



ODHS SNAP Outreach

Allowable Cost and Documentation

Invoice Documentation

The document provides guidance and information on how to report expenditures on the 'Outreach Invoice Template' each fiscal quarter in line with your Outreach Activity Report.

Additional guidance, including allowable and unallowable expenses, are provided in the **USDA Supplemental Nutrition Assistance Program: State Outreach Plan Guidance:**

https://fns-prod.azureedge.net/sites/default/files/resource-files/SNAP_Outreach_Guide_%20July_2017.pdf

Authority and Guidance

All cost for SNAP Outreach must be allowable, reasonable and necessary. The United States Department of Agriculture (USDA), the Office of Management and Budget (OMB), Department Rules and SNAP Rules define what cost are allowable.

Reasonable cost are those that:

- Provide a program benefit generally commensurate with the amount incurred;
- Are in proportion with other program cost for the function; and
- Have a high priority relative to other demands.

Necessary cost are those that:

- Are needed to carry out essential functions;
- Cannot be avoided without adverse impact on program operations; and
- Do not duplicate existing efforts.

Personnel

Definition: Staff wages and benefits are set on a reasonable hourly basis in line with duties being performed for the outreach plan. Benefits and wages must relate to the outreach tasks performed.

When staff are assisting with a joint program application, the cost of staff time must be shared across the programs included on the application. This is called cost-allocation, a requirement of 2 CFR 200, Subpart E.

Documentation: Time sheets or random-moment time studies can be used to capture staff time spent on SNAP outreach activities. Personnel expenses are listed in the Outreach Billing Form in the "Personnel" Outreach Expenditure Category.

Outreach Reinforcements

Definition: Outreach reinforcements are items such as magnets, pencils, pens, seed packets, recipe cards or notepads which contain educational or informational outreach messaging. Reinforcements are not to be used to incentivize people to apply for benefits. Reinforcements should be made available to all potentially eligible individuals regardless of whether or not they choose to apply for SNAP benefits.

To be allowable, such items must:

- Have a direct relationship to program objectives;
- Be reasonable and necessary;
- Contain an outreach message that enables a person to follow up and take action; and
- Be of a nominal value (\$5.00 or less per item).

The following items are not allowable:

- Celebratory items;
- Food;
- Items for staff;
- Items that cost more than \$5.00 per item;
- Items intended to incentivize or reward potentially eligible people to apply for benefits or to be pre-screened for eligibility; and
- Items with no outreach message.

Documentation: Outreach Reinforcements are listed in the Outreach Billing Form in the "Supplies and Other Non-Capital Expenditures" Outreach Expenditure Category. Record or explanation of Outreach Reinforcements and cost should be provided on the Outreach Billing Invoice form.

Operating Expenses

Definition: Operating expenses are equipment, supplies and administrative cost for SNAP Outreach Partners, including all administrative expenses that are reasonable and necessary to operate approved outreach activities.

Operating Expenses

Allowable Operating Expenses include but are not limited to:

- Equipment lease, supplies, postage or duplication cost;
- Copying and Printing; and
- Internet and Telephone.

Documentation: Operating Expenses should be listed in the Outreach Billing Form in the appropriate Expenditure Category as follows:

- Copying/Printing
- Internet/Telephone
- Equipment and other capital
- Supplies and Non-Capital Expenditures

Record or explanation of Operating Expenses could be requested to support the Outreach Billing Invoice form.

Building Space

Definition:

A State agency or subrecipient can incur expenses related to four possible types of building space:

- Space in a publicly (government) owned building;
- Space in a publicly (government) rented building;
- Space in a privately owned building; or
- Space in a privately rented building.

Privately Owned/Rented Building Space: Here is an example assuming that 6 of the 10 staff in a rented building are involved with SNAP outreach. The 6 staff average 21% of their time on SNAP outreach. Note that staff salaries are not used in the calculation.

Total square feet occupied = 5,000 sq ft

Total staff = 10; SNAP Outreach staff = 6; $6 \div 10 = .6$

$5,000 \text{ sq ft} \times .6 \text{ staff} = 3,000 \text{ sq ft}$

If staff average only 21% of their time on SNAP Outreach, then $3,000 \text{ sq ft} \times .21 = 630 \text{ sq ft}$ that can be charged to the SNAP Outreach program. $630 \div 5,000 = .126$

If rent is \$100,000 per year then $\$100,000 \times .126 = \$12,600$ that can be budgeted for SNAP Outreach building space.

Building Space

State Agency Owned/Rented Building Space: The costs of space owned by the State agency (publicly owned) may only be recovered with a depreciation schedule, plus applicable charges for utilities, maintenance, and general upkeep.

Cost for space owned by a public entity cannot be reimbursed based on private market rental rates, regardless of whether it is direct billed or donated. SNAP outreach share of the costs should be calculated using the percentage of square footage used for outreach. Use allowance is no longer allowable under 2 CFR 200.

Building Space - Expenses Incurred

If the subrecipient owns the space it occupies, it incurs building-related costs and claims SNAP reimbursement for the portion allocable to SNAP Outreach. Examples of such cost items include depreciation, maintenance, security, taxes, insurance, utilities, etc. Such costs are generally parallel to those incurred by the State agency for space it owns and occupies.

If the subrecipient occupies space rented from another entity, rent is the principal occupancy cost for which it claims SNAP reimbursement from the State agency. The landlord sets the subrecipient's periodic rental payment to recover the cost items (depreciation, maintenance, security, taxes, insurance, utility, etc.) and also to provide for a profit. However, some lease agreements may provide for the tenant (that is, the subrecipient) to pay one or more of those cost items directly; the principal example is utilities.

Documentation: Building Space Costs and Building Expenses Incurred Costs are listed in the Outreach Billing Form in the "Building Space" Outreach Expenditure Category.

It is very important to use the 'Location' (calculation) tool provided on your Proposed Contractor Budget Template to accurately determine your allowable building cost (total rent multiplied by the percentage of square feet).

Other Direct Costs

Definition: Other Direct Costs are defined as non-routine, occasional or one-time cost for SNAP Outreach. Allowable other cost may include but are not limited to:

- Training fees
- Fair booth rental fees
- Technology equipment (software, computers, laptops, etc.)

Documentation: Other Direct Costs are normally anticipated expenditures and are listed in the Outreach Billing Form and allowed by your approved contract. All Other Direct Cost must be allowable, reasonable and necessary.

Travel and Per Diem Costs

Definition: Travel and Per Diem costs are expenses for transportation, lodging, meals and related items incurred by SNAP Outreach Partners conducting allowable outreach activities. This includes both local and long distance travel.

Documentation: Travel and Per Diem expenses, both local and long distance are listed in the Outreach Billing Form in the "Travel - Long Distance" and "Travel - Local" Outreach Expenditure Category. All cost must be allowed by your approved contract. All travel and per diem expenses must be allowable, reasonable and necessary.

Need Assistance or Have Questions?

Please Contact the ODHS SNAP Outreach Team by email at:



SNAP.Outreach@State.or.us