Uniform Data Elements and Definitions

for Grant Budgeting and Financial Reporting

Exposure Draft

July 30, 2004

Comment period ends September 30, 2004

Developed by:
Technical Advisory Group
Uniform Guidelines Coalition

Cosponsors:
National Association of State Auditors,
Comptrollers and Treasurers (NASACT)
Association of Government Accountants (AGA)
The Urban Institute's National Center
For Charitable Statistics (NCCS)*
National Council of Nonprofit Associations (NCNA)
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Uniform Guidelines Coalition, July 30, 2004

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Mission Statement: To improve effectiveness and reduce the cost and burden of financial management of grant recipients and their funding agencies.

Goal: To achieve this mission, the Technical Advisory Group's primary goal is to establish uniform guidelines for budgeting and financial reporting for recipients of grant funds (including cooperative agreements) from state and local government and from foundations and other non-governmental funding sources.

Note: The term "grant" is used in this document to mean the grant and cooperative agreement portion of government financial assistance and nonprocurement agreements.

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National Association of State Auditors, Comptrollers and Treasurers

July 30, 2004

To all parties interested in streamlining grant budgeting and reporting in the United States:

Accompanying this letter is an exposure draft, *Uniform Data Elements and Definitions for Grant Budgeting and Financial Reporting*, about which the Uniform Guidelines Coalition is seeking comments from all participants in the grants process in the United States – federal and state grantor agencies, private foundations, state agency and local government subrecipients, and nongovernmental recipients and subrecipients. The exposure draft is also available on NASACT's Web site, www.nasact.org; scroll down to the bottom of the home page and click on "Uniform Guidelines Coalition". As the comment period for the exposure draft is 60 days, we request that you provide input, suggestions and the like by September 30, 2004.

The Uniform Guidelines Coalition was formed in April 2003 with the goals of reducing the cost and burden, and improving the effectiveness, of financial management of grant recipients and their government funding agencies. The *Uniform Data Elements* have been developed by a Technical Advisory Group of members from all organizations in the Coalition. Lists of Coalition members and TAG members may be found on page ii of the exposure draft. It is important to understand that the *Uniform Data Elements* are based on OMB standard forms and circulars and other existing standards.

In December 2003, Charles Havekost, then manager of the Federal Grants.gov Program, asked the Uniform Guidelines Coalition to recommend a set of budget data elements. On March 31, 2004, the Coalition submitted to Mr. Havekost the document, *Uniform Budget Data Elements for Federal as Well as for State and Local Government Electronic Grant Applications* (also available at www.nasact.org). The TAG, through consultation with federal agencies, state governments, not-for-profit organizations and certified public accountants who work with NFPs, has built upon the March 31 document to produce this exposure draft.

After we have reviewed the comments to the exposure draft and integrated relevant suggestions and changes, the document will be issued as Version 1 for beta testing. At that time, we shall actively encourage those involved in the grants process at all levels across the country, especially eGrant system designers, to test the data elements and their definitions.

At present, we are most interested in reaction to this exposure draft from the grants community. Please review the draft and let us know what you think. If there are aspects of the draft with which you disagree, suggestions as to how to improve it would be helpful. If you have any questions, please contact Bill Levis, project manager (grlevis@aol.com or 240-418-7984), or Pat O'Connor, NASACT staff support (poconnor@nasact.org or 859-276-1147). We would appreciate your assistance.

Sincerely,

Kinney Poynter

R. Kinney Poynter
Executive Director

Cc Uniform Guidelines Coalition; Technical Advisory Group; Federal Grants.gov Program; Office of Federal Financial Management, U.S. Office of Management and Budget

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Contents

Uniform Data Elements and Definitions for Grant Budgeting and Financial Reporting

Developed by the
Technical Advisory Group
Uniform Guidelines Coalition

Introduction

These Uniform *core* Data Elements are intended for use in Web-based and paper-based grant budgeting and reporting by recipients of grant funds from state and local government and from foundations and other non-governmental funding sources. These data elements are aligned with federal OMB Circulars A-21, A-87, and A-122, and OMB Standard Forms 269, 272, 424, and 424A.

