitigation
380	Section 8 Housing
400	Aging Title III B Administration
401	AARP SENIOR DAY
402	Senior Games/Prom
405	Title III B Social Services
406	Title III I & A
407	Aging Community Service Projects
408	Improving Arthritis Outcomes
409	FAST
410	Aging Resource Market
411	ADRM RAM Event
412	ADRC federal Program
413	Health Exchange Kynector
414	ADRC Medicaid Eligible
415	Title III D Health Promotion
420	CDSME
421	WOLFE SR CTR SPEC PROJ
430	Title III Ombudsman
431	State Ombudsman
454	Title III C1 Admin
455	Title III Congregate Meals
459	Title III C2 Admin
460	Title III C Home Delivered Meals
465	Title III Elder Abuse
467	Elder Abuse Council
468	Medicaid Fraud and Abuse Control Grant
480	KY Caregiver Admin
481	KY Caregiver Services
482	KY Caregiver ADRC
484	Title III Caregiver Admin
485	Family Caregiver
486	Title III E CG ADRC

505	Homecare Administration
510	Homecare Assessment
515	Homecare Case Management
517	Homecare Program Services
520	KRADD Homecare Aids
525	Homecare Home Delivered Meals
535	Homecare Social Services
705	Title V Administration
710	Title V Enrollee Wages
715	Title V Other Enrollee Costs
810	SHIP Administration
815	HCFA/SHIP
820	USDA/NSIP
830	Title VII Ombudsman
891	CMS MIPPA II SHIP Services
893	AOA MIPPA III AAA Sevcs
895	AOA MIPPAIII ADRC Sevrc
905	Medicaid CDO Financial mngt
910	Medicaid CDO Supprot Broker
912	Medicaid Durable Goods



**Chart of Accounts**  
**Fiscal Year 2018**

The Kentucky River Area Development District's Chart of Accounts is table Driven. Therefore, any combination of the following five segments is a valid account number.

The following list is a complete description of each account type included in the chart of accounts:

<u>Acronym</u>	<u>Description</u>
CSH	Cash Account
OA	Other Assets
AR	Accounts Receivable
ARO	Other Accounts Receivable
FAO	Fixed Assets
AP	Accounts Payable
APO	Other Accounts Payable
OL	Other Liabilities
REV	Revenue
NAE	Net Assists
EXP	Expenses

***Fund***

<u>Account Code</u>	<u>Account Title</u>	<u>Status</u>
01	General Fund	A

***General Ledger Accounts***

<u>Account Code</u>	<u>Account Title</u>	<u>Status</u>
1110	Operations Checking Account	A
1112	Aging Bank Account	A
1113	RLF Bank Account	A
1114	FUND 30 CASH	A
1115	Local Funds Bank Account	A
1116	Building Renovation Project	A
1117	USDA RD LOAN RESERVE ACCT	A
1140	Petty Cash	A
1160	TCD Investments	A
1162	RLF Investments	A
1205	Accounts Receivable	A

1206	Homecare Client A/R	A
1207	A/R Beginning Balances - Local	A
1208	CDO Receivable	A
1210	DUE FROM AGING	A
1225	Loans Receivable	A
1226	Allowance for Doubtful Loans	A
1230	A/R Local	A
1231	A/R LOCAL BEGINNING BALANCE	A
1255	Interest	A
1290	Due To/Due From	A
1291	To Clear Due To/Due From	A
1300	Prepaid Expenses	A
1305	Prepaid Rent	A
1410	Fixed Assets	A
1412	BUILDING ASSETS	A
1413	NEW BUILDING PROJECT	A
1420	Gain/Loss	A
1460	Accumulated Depreciation	A
1461	Unamortized debt Cost	A
1999	Deferred Outflow	A
2010	Accounts Payable	A
2011	AP Beginning Balances	A
2012	BUILDING LOAN PAYABLE	A
2013	Current Portion of Notes Payable	A
2015	Accounts payable Federal	A
2016	Accounts Payable VISA	A
2020	Accounts Payable State	A
2021	Audit Liability	A
2110	Accrued Payroll	A
2202	Federal Payroll Taxes Payable	A
2206	Accrued Unemployment	A
2208	Medical Insurance Payable	A
2210	CCU Withholding	A
2211	Workers Comp	A
2212	AFLAC Deduction	A
2213	Cincinnati Life Insurance	A
2214	KY Income Tax Withholding	A
2215	Hazard Income Tax Withholding	A
2216	Unum Life & Disability Payable	A
2217	Perry Co. Occupational Tax Payable	A
2227	Deferred Comp Loan Pmt	A
2228	Deferred Comp Withholding	A
2229	Roth 401k Deferred Comp	A
2230	CERS Retirement Contribution	A
2231	CERS Employee Deduction	A
2232	CERS Reimbursement	A
2235	Miscellaneous Withholding	A
2240	CDO Payroll Services Payable	A
2245	Due to Medicaid	A
2310	Accrued Annual Leave	A

