



**ARROWHEAD REGIONAL  
DEVELOPMENT COMMISSION**

**2017 Cost Allocation Plan**

Serving the MN Counties of: Aitkin ♦ Carlton ♦ Cook ♦ Itasca ♦ Koochiching  
♦ Lake ♦ St. Louis

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## Purpose

The purpose of this cost allocation plan for calendar year 2017 is to summarize, in writing, the methods and procedures that the Arrowhead Regional Development Commission will use to allocate costs to various programs, grants, contracts and agreements.

The plan addresses elements of costs incurred by the Arrowhead Regional Development Commission (ARDC) and identifies common or shared costs that require consistent and sound allocation in order to be equitably shared by all work elements. The plan will not increase common or shared costs, but will provide for their identification and equitable distribution on an agency-wide basis.

## History

Arrowhead Regional Development Commission (ARDC) was created for the northeastern counties of Minnesota as Region III pursuant to Minnesota Statutes Section 462.381-462.396. The purpose of regional development commissions is to work with and on behalf of local units of government to develop plans or implement programs to address economic, social, physical, and governmental concerns of each region of the state. The commission may assist with, develop, or implement plans or programs for individual local units of government.

ARDC has been designated:

- Minnesota Board on Aging as the Area Agency on Aging for Region III Planning and Service Area (PSA). Region III comprises the counties of Aitkin, Carlton, Cook, Itasca, Koochiching, Lake, and St. Louis.
- Metropolitan Planning Organization (MPO), to provide guidance and leadership on transportation and land use planning issues in the Duluth-Superior metropolitan planning area
- Northeast Minnesota Economic Development District, which provides economic development planning assistance to communities in the counties of Aitkin, Carlton, Cook, Itasca, Koochiching, Lake, and St. Louis.

The business and affairs of the Commission are managed by a board of directors. The Board of Directors has the power to designate management, and has the ability to significantly influence operation and primary accountability for fiscal matters. The Commission receives funding from local, state and federal government sources and must comply with the requirements of these funding source entities.

The Arrowhead Regional Development Commission uses a totally integrated accounting software package designed specifically for public and non-profit multi-funded organizations receiving contract and grant funds. The composition of total costs of a project is allowable direct costs plus the allocated portion of the allowable indirect costs of the Commission. Individual elements of cost have been classified as direct or indirect in accordance with principals contained in OMB Circular A-87, Principles for Determining Costs applicable to grants and contracts with state, local and federally recognized Indian Tribal Governments. The Commission developed the Cost Allocation Plan using allowable costs as documented in *Final OMB Uniform Guidance: Cost Principles, Audit, and Administrative Requirements for Federal Awards 2CFR 200.27 Subpart F, Appendix IV, Appendix V, Appendix IX*.

The rate established in this plan is a rate for calendar year 2017. During the year the accounting system will produce indirect rates based on actual expenditures on a cumulative year to date basis. At the end of the fiscal year the previous actual rate will serve as the basis for developing the ensuing year's proposal. The cost allocation structure contained in this plan provides the agency with an ability to monitor the various components of allocated cost. It also provides the

basis for a consistent budgetary, accounting and reporting structure for the agency so that all components of the financial management system are compatible. The direct and indirect characteristics of each category of expenditures must be delineated.

This Cost Allocation Plan and supporting methodology allows the Agency to establish and maintain accountability for each grant or contract regardless of when received. It envisions an integrated financial management structure which treats costs consistently and which will enhance the quality and value of audit to the Agency and its funding sources.

The organizational chart of the Arrowhead Regional Development Commission is provided in Exhibit A of this Cost Allocation Plan for 2017.

### **Direct Costs**

A direct cost is any cost that can be identified specifically with a particular final cost objective/work element. The budget for direct costs is provided within each work element through the budgetary process. Costs identified specifically with the contract are direct costs of the contract and are charged directly to the contract. Salaries, wages, staff travel, photocopy, printing, long distance telephone charges, contractual purchases, etc. identifiable to a particular project are charged directly to that project. ARDC payroll, disbursements and accounts receivable financial reporting systems utilize charge codes to identify the projects' direct costs.