Five Key Objectives

A key objective of the Uniform Guidelines Coalition is to facilitate establishment of uniform *core* summary budget data elements for the eApply modules of state and local government eGrants systems aligned with federal Grants.gov core budget data elements. A second key objective is for the uniform core budget data elements for the eApply modules to be generic in that they are applicable to virtually all government grant and contract programs. A third key objective is for all “non-core” detail-level financial data elements, regardless of type, to be subsidiary data elements to one or another core summary data element. A fourth key objective is for the eventual eReport modules of state and local eGrants systems to use the same core data elements as used in their eApply core budget data elements. A fifth key objective is to encourage and enable funding agencies to use as few core data elements as possible to meet program needs.

Alignment with OMB Standard Forms 424 and 424A

These uniform core data elements and definitions bring together the financial reporting requirements of various authoritative bodies—The U.S. Office of Management and Budget, U.S. Internal Revenue Service, and Financial Accounting Standards Board/Governmental Accounting Standards Board—to align government grant budgeting, financial reporting and invoicing requirements with GAAP; OMB Standard Forms 424, 424A, 269, and 272; Circulars A-21, A-87 and A-122; and IRS Form 990, as applicable.

Specific combinations of line items and columns in the Data Element (DE) Matrix are consistent with the line items and columns of financial data elements required for OMB Standard Forms 424 and 424A, and more. Each core financial data element that can be required in a uniform eGrant budget or financial report can be specified as a combination of one line item and one column.

The uniform core financial data elements and definitions in this document are intended for use in enterprise-wide eGrants systems of 50 states and thousands of local governments. It is also intended that grants management software can be programmed to produce these financial data elements directly from the accounting systems of 65,000+ nonprofits and 25,000+ local and tribal government recipients of federal and state government grants.

Form Independence Versus Form Dependence

The two-dimensional DE Matrix concept for electronic grant budgeting and financial reporting in Part I—Form-Independent Data Element Matrix (beginning on page 7) gets away from the display or form dependency of the paper-based OMB SF 424 and 424A or the illustrative spreadsheets in Appendix A. For example, DE Matrix provides for unlimited multiple grant programs (i.e., activity codes P1 to Pn) and unlimited multiple functions/activities within programs (i.e., activity codes P1.1, P1.2, to P1.n and to Pn.n). Note that the DE Matrix uses a nesting feature for functions/activities within programs.

Multiple illustrative hardcopy schedules are necessary for displaying data in a large DE Matrix, even though the full DE Matrix for the most financially complex grants can be stored, exported and imported in a single form-independent, electronic file. That is, the larger number of possible data elements cannot be structured into a 1-page hardcopy schedule and cannot be fully displayed on a single computer screen. (See appendix A, exhibits I to III.)

Unlimited Line Item and Column Combinations

The number of possible core line item and column data element combinations is UNLIMITED. The number of possible financial data elements in OMB SF 424A is also UNLIMITED.

A column in Section B of 424A is required for each of up to four grant programs or activities within programs listed in Section A of 424A. These are limited to four entries on the current SF 424A form only because of space needs. The 424A instructions provide for UNLIMITED programs or activities by using multiple pages as needed. SF 424A instructions: “For applications pertaining to multiple programs where one or more programs require a breakdown by function or activity, prepare a separate sheet for each program requiring the breakdown. Additional sheets should be used when one form does not provide adequate space for all breakdowns of data required. However, when more than one sheet is used, the first page should provide summary totals by programs” (SF 424A Instructions for Section A, Page 3).

Part I
Form-Independent Data Element Matrix (DE Matrix) for Electronic Grant Budgeting and Financial Reporting

The Uniform Guidelines provide a two-dimensional *core* data element matrix that applies the spreadsheet concept of *rows* and *columns* to uniform state and local electronic grant budgeting and financial reporting.

There are 20 *core line items (i.e., rows)* consisting of 11 object expense line items and 9 revenue or funding source line items.

The *core columns* provide for virtually unlimited columns for one or more programs, functions or activities; four columns for future funding periods; and 10 columns for revenue or funding sources.

The uniform *core* data elements are general purpose and applicable to budgets and reports of virtually all recipients, funding sources and types of grants.

The 9 line items and 9 columns for funding sources include a line item and column for unobligated funds left over from prior periods, consistent with OMB SF 424A, Section A, Columns (c) and (d).