2320	Unearned Revenue	A
2410	DUE TO GOF FROM AGING	A
2500	DEFERRED REVENUE	A
2501	Deferred Liability	A
2600	Pension Liability	A
2999	Deferred Inflows	A
3020	Fund Balance Unreserved	A
3052	RLF Fund Balance	A
3053	Fund Balance RLF	A
4110	Federal Revenue	A
4120	State Revenue	A
4121	Medicaid CDO Payroll Funds	A
4125	Medicaid CDO Payroll	A
4200	In-Kind Revenue	A
4230	Homecare Program Services Revenue	A
4310	Local Revenue	A
4410	Interest Revenue	A
4510	Other Revenue	A
4512	Rental Income	A
4540	Title III Program Income	A
4541	Title III Program Income	A
4550	Local Match	A
4560	Title III B In-kind	I
4561	Title III B In-Kind	A
4562	In-Kind Match	A
5110	Personnel Expense	A
5205	Support Services	A
5210	Burden	A
5212	Leave Accrual	A
5331	Caregiver Respite Vouchers	A
5332	Caregiver Support Services	A
5333	Grandparent Support Services	A
5410	Staff Travel	A
5413	Board Travel`	A
5500	Space Rental	A
5515	Building Maintenance	A
5520	Utilities	A
5610	Office Supplies	A
5611	Food Supplies	A
5615	Cleaning Supplies	A
5620	Office Furniture	A
5705	Auto Expense	A
5710	Computer Services	A
5715	Insurance & Bonding	A
5720	Public Notices	A
5723	Subscriptions	A
5725	Printing	A
5728	Film & Developing	A
5729	Information System Access	A
5730	Telephone Expense	A

5735	Postage	A
5740	Ceremonies & Special Projects	A
5741	AARP SENIOR DAY	A
5745	Equipment Rental	A
5746	Background Checks	A
5747	Software Maintenance	A
5748	Equipment Maintenance	A
5749	Peripheral Equipment	A
5750	Employee Training	A
5751	Board Training	A
5753	Membership Dues	A
5755	Other Expenses	A
5760	Consultants	A
5766	Audit	A
5769	Amortization Expense	A
5770	Depreciation	A
5771	S/L Payable to Retirement	A
5775	In-Kind	A
5776	Background Checks	A
5777	Health Insurance Admin Fee	A
5778	Interest Expense	A
5779	Medicaid CDO Payroll Funds Payable	A
5780	KOHS County Equipment	A
5781	Homecare Choices Services	A
5782	Fire Prevention Grant Supplies	A
5783	Medicaid Durable Goods	A
5784	Promo/Educational Supplies	A
5798	Title III Program Income	A
5799	Local Match	A
6100	Aging Subcontractor Services	A
6124	Staff Travel Reimbursement	A
6125	Title V Enrollee Travel	A
7110	Shared Cost Allocated	A

**Work Elements**

<u>Account Code</u>	<u>Account Title</u>	<u>Status</u>
000	General	A
100	Indirect	A
120	Community Economic Development	A
125	CDBG	A
130	ARC Planning	A
140	Management Assistance	A
150	Program Administration	A
230	Transportation Planning	A
370	Water/Wastewater Training	A
371	Performance Contracts	A
373	Revolving Loan Fund	A
375	Pre Disaster Mitigation	A
376	Flood Assistance Mitigation	A