The general approach of the Arrowhead Regional Development Commission in allocating costs to particular grants and contracts is as follows:

- (a) All allowable direct costs are charged directly to programs, grants, activity, etc.
- (b) Allowable direct costs that can be identified to more than one program are prorated individually as direct costs using a base most appropriate to the particular cost being prorated. Examples include Facilities which are allocated on a square footage basis and payroll processing costs allocated by the number of hours recorded for each project.
- (c) All other allowable general and administrative costs (costs that benefit all programs and cannot be identified to a specific program) are allocated to programs, grants, etc. using a base that results in an equitable distribution. Allowable costs include scheduling, supervising and administrating personnel and Division projects.
- (d) A Management Group consisting of three Division Directors, the Finance Director and Human Resource of the Arrowhead Regional Development Commission are responsible for the overall management of the agency. The time spent on managing the affairs of the Commission by Management Group are charged/paid by levy funds which are received from the seven northeast counties of the state of Minnesota and support the General Fund. Time that is spent by the Directors on the deliverables of a specific grant or contract is charged to that grant or contract.

### **Indirect Costs**

Indirect costs are those costs that are not readily identified with the activities of a particular project but are nevertheless incurred for the joint benefit of those activities and other activities and programs of the Commission. In most cases, attempts to charge these costs directly involve arbitrary decision-making or require effort disproportionate to the benefits derived. Indirect pools or cost centers are a part of the Cost Allocation Plan and are related to bases to facilitate an equitable, rational and consistent distribution of indirect costs to work elements. In the accounting system, indirect cost pools accumulate actual expenditures on an annual basis and allocate them monthly to the work elements. Through this mechanism, the accounting system is able to identify actual indirect cost rates for the comparison with the rate proposed herein.

Indirect costs are spread to work elements and pools which are eliminated when the final distribution is made at the end of the fiscal year.

Indirect costs consideration include:

- (a) A base period for allocating indirect costs during which such costs are incurred and accumulated for distribution to work performed in that period. The base period for allocating indirect costs for the Arrowhead Regional Development Commission is its fiscal year which is the calendar year.
- (b) All items properly includable in an indirect cost base bear a pro rata share of indirect costs.
- (c) The Commission's method of allocating indirect costs are in accordance with generally accepted accounting principles which are consistently applied.

### **Allowable Costs**

Individual elements of cost have been classified as direct or indirect in accordance with principles contained in *Final OMB Uniform Guidance: Cost Principles, Audit, and Administrative Requirements for Federal Awards 2CFR 200.27 Subpart F, Appendix IV, Appendix V, Appendix IX*

(a) The cost must be reasonable. An indirect cost is considered reasonable when it is necessary for the operation of the Commission. The actions taken with respect to the incurrence of the cost are consistent with established institutional policies and practices applicable to the work of the Commission.

(b) The cost is given consistent treatment by applying these generally accepted accounting principles.

- Cost principles. The Commission is responsible for ensuring that costs are allowable, allocable, and reasonable under cost principles in *2CFR 200.27*
- Internal controls. The Commission's financial management system must ensure that no one person has complete control over all aspects of a financial transaction.
- "Applicable credits" refers to receipts that offset or reduce indirect cost items.

### **Leave Policies of the Commission**

The leave pool does not require the issuance of a rate since leave is budgeted as a part of salaries. This allocation of leave costs is a part of accounting for salaries. Salaries are budgeted in terms of annual salaries without distinction between service and leave time. Therefore the billing rate per hour is the hourly rate paid to the employee increased by the portion that has been taken as leave. This approach assures greater equity through the use of leave rates applied consistently.

### **Fringe Benefits and their Cost**

Fringe benefits are established by the ARDC Commission Board of Directors and are documented in the Employee Handbook.

Actual costs for the fringe benefits are accumulated in the accounting system on an accrual basis. The accumulated pool costs are distributed to each work element through the actual rate which is the ratio of fringe costs to total salaries. This consistent allocation procedure precludes/eliminates the time-consuming process of calculating and distributing fringe benefit costs by individual element.