DE Matrix ***Line Items (Rows)*** for Object Expenses and Funding Sources

Core Object Expense Line Items:

Line Item Code	Line Item Name	Current OMB SF 424A Reference
1.	Salaries	Line 6a—Personnel
2.	Fringe benefits	Line 6b—Fringe Benefits
3.	Contract services	Line 6f—Contractual
4.	Supplies	Line 6e—Supplies
5.	Travel	Line 6c—Travel
6.	Subawards and other pass-through funds	Line 6f—Contractual
7.	Equipment and other capital expenditures	Line 6d—Equipment and Line 6g—Construction
8.	Other direct costs	Line 6h—Other
9.	Total Direct Costs (sum of 1 to 8)	Line 6i—Total Direct Charges
10.	Indirect Costs	Line 6j—Indirect Charges
11.	TOTALS (sum of 9 and 10**)**	Line 6k—TOTALS

Core Funding Source Line Items:

Line Item Code	Line Item Name	Current OMB SF 424A Reference
21.	Federal	Line 15a. Federal
22.	State	Line 15c. State
23.	Local government	Line 15d. Local
24.	Applicant/Recipient	Line 15b. Applicant
25.	Program income	Lines 15f. Program Income SF 424A, Section B, Line 7
26.	Other revenue	Line 15e. Other
27.	In-kind (non-cash)	Instructions for 424, Line 15
28.	Total funds (sum 21 to 27)	Line 15g. TOTAL
29.	Unobligated funds	SF 424A, Section A, Cols. (c) and (d)

DE Matrix ***Columns*** for Programs, Functions and Activities

Core Columns for Programs with no Activities:

Activity (Column) Code	Column Name	SF 424A Section A
P1.	Program 1	Col(a,b), Line 1
P2.	Program 2	Col(a,b), Line 2
P3.	Program 3	Col(a,b), Line 3
Pn.	Program n[1]	Col(a,b), Line 4
T1	Application Total (sum of P1 to Pn)	Col(a,b), Line 5

Core Columns for Programs with Functions or Activities:

Activity (Column) Code	Column Name	SF 424A Section A
P1.	Program 1 (sum of P1.1 to P1.n)	Col(a,b), Line 5
P1.1	Activity 1.1	Col(a,b), Line 1
P1.2	Activity 1.2	Col(a,b), Line 2
P1.3	Activity 1.3	Col(a,b), Line 3
P1.n	Activity 1.n	Col(a,b), Line 4
P2.	Program 2 (sum of P2.1 to P2.n)	Col(a,b), Line 5
P2.1	Activity 2.1	Col(a,b), Line 1
P2.2	Activity 2.2	Col(a,b), Line 2
P2.n	Activity 2.n	Col(a,b), Line 4
P3.	Program 3	Col(a,b), Line 1
Pn.	Program n (sum of Pn.1 to Pn.n)	Col(a,b), Line 5
Pn.1	Activity n.1	Col(a,b), Line 1
Pn.2	Activity n.2	Col(a,b), Line 2
Pn.3	Activity n.3	Col(a,b), Line 3
Pn.n	Activity n.n*	Col(a,b), Line 4
T1	Application Total (sum of P1 to Pn)	Col(a,b), Line 5

[1] "n" indicates that one may use one or more additional numbers for as many programs and/or activities as are needed.

DE Matrix ***Columns*** for Funding Sources (Including Portion of In-Kind Contributions and Unobligated Funds) and for Future Periods

Core Columns for Funding Sources:

Source (Column) Code	Column Name [Corresponding line item code]	SF 424 Line 15
S1.	Federal (Cash) [Line 21]	Line 15a. Federal
S2.	State (Cash) [Line 22]	Line 15c. State
S3.	Local and other government (Cash) [Line 23]	Line 15d. Local
S4.	Applicant/Recipient (Cash) [Line 24]	Line 15b. Applicant
S5.	Program income (Cash) [Line 25]	Line 15f. Program Income
S6.	Other revenue (Cash) [Line 26]	Line 15e. Other
S7.	In-kind (Non-cash) [Line 27]	SF 424A, Section C
S8.	Total funds (Sum S1-S8) [Line 28]	Line 15g. TOTAL
S9.	Unobligated Funds [Line 29]	SF 424A, Section A, Cols. (c) and (d)

Core Columns for Funding Agency's Funds Needed in Future Periods:

Period (Column) Code	Column Name	SF 424A Section E
(budget estimates only):		
Y1.	First future period	SF 424A, Section E, Column (b)
Y2.	Second future period	SF 424A, Section E, Column (c)
Y3.	Third future period	SF 424A, Section E, Column (d)
Y4.	Fourth future period	SF 424A, Section E, Column (e)

Note: The quarterly cash estimates by federal and non-federal sources required in Section D—Forecasted Cash Needs of SF 424A would be a non-*core* subsidiary budget data set.