380	Section 8 Housing	A
400	Aging Title III B Administration	A
401	AARP SENIOR DAY	A
402	Senior Games/Prom	A
405	Title III B Social Services	A
406	Title III I & A	A
407	Aging Community Service Projects	A
408	Improving Arthritis Outcomes	A
409	FAST	A
410	Aging Resource Market	A
411	ADRM RAM Event	A
412	ADRC federal Program	A
413	Health Exchange Kynector	A
414	ADRC Medicaid Eligible	A
415	Title III D Health Promotion	A
420	CDSME	A
421	WOLFE SR CTR SPEC PROJ	A
430	Title III Ombudsman	A
431	State Ombudsman	A
454	Title III C1 Admin	A
455	Title III Congregate Meals	A
459	Title III C2 Admin	A
460	Title III C Home Delivered Meals	A
465	Title III Elder Abuse	A
467	Elder Abuse Council	A
468	Medicaid Fraud and Abuse Control Grant	A
480	KY Caregiver Admin	A
481	KY Caregiver Services	A
482	KY Caregiver ADRC	A
484	Title III Caregiver Admin	A
485	Family Caregiver	A
486	Title III E CG ADRC	A
505	Homecare Administration	A
510	Homecare Assessment	A
515	Homecare Case Management	A
517	Homecare Program Services	A
520	KRADD Homecare Aids	A
525	Homecare Home Delivered Meals	A
535	Homecare Social Services	A
705	Title V Administration	A
710	Title V Enrollee Wages	A
715	Title V Other Enrollee Costs	A
810	SHIP Administration	A
815	HCFA/SHIP	A
820	USDA/NSIP	A
830	Title VII Ombudsman	A
891	CMS MIPPA II SHIP Services	A
893	AOA MIPPA III AAA Sevcs	A
895	AOA MIPPAIII ADRC SevrC	A
905	Medicaid CDO Financial mngt	A

910	Medicaid CDO Support Broker	A
912	Medicaid Durable Goods	A

**Performance Contracts**

<u>Account Code</u>	<u>Account Title</u>	<u>Status</u>
00	General	A
01	Whitesburg Upper Bottom Water	A
02	KIA	A
03	Jackson Federal Place CDBG	A
04	Campton Sewer Rehab	A
05	Beattyville Tourism Grant	A
06	Brownfields Grant	A
07	Leslie Co. Clerk Maps	A
08	Fleming Neon Water Plant	A
09	Jackson Lift Stat Rehab PhII	A
10	Ball Cr/Hindman Sanitary Sewer Study	A
11	KIA/WRIS	A
12	Jackson Lift Station Rehab	A
13	911 Contract updates	A
14	911 Contract Extension	A
15	North Perry Water Phase II	A
16	South Perry Water Phase IV	A
17	Buckhorn Water Project	A
18	NIMS CAST	A
19	Car Creek Water Plant	A
20	Perry Co. Sanitation Dist	A
21	KCADD Broadband Contract	A
22	Letcher Pert/Pine/Cram Creek Water	A
23	Wolfe Co. WX21237003	A
24	Campton WX21237004	A
25	Wolfe/Campton WX21237110	A
26	Letcher Millstone Water	A
27	Letcher Deane/Mill Cr Water	A
28	Various Mapping Projects	A
29	Letcher HWY 160 Premium Phase II	A
30	Perry Co Water Proj WX21193012	A
31	Knott Co Hall Perkins madden	A
32	Vicco Waste Water	A
33	West Campton Sewer Line Extension	A
34	Knott Co Jamestown Village 9225	A
35	Letcher Bull Cr/ Elk Cr Water Phase 1	A
36	Perry Co WX21193210	A
37	Breathitt Robinson Water	A
38	Letcher Cumberland River Water	A
39	Campton Bethany Water Improvements	A
40	Breathitt Bethany Road Water	A
41	Leslie Co Veterans Cemetery	A
42	Jenkins Phase III Sewer Rehab	A
43	KY Ag Dev Info System	A
44	CMRS CAD System 2013	A

45	CMRS Perry Radios 2013	A
46	Whitesburg CDBG	A
47	Owsley County Water New FY 08	A
48	Letcher WD Debt Relief	A
49	Vicco Operations	A
50	Buckhorn Route 28 Water	A
51	Letcher Radio Read Meter Conversion	A
52	Hyden Water CDBG	A
53	GRADD Broadband Contract	A
54	Ball Cr WWTP Improvements	A
55	Pippa Passes WWTP Improvements	A
56	Fleming Neon Sewer Project	A
57	Perry Lewis Hollow Water	A
58	Craft Colley/Dry Frk Sewer	A
59	Jenkins Phase IV Water	A
60	Campton School Apt	A
61	SPGE Training	A
62	Vicco Water	A
63	Campton Water Treatment Plant	A
64	Jenkins KIA \$20,000	A
65	Jenkins KIA \$5,000	A
66	Jackson KIA DWSRF	A
67	Whitesburg Carbon Feed System	A
68	Knott Co. Ball creek	A
69	Knott Co. Irishman Creek Water	A
70	Hindman Water Imprvements	A
71	Owsley Co Community Center	A
72	Carr Creek Water Phase I	A
73	SOAR Initiative	A
74	Booneville Hilltop Tank	A
75	Booneville I&I Reduction	A
76	Vicco KIA	A
77	Letcher HWY 1410 Interconnect	A
78	Letcher Redstar Ulvah Hallie Water	A
79	Letcher HWY 160 Water	A
80	Perry Pomp Hollow Water	A
81	Whoopfalara Project	A
82	Jackson Water Tank Proj	A
83	Perry Fort Branch Water	A
84	Knott Carr Creek Water Phase 2 &3	A
85	Ball Cr Ph II Sewer	A
86	Econ Dev Leakage Study	A
87	Economic Dev Recovery Grant	A
88	Perry Co Magisterial Districts	A
89	Breathitt SRF Canoe	A
90	Local Road Updates - Breathitt	A
91	Local Road Update - Knott	A
92	Local Road Update - Lee	A
93	Local Road Update - Leslie	A
94	Local Road Update - Letcher	A