Arrowhead Regional Development Commission 2017  
Cost Allocation Plan

Fringe benefit costs from supporting accounting documentation to the budget are as follows:

The proposed Fringe Benefit Rate based upon prior year actual and projected costs is 32.12% Exhibit B

**Salary and Fringe Budgets for the following Divisions**

	<u>Direct Salary</u>	<u>Fringe</u>	<u>Total</u>
Commission Administration	209,928	76,570	286,497
Area Agency on Aging	926,796	320,718	1,247,515
Regional Development & EDA	347,166	86,933	434,099
Metropolitan Planning Organization	389,808	129,333	519,141
Total Division Salaries	1,873,699	613,554	2,487,252
Indirect (Human Resources & IT)	71,864	30,867	102,731
	1,945,563	644,421	2,589,984

**Indirect Cost Base (Agency wide salary + fringe) \$2,589,894**

**ARDC Budgeted Indirect Costs for the year ended December 31, 2017**

The indirect cost rate represents the ratio between the total indirect costs divided by the base - salaries plus fringe. This allows for each program or activity represented in the cost base to assume its fair share of indirect costs when the rate is applied.

The Arrowhead Regional Development Commissioners have determined the critical need for a human resources manager to provide in-house services to the Divisions. The Human Resource manager's time (salary and fringe benefits) not clearly identified to a deliverable in a grant or contract is recorded on the timesheet as indirect. Hours spent by the in-house IT coordinator is also recorded as indirect.

Depreciation costs or use allowance associated with facilities and equipment are included in Indirect Costs. Depreciation is computed by class of asset, by expected remaining life. The depreciation is calculated and updated in the fixed asset schedule.

IT equipment that is not capitalized (items under \$2,500) are included in Indirect Costs as well as software licenses, virus protection and other items related to security of data within the organization.

**Indirect Costs Pools** - are accumulated in the accounting software and are distributed to each element/project through a rate that represents the relation of indirect costs to direct salaries plus fringe. (Exhibit E 2016 actual indirect expenditures)

**2016 Actual Indirect Costs \$174,518 divided by salary & fringe \$2,390,739 = 7.3 %**

**2017 Budgeted Indirect Costs \$224,019 divide by budgeted Salary + fringe \$2,589,894 =  
8.60 %**

The indirect cost rate is applied consistently to all work elements.

The distribution base as approved by the Board of Directors of the Commission is the total indirect costs divided by the total salary and fringe of a project resulting in the Indirect Cost Rate.

### **Direct Expense and Cost Allocation**

The Arrowhead Regional Development Commission provides facilities (work space) and certain services to all of the Divisions on a centralized basis. A process has been developed whereby these central service costs are identified and charged to benefited grants and contracts on a reasonable and consistent basis. Considerations in determining an appropriate base for allocating costs include the relative benefits received, the materiality of the cost, and the amount of time and cost to perform the allocation. The cost allocation plan includes activities carried on by the Commission and their attendant costs.

Costs of central-type services to the Divisions are directly charged using allocation bases for cost distribution. Bases are established for each type of expense category and distributed through transfer coding. The general approach and procedures of the Arrowhead Regional Development Commission in allocating costs to particular grants and contracts beginning January 1, 2017 are as follows:

**Personnel** includes all charges for staff salary and wages documented with biweekly timesheets (Exhibit F) showing time distribution for all employees and allocated based on time spent on each program or grant. Salaries and wages are charged directly to the program for which work has been done. Costs that benefit more than one program are allocated to those programs based on the ratio of the program's hours to the total of such hours. Costs that benefit all programs are charged to indirect costs using a rate with a base of salary and fringe.

**Fringe benefits** includes all charges for FICA, UC, and Worker's Compensation, PERA (Public Employee Retirement), health savings account payments, health insurance, dental insurance, life and disability and other fringe benefits are allocated to personnel charges. All fringe benefits are recorded as actual.

**Insurance** needed for a particular program is charged directly to the program. Insurance for general and professional liability coverage are expensed directly allocated by the number of hours spent working on a project.

