

To: President and Members of the Munster Town Council

From: Wendy Mis, Clerk-Treasurer

Copy to: Dustin Anderson, Town Manager

Date: March 20, 2023

Re: Resolution 2106: Allowable Costs Policy

The Federal Office of Management and Budget (OMB) developed the Uniform Guidance to describe how costs can be billed to the federal government. The Uniform Guidance applies to all federally funded projects including federal funding through a non-federal agency.

The Town received American Rescue Plan Act (ARPA) funds and had its first audit on the related financial records. As part of that process, the Town was informed that it needs to adopt an Allowable Costs Policy to be in compliance with the Uniform Guidance as administered by the OMB.

The purpose of the policy is to define what costs can be charged to a federal program. The policy requires all expenditures charged to a sponsored program meet the criteria of reasonable, allocable, consistent, and allowable. These terms are defined in the policy. While the policy is being adopted in response to ARPA funds, the policy applies to all federal grants the Town receives.

Resolution 2106 has been drafted to adopt the policy and to comply with the Uniform Guidance.

RECOMMENDED ACTION:

By motion and roll-call vote, adopt Resolution 2106 as presented.