Core and Subsidiary (Non-Core) Data Elements

The Technical Advisory Group is focused solely on *core* data elements, and, therefore, this document does not include any subsidiary data elements. The Technical Advisory Group is concerned that use of subsidiary data elements would be counter to the goals of reducing the cost and burden, improving the effectiveness and otherwise streamlining financial management of grantees and their government funding agencies**.**

The purpose of the core data elements is to provide state and local government agencies as well as foundations and other non-governmental funding sources with the *macro* level financial information they need for review and evaluation of applications and progress reports. This document does not address the *micro* level general ledger revenue and expense accounts needed to meet grantee record keeping or year-end auditing requirements under post-award grant agreements. Grantees may need up to 100 object expense accounts—or more—to assure that they have the full level of applicable, detailed accounts for (a) preparing their internal budgets from which summary grant budgets are prepared for grant application packages, (b) internal accounting and management reporting, (c) post-grant and other external reporting, and (d) auditing, including analysis of allowable versus unallowable expenses. It is a Technical Advisory Group objective that, for most grants, the core data elements will be sufficient for an adequate and reliable grantor review and evaluation of budgets and reports.

Statistical Support for 11 Uniform Expense Line Items

Selection of the uniform expense line items is supported by an NCCS/Urban Institute analysis of $239.4 billion in overall object and functional expenses for 38,000 nonprofit recipients of government grants. The data were gathered from the 1999 filings of IRS Form 990 by non-profit Section 501(c)(3) organizations. The NCCS analysis shows that, from a materiality perspective, Line Items 1.—Salaries and 2.—Fringe Benefits amount to 52.9 percent of all expenses. Another 12.3 percent of expenses are for the largely personnel related Line Item 3.—Contract Services, i.e., professional consulting fees and other non-payroll contract personnel expenses.

The three personnel and contract service line items 1, 2 and 3 amount to 65.2 percent of the $239.4 billion total. Because two thirds of all government grant and contract funds are involved, assuring reliable budgeting, accounting and reporting for these three line items is most important, especially in light of the potential for poor reliability of after-the-fact staff time record-keeping.

Line Item 4.—Supplies represents another 8.6 percent of total expenses and thus needs to be a separate core data element. *Supplies* is also a separate expense category in OMB Circulars and IRS Form 990 reporting.

Line Item 5.—Travel, although at only 1.2 percent, still requires a separate data element because of concerns for misuse rather than materiality. *Travel* is a separate expense category in OMB circulars and IRS Form 990 reporting.

Line Items 6.—Subawards and Other Pass-through Funds and Line Item 7.—Equipment and Other Capital Expenditures represent 8.1 percent and 2.9 percent respectively.

Budgets and Reports Ranging in Complexity

A budget or financial report could be very simple or could involve several hundred data elements including a 5-year budget broken down by 11 object expense categories with multiple activities within multiple programs, with all seven sources of matching funds, with in-kind contributions included matching funds, and with unobligated funds left over from the prior period.

The Simplest Budget or Financial Report (two data elements)

The example below contains only two data elements for a single 1-year project with one funding source (i.e., no matching requirements), involving only a bottom-line budget and report.

	Program A
Activity code --->	(P1)
Object expense:	
11. Total	$25,000
Funding source:	
28. Total	$25,000

A More Complicated, But Still Simple Budget or Report (10 data elements)

The example below contains 10 data elements for a single 1-year project with one funding source (i.e., no matching requirements) that involves no pass-through funds or capital expenditures.

	Program A
Activity code --->	(P1)
Object expense:	
1. Salaries	$45,000
2. Fringe benefits	12,000
3. Contract services	15,000
4. Supplies	8,000
5. Travel	10,000
8. Other direct costs	15,000
9. Total direct	105,000
10. Indirect costs	20,000
11. Total	$125,000
Funding source:	
28. Total	$125,000

A Somewhat Complex Budget or Report (48 data elements)

This example contains 48 data elements for a single 1-year project involving other matching funds and three activities within one program but no pass-through funds or capital expenditures.