**Contracted Services** charged directly to the program that have direct benefit. These costs include charges for consultants, legal services, audit costs, etc.

**Postage** is allocated based on usage. Expenses used for a specific program are charged directly to that program as documented in the postage log.

**Printing and photocopying** (including supplies, maintenance and repair) expenses are charged directly to programs that benefit from the service. An internal service fund is maintained for printing and copying. The copier/printers have logging software that charges the work project or contract for each copy printed or photocopied.

**Program Supplies** are charged directly to programs that benefit from their use. Paper supplies that are considered general benefiting multiple divisions are charged to the internal service fund..

**Internet and Telephone** are purchase as a bundled product. Fiber optic and band width usage is analysed annually. The costs of the internet and telephone are allocated on a per cubicle basis. These cost recorded are allocated based upon hours expended on the grant or contract.

All onsite employees receive essentially the same type and level of service. All telephone equipment is fully depreciated. If a new headset is needed it is charged directly to the Division where it is used. Using a per cubicle (office) basis reflects availability status that is needed by a Division. Therefore usage varies during the year due to interns, seasonal employees and volunteers. Services are available whether or not an employee or volunteer is working on any givne day.. Telephone service for off-site staff is charged directly to the projects they are working on.. Cell phone costs are also charged directly.

**Training/Conferences/Seminars** are allocated to the program benefiting from the training, conferences or seminars.

**Auto and Travel Costs** include charges for mileage, airfare, lodging, meals. All travel costs (local and out-of-town) are charged directly to the program for which the travel was incurred. Staff travel charges for Human Resource and IT Coodination are charged to the indirect budget.

**Facilities Expenses** (includes Utilities, Maintenance, Property Insurance) are allocated based upon a ratio of Division usable square footage distributed over the total square footage of the building which includes shared space (hallways, bathrooms, etc.) Facilities costs related to central activities are considered shared space. Use of conference rooms is logged and conference space used is charged to the programs benefiting from Conference space usage. These cost recorded are allocated based upon hours expended on the grant or contract.

**Information Technology** - an IT Managed Services Provider is contracted to monitor server and computer backups, patches and security, email services, and to provide 24-hour monitoring, managing and/or problem resolution for the IT systems. These Managed IT costs are recorded and allocated based upon hours expended on the grant or contract.

**Rent** for offsite locations are charged directly to the contract/grant that is making use of the rented space.

**Other Costs (including membership dues, licenses, fees, etc.)** if the costs are allowable they are expensed directly to programs that benefit from the service. These purchases that benefit more than one program are allocated using a base that allows for an equitable distribution of cost. Non-allowable expenses are charged directly to the General Fund of the Commission. The Commission is funded by property tax levy receipts.

**Commission and Committee Travel** include charges for mileage, airfare, lodging, meals, taxi and per diems for Commissioners and Committee members. All Commission/Committee travel charges are charged to the Commission administrative budget that is funded directly by the General Fund.

**Periodicals, Subscriptions** include charges for magazines, books, pamphlets are charged directly to the benefited Division. Periodicals and subscriptions that benefit all Divisions are charged to Commission administrative budget.

#### **Requests for Information**

Questions concerning information provided in this Cost Allocation Plan, or requests for additional financial information, should be addressed to the Arrowhead Regional Development Commission, 221 West First Street, Duluth, Minnesota 55802, Attention: Lorna M. Morrisroe, Finance Director.

**CERTIFICATE OF INDIRECT COSTS**

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

- (1) All costs included in this proposal dated May 18, 2017 to establish indirect costs rate(s) for calendar year 2017 are allowable in accordance with the requirements of the Federal award(s) to which they apply and OMB Circular A-87, "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 predetermined rate.
- (3) The indirect cost rate calculated within the proposal is 8.60 percent, which was calculated using an indirect cost rate base type of Salaries and Fringe. The calculations were based on actual costs for employees from fiscal year 2016 to obtain a federal indirect cost billing rate for fiscal year 2017.
- (4) All documentation supporting the indirect cost rate identified above must be retained by the Recipient. This rate should be reviewed and validated as part of the Recipient's annual financial audit.