95	Local Road Update - Owsley	A
96	Local Road Update - Perry	A
97	Local Road Updates - Wolfe	A
98	Letcher Thornton	A
99	Lower Ball Cr Water	A

***Subcontractors***

<u>Account Code</u>	<u>Account Title</u>	<u>Status</u>
00	General	A
01	Breathitt County Senior Citizens	A
02	Letcher County Senior Citizens	A
04	Owsley County Senior Citizens	A
05	Perry County Senior Citizens	A
06	Appalachian Research & Defense	A
07	Kentucky River District Health Dept	A
08	LKLP	A
09	Middle KY River Area Dev Council	A
11	Lee County Constant Care	A
12	Leslie County Senior Citizens	A
14	McRoberts Adult Day	A
15	Knott County Senior Citizens	A



## CERTIFICATE OF INDIRECT COSTS

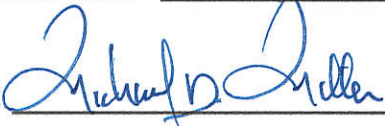
This is to certify that I have reviewed the indirect cost rate proposal submitted herewith and to the best of my knowledge and belief:

(1) All costs included in this proposal for FY 2018, is to establish billing or final indirect costs rates for the period of July 1, 2017 through June 30, 2018 are allowable in accordance with the requirements of the Federal award(s) to which they apply and 2 CFR part 225, "Cost Principles for State, Local, and Indian Tribal Governments." Unallowable costs have been adjusted for in allocating costs as indicated in the cost allocation plan.

(2) All costs included in this proposal are properly allocable to Federal awards on the basis of a beneficial or causal relationship between the expenses incurred and the agreements to which they are allocated in accordance with applicable requirements. Further, the same costs that have been treated as indirect costs have not been claimed as direct costs. Similar types of costs have been accounted for consistently and the Federal Government will be notified of any accounting changes that would affect the methodology.

I declare that the foregoing is true and correct.

Governmental Unit: Kentucky River Area Development District

Signature: 

Name of Official: Michael D. Miller

Title: Executive Director

Date of Execution: March 20, 2017

FY 2018 CAP DOCUMENTATION FORM

NAME of ADD: Kentucky River ADD

Individual completing form: Michelle Allen

The plan submitted is a(n) :

Cost Allocation Plan (CAP)     Indirect Cost Rate Proposal (ICRP)     Our plan is blended

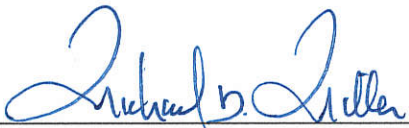
NOTE: Some plans may be blended and have elements of both a CAP and ICRP. These plans should meet all the elements of a CAP and the any additional ICRP elements applicable to the entity.

Please verify these required items are included in your CAP or ICRP:

- Introductory Statement explaining the plan and any specific information
- Statement assuring the district has board-approved operation policies.
- Roster of all work elements
- Chart of Accounts
- Formal books of entry
- Organization Chart sufficiently detailed to show operations
- Copy of audited financial statements or Executive Budget
- Certification of compliance with federal requirements, including reference to compliance with OMB Circular A-87.
- A brief description of each allocated central service/shared costs
- Identification of the unit rendering the allocated/shared service and operations receiving the Service
- Items of Expense included in the cost of allocated/shared services. (allowable per OMB Circular A-87)
- Description of method used to distribute costs to all benefiting cost objectives (including federal programs).

No changes in methodology of allocation or classification of costs from our FY 2015 CAP

Changes from FY 2017 CAP are as specified:  
(additional pages may be used if necessary)

Signed:  Print Name: Michael D. Miller

Title: Executive Director Date: 3/20/2017

Kentucky River Area Development District  
 Organizational Chart  
 Fiscal Year 2018