Activity code --->	Activity 1 (P1.1)	Activity 2 (P1.2)	Activity 2 (P1.3)	Program A Total (P1)
Object expense:				
1. Salaries	$45,000	$45,000	$45,000	$135,000
2. Fringe benefits	12,000	12,000	12,000	36,000
3. Contract services	15,000	15,000	15,000	45,000
4. Supplies	8,000	8,000	8,000	24,000
5. Travel	10,000	10,000	10,000	30,000
8. Other direct costs	15,000	15,000	15,000	45,000
9. Total direct	105,000	105,000	105,000	315,000
10. Indirect costs	20,000	20,000	20,000	60,000
11. Total expenses	$125,000	$125,000	$125,000	$375,000
Funding source:				
22. State	$75,000	$75,000	$75,000	$225,000
26. Other revenue	50,000	50,000	50,000	150,000
28. Total funding	$125,000	$125,000	$125,000	$375,000

A very complex budget or financial report could contain several hundred financial data elements. The various data elements could involve multiple object expense categories for both cash and in-kind expenses funded by multiple funding sources for several activities within each of several programs.

DE Matrix Limitations

Two-dimensional DE Matrix spreadsheet tables often cannot provide for all the possible detailed breakdowns for multi-dimensional hierarchies of data elements that can involve (1) line item object expenses within (2) form of cash or in-kind within (3) specific grant and funding agency within (4) activity or function within (5) program within (6) period within (7) application or report.

Part II
Definitions for Uniform Financial Data Elements for State and Local eGrant Systems

Authoritative References

- **Circular A—102.** The current OMB Standard Forms 269, 272, 424 and 424A and related instructions in Circular A-102.

To assist with finding additional guidance on the content for the Uniform Line-Item Data Elements, these definitions include reference numbers[2] for *selected items of cost* in OMB Circulars A-21, A-87 and A-122. Only reference numbers for those *selected items of cost* that contain information clarifying the definitions are included.

- **Circular A-21.** Descriptions of 50 general provisions for selected items of cost in *OMB Circular A-21—Cost Principles for Educational Institutions*, Section J
- **Circular A-87.** Descriptions of 42 selected items of cost in *OMB Circular A-87—Cost Principles for State, Local and Indian Tribal Governments*, Attachment B
- **Circular A-122.** Descriptions of 56 selected items of cost in *OMB Circular A-122—Cost Principles for Non-Profit Organizations*, Attachment B

These definitions include reference numbers for *object expense line items* in IRS Form 990.

- **IRS Form 990.** Definitions and instructions for 23 object expense categories in *Specific Instructions for Form 990*, Part II, Statement of Functional Expenses in IRS Instructions for Form 990, Return of Organization Exempt from Income Tax. The annual IRS Form 990 applies to all nonprofit organizations (as does A-122) including private educational institutions (as does A-21). The Form 990 Statement of Functional Expenses is referenced in and consistent with FASB SFAS No. 117, *Financial Statements of Not-for-Profit Organizations* (June 1993).

URLs for references:

A-21:	http://www.whitehouse.gov/omb/circulars/a021/print/a021.html
A-87:	http://www.whitehouse.gov/omb/circulars/a087/print/a087-all.html
A-122:	http://www.whitehouse.gov/omb/circulars/a122/print/a122.html
A-102, SF 424:	http://www.whitehouse.gov/omb/circulars/a102/print/a102.html
Form 990:	http://www.irs.gov/pub/irs-pdf/i990-ez.pdf

[2] The reference numbers for *selected items of cost* used in this document are from OMB Circulars A-21, A-87 and A-122 as revised May 10, 2004.

Definitions for Line Items (Rows)

(Including reference numbers[3] for selected items of cost in OMB Circulars A-21, A-87 and A-122 and for object expense line items in OMB Standard Form 424A and IRS Form 990.)

The following definitions are based upon allowable accrued costs reported on the grants as incurred.

In-kind expenses (non-cash): Include in line items 1 to 8 or as a lump sum in Line 8—Other direct costs. In-kind expenses are allowable for meeting matching requirements only. Examples of in-kind expenses include donated goods, supplies, and materials; donated personal services and use of facilities; and land, building, and equipment.