Subject to the provisions of the Program Fraud Civil Remedies Act of 1986, (31 USC 3801 et seq.), the False Claims Act (18 USC 287 and 31 USC 3729); and the False Statement Act (18 USC 1001), I declare to the best of my knowledge that the foregoing is true and correct:

Organization Name: Arrowhead Regional Development Commission

Signature: \_\_\_\_\_

Name of Authorized Official: Lorna M. Morrisroe

Title: Finance Director

Date of Execution: May 18, 2017



## LOBBYING CERTIFICATE

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

As the official having the authority to negotiate the indirect cost rates on behalf of the Arrowhead Regional Development Commission, I hereby certify that the Organization has complied with the federal requirements and standards on lobbying costs in as set forth in OMB Circular A-87, "Cost Principles for State, Local, and Indian Tribal Governments", in the development of the indirect cost billing rate for the fiscal year ending 2017, based on actual costs from fiscal year 2016.

Subject to the provisions of the Program Fraud Civil Remedies Act of 1986, (31 USC 3801 et seq.), the False Claims Act (18 USC 287 and 31 USC 3729); and the False Statement Act (18 USC 1001), I declare to the best of my knowledge that the foregoing is true and correct.

Organization Name: Arrowhead Regional Development Commission

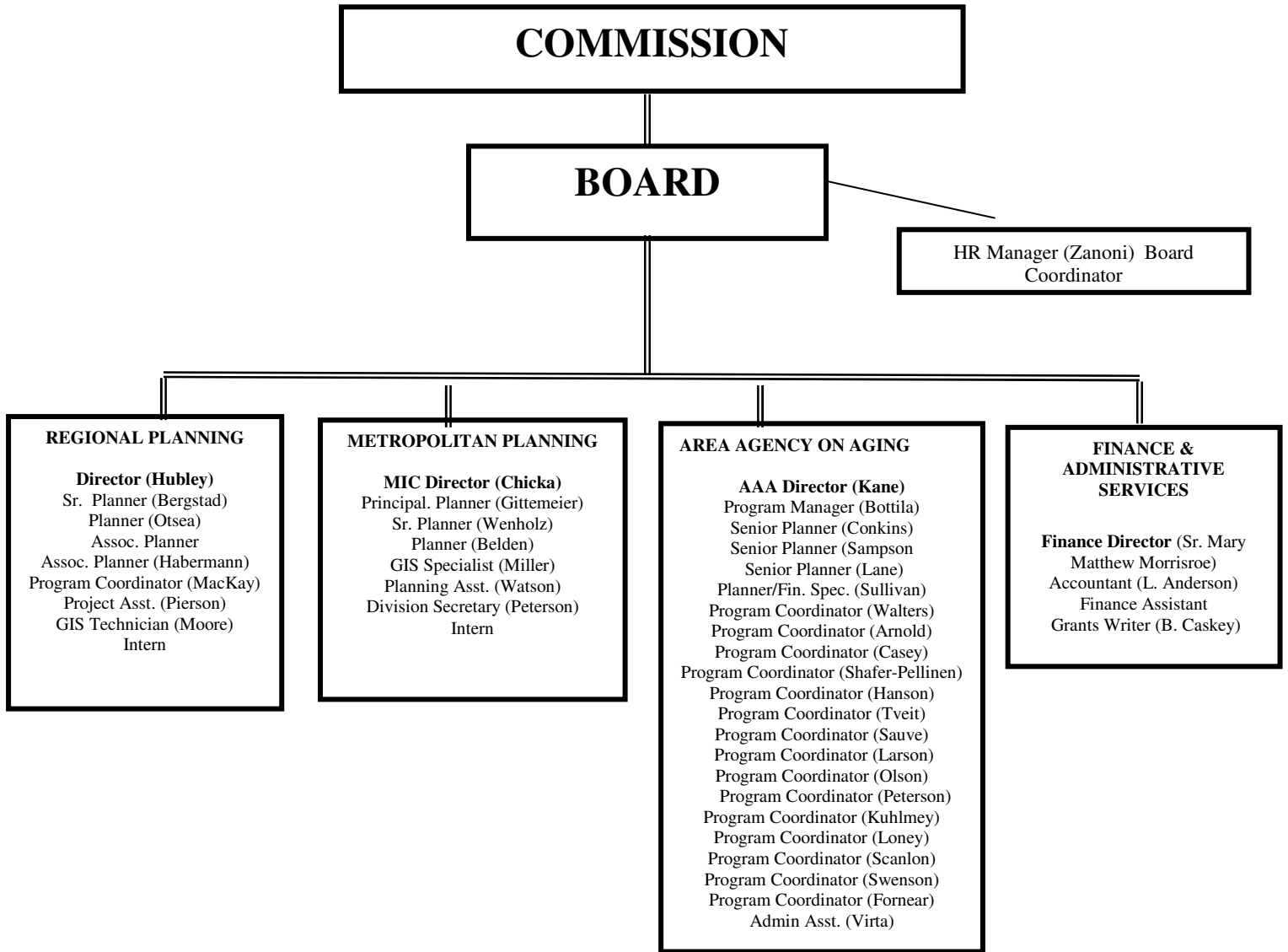
Signature: \_\_\_\_\_

Name of Authorized Official: Lorna M Morrisroe

Title: Finance Director

Date of Execution: May 18, 2017

## Arrowhead Regional Development Commission Organizational Chart May 2017



**Exhibit B**

**Arrowhead Regional Development Commission  
Employee Fringe Benefits  
2017**

<b>% Worked</b>	<b>Hourly Rate</b>	<b>Salaries &amp; Wages Annualized</b>	<b>FICA &amp; Medicare</b>	<b>Public Employee Pension</b>	<b>ARDC Employer Health</b>	<b>ARDC Dental</b>	<b>ARDC Life, STD &amp; LTD</b>	<b>Worker Comp</b>	<b>Unemployment</b>	<b>H.S.A</b>	<b>Total Fringe</b>	
Accountant	100.0%	25.82	53,706	4,108	4,028	9,229	427	491	215	419	520	19,437
Program Coordinator	100.0%	19.48	40,518	3,100	3,039	10,974	1,019	372	162	419	520	19,603
Planner	100.0%	21.40	44,512	3,405	3,338	6,648	427	408	178	419	520	15,343
Senior Planner	100.0%	29.21	60,759	4,648	4,557	3,759	427	555	547	419	520	15,432
Program Coordinator	50.0%	19.50	20,280	1,551	1,521	-	-	-	115	251	-	3,438
Senior Planner	100.0%	26.00	54,080	4,137	4,056	-	427	496	487	419	-	10,021
Program Coordinator	75.0%	18.36	28,642	2,191	2,148	-	427	280	115	314	-	5,475
Grant Writer	87.5%	30.50	55,510	4,247	4,163	18,192	1,019	508	500	366	520	29,514
Director	100.0%	48.92	101,744	7,783	7,631	15,835	1,019	867	407	419	520	34,480
Senior Planner	100.0%	33.00	68,640	5,251	5,148	9,893	1,019	627	618	419	520	23,495
Admin Assistant	90.0%	18.00	33,696	2,578	2,527	11,142	427	308	135	377	520	18,014
Principal Planner	100.0%	30.21	62,847	4,808	4,714	3,815	427	574	566	419	520	15,842
Associate Planner	100.0%	19.75	41,080	3,143	3,081	2,899	427	377	370	419	520	11,235
Program Coordinator	40.0%	18.54	15,425	1,180	1,157	-	-	-	115	251	-	2,703
Director	100.0%	49.81	103,605	7,926	7,770	8,141	1,019	867	932	419	520	27,594
Director	100.0%	36.06	75,000	5,738	5,625	12,939	1,019	685	675	419	520	27,619
Program Coordinator	80.0%	17.34	28,854	2,207	2,164	-	427	264	115	335	520	6,032
Planner	75.0%	30.65	47,814	3,658	3,586	-	427	437	430	314	520	9,372
Program Coordinator	100.0%	24.36	50,669	3,876	3,800	-	427	463	456	419	-	9,441
Program Coordinator	60.0%	21.17	26,420	2,021	1,982	-	1,019	-	238	251	520	6,030
Program Coordinator	40.0%	19.75	16,432	1,257	1,232	-	-	-	148	167	-	2,805
GIS Specialist	100.0%	22.04	45,843	3,507	3,438	3,455	427	419	183	419	520	12,368
GIS Specialist	100.0%	24.45	50,856	3,890	3,814	3,581	427	465	203	419	-	12,799
Director	100.0%	48.42	100,712	7,704	7,553	9,725	427	867	403	419	520	27,619
Program Coordinator	100.0%	21.06	43,805	3,351	3,285	10,834	1,019	388	175	419	520	19,991
Planner	100.0%	21.45	44,616	3,413	3,346	3,203	427	409	402	419	520	12,138
Admin Assistant	75.0%	17.97	28,033	2,145	2,102	9,725	-	342	112	314	520	15,261
Program Coordinator	100.0%	21.06	43,805	3,351	3,285	3,647	427	400	175	419	520	12,225
Project Assistant	70.0%	20.48	29,819	2,281	2,236	-	-	-	119	293	-	4,930
Senior Planner	50.0%	30.65	31,876	2,439	2,391	-	-	-	287	209	-	5,325
Program Coordinator	100.0%	24.75	51,480	3,938	3,861	10,645	1,019	471	463	419	520	21,336
Program Coordinator	100.0%	21.63	44,990	3,442	3,374	3,647	427	411	180	419	520	12,420
Program Coordinator	100.0%	19.50	40,560	3,103	3,042	8,449	-	371	162	419	-	15,546
Finance Specialist	75.0%	19.50	30,420	2,327	2,282	5,344	427	342	122	314	520	11,678
Program Coordinator	100.0%	18.43	38,334	2,933	2,875	15,664	1,019	351	153	419	520	23,933
Program Coordinator	75.0%	20.00	31,200	2,387	2,340	-	1,019	286	463	419	520	7,434
Admin Assistant	100.0%	18.00	37,440	2,864	2,808	3,592	1,019	274	337	419	520	11,832
Program Coordinator	100.0%	20.60	42,848	3,278	3,214	9,893	427	370	171	419	520	18,292
Planning Assistant	100.0%	23.86	49,629	3,797	3,722	8,315	427	454	199	419	520	17,852
Project Assistant	100.0%	27.50	57,200	4,376	4,290	6,526	1,019	524	515	419	520	18,187
Manager	100.0%	34.55	71,864	5,498	5,390	17,045	1,019	690	287	419	520	30,867
			<b>1,945,563</b>	<b>148,836</b>	<b>145,917</b>	<b>246,759</b>	<b>22,803</b>	<b>16,413</b>	<b>12,635</b>	<b>15,474</b>	<b>16,120</b>	<b>624,957</b>

**Total Fringe Rate**

**32.12%**

**Exhibit C**

**ARROWHEAD REGIONAL DEVELOPMENT COMMISSION**

**Final Budget For the Calendar Year 2017**

	<b>Direct Costs (Projects &amp; Administration)</b>	<b>Indirect Costs</b>	<b>2017 Final Budget Total</b>
<b>REVENUES</b>			
Tax Levy	601,145	-	601,145
Federal Grants	1,114,605	-	1,114,605
State	561,643	-	561,643
Federal Direct Service Grants	2,308,168	-	2,308,168
State Direct Service Grants	917,441	-	917,441
Local	48,834	-	48,834
Contracts	230,000	-	230,000
Program Income	535,783	-	535,783
Other	131,238	-	131,238
<b>TOTAL REVENUE</b>	<b>6,448,857</b>	<b>-</b>	<b>6,448,857</b>
<b>EXPENDITURES</b>			
Salaries	1,889,548	80,000	1,969,548
Fringe	608,185	25,600	633,785
Allocated Indirect Costs	224,019	(224,019)	0
Sponsorship	6,000	-	6,000
Audit	27,300	-	27,300
Board & Committees	16,500	-	16,500
Computer Licenses & Maintenance	53,910	21,000	74,910
Contracts/Subgrantees	2,654,769	-	2,654,769
Equipment	32,790	-	32,790
Dues and Memberships	10,835	500	11,335
Facilities	101,082	-	101,082
Insurance	29,535	5,000	34,535
Interest and bank fees	1,800	-	1,800
Legal	3,500	-	3,500
Meetings	17,772	150	17,922
Telephones and Internet	39,792	600	40,392
Depreciation	-	60,000	60,000
Photocopying/Printing	44,992	2,000	46,992
Postage	13,445	100	13,545
Publications	300	300	600
Staff Training	15,500	600	16,100
Staff Travel	111,953	4,400	116,353
Website	6,000	-	6,000
Supplies	22,348	3,600	25,948
Loans	447,750	-	447,750
Miscellaneous	69,232	20,169	89,401
<b>TOTAL EXPENDITURES</b>	<b>6,448,857</b>	<b>-</b>	<b>6,448,857</b>
Revenue and Expenditures Allocated Over/(Under)	-	-	-

## Exhibit D

### Arrowhead Regional Development Commission Indirect Cost Rate Computation and Analysis Period From 01/01/16 to 12/31/16

Description	Indirect Costs
<b>Expenses</b>	
SALARIES	62,433.01
FRINGE BENEFITS	17,592.87
Mileage - Staff Travel	229.50
Airfare - Staff Travel	442.20
Cab/Bus Fares - Staff Travel	102.00
Meals - Staff Travel	59.39
Lodging - Staff Travel	327.36
Meeting Expenses	522.25
Building -Elevator Maintenance	1,307.07
Building Repairs and Maintenance	2,203.02
Insurance	2,192.97
Phone-Cell/Mobile Service	550.84
Internet	3,533.08
Office Supplies	1,406.90
Paper	307.49
Dues/Memberships	240.00
Postage	493.00
Photocopying	547.39
Printing-Internal	549.50
Printing-supplies	234.84
Printing/publishing-External	302.00
Consultants & Contractual	1,544.76
IT Managed Services (CW)	978.70
Software-Maintenance	6,993.46
Computer-Supplies	407.15
Computer-Components	101.65
Computer-Equipment	1,794.02
Network Maintenance	10,587.51
Website Dev/Maintenance	1,008.41
Depreciation-Furniture/Equipment	20,083.19
Depreciation-Building	26,386.37
Training	765.00
Miscellaneous	8,290.83
<b>Indirect Cost Pool</b>	<b><u>174,517.73</u></b>
<b>Base For Distribution</b>	<b>2,390,739.00</b>
<b>Actual 2016 Indirect Cost Rate</b>	<b>7.30%</b>

EXHIBIT E

Arrowhead Regional Development Commission - ~~ZANON, MARY~~ 4295

Timesheet ending: 03/24/2017 | Period 1 of 1 | Revision 0

Hours Worked

Group	Charge Code	Pay Type	Org	Task#	Sat 11	Sun 12	Mon 13	Tue 14	Wed 15	Thu 16	Fri 17	Sat 18	Sun 19	Mon 20	Tue 21	Wed 22	Thu 23	Fri 24	Total
Administration	900000 Commission Coord	Regular Time	ARDC					1.0	3.5	8.0	5.0			1.5		0.5	1.0		20.5
Administration	999000 Indirect	Regular Time	ARDC				8.0	7.0	4.5		3.0			6.5	8.0	7.5	7.0	8.0	59.5
Total					0.0	0.0	8.0	8.0	8.0	8.0	8.0	0.0	0.0	8.0	8.0	8.0	8.0	8.0	80.0

Your timesheet will now be submitted

Employee: ~~ZANON, MARY~~

Date: 03/24/2017 2:12 PM CDT

Timesheet has been reviewed and approved.

Manager/Lead: Morrisroe, Lorna

Date: 03/26/2017 9:33 PM CDT

Processed: No

Date:

Privacy Act Information "This information is subject to the Privacy Act of 1974, (Title 5, USC 522a)"