Object Expense Line Items 1–11

LINE ITEM 1—SALARIES

Enter *allowable, direct program*[4] salaries and wages for personnel assigned to the program or activity.

Include related expense projections for release time such as vacation, sick leave, military leave and holidays, unless included in a leave rate for fringe benefits and included in line item 2—Fringe Benefits. This line can include projections for release time determined using a leave rate. This line can include severance pay if approved by the cognizant or granting agency.

Related items of cost include:	A-21: 10
	A-87: 8
	A-122: 8
Related line items include:	SF 424A: 6a
	Form 990: 25 and 26

[3] The reference numbers for *selected items of cost* used in this document are from OMB Circulars A-21, A-87 and A-122 as revised May 10, 2004. *Only those selected items of cost in OMB Circulars that contain information clarifying the definitions are included.*

[4] Enter only *allowable program* expenses in line items 1 to 11. Also, enter only *direct program* expenses in line items 1 to 9. Be sure not to include expenses that are included in Line Item 10 as indirect costs.

LINE ITEM 2—FRINGE BENEFITS

Enter (a) organization's *allowable, direct program* contributions to pension plans and to employee benefit programs such as health, life, and disability insurance; and (b) organization's portion of payroll taxes such as social security and Medicare taxes and unemployment and workers' compensation insurance.

Fringe benefits may be included as a percentage of Line 1—Salaries, using a fringe benefit rate. Projections for release time such as vacation, sick leave, military leave and holidays can be included in a fringe benefit rate.

Do not include employee travel expenses, which are included in Line 5—Travel, or allowances for housing, education and other costs for staff stationed away from home or overseas for extended periods, which are included in Line 8—Other direct costs.

Related items of cost include:	A-21: 10 and 16
	A-87: 8 and 13
	A-122: 8 and 13
Related line items include:	SF 424A: 6b
	Form 990: 27, 28 and 29

LINE ITEM 3—CONTRACT SERVICES

Enter *allowable*, *direct program* fees to external contract service providers such as professionals, consultants, contracts for temporary help and other contract personnel and services. Include legal, accounting, and auditing fees. Include contracts for program support services such as food and cafeteria, transportation and automotive, printing and reproduction, data processing, Website and Internet and outside mailing services.

Include expenses for contracts for services to support or assist with a program, function or activity conducted by the organization.

Do not include expenses for subgrants of a program, function or activity to an individual or another organization, which are included in Line 6—Subawards and Other Pass-through Funds.

Do not include reimbursable expenses for supplies and travel of consultants and other personal-service contractors, if included in Line 4—Supplies and Line 5—Travel.

Related items of cost include:	A-21: 26, 37 and 42
	A-87: 23 and 32
	A-122: 23, 37 and 41
Related line items include:	SF 424A: 6f
	Form 990: 30, 31, 32 and 43

Line Item 4—Supplies

Enter expenses for *allowable, direct program* office supplies, housekeeping supplies, and other supplies and materials. Include allowable purchases of equipment and other fixed assets below the lesser of the capitalization threshold of the grant recipient or that of the grantor. Include reimbursable expenses for supplies purchased by consultants and other personal-service contractors, if not included in Line 3—Contract services.

Related items of cost include:	A-21: 31
	A-87: 26 and 34
	A-122: 12, 28 and 38
Related line items include:	SF 424A: 6e
	Form 990: 33

Line Item 5—Travel

Enter expenses for *allowable, direct program* travel expenses for employees, including transportation, airfare, car rental, mileage, tolls, parking, meals and lodging, and per diem payments. Include reimbursable travel expenses of consultants and other personal-service contractors, if not included in Line 3—Contract services. Include reimbursable travel expenses of program volunteers. Include domestic and foreign travel and local, in-state and out of state travel. Include gas and oil, repairs, insurance, licenses and permits, and leasing costs for organization's travel vehicles while the employee is in travel status. Include travel expenses for meetings and conferences.

Related items of cost include:	A-21: 42, 53 and 54
	A-87: 43
	A-122: 33, 41, 42, 51 and 52
Related line items include:	SF 424A: 6c
	Form 990: 39

Line Item 6—Subawards and Other Pass-through Funds

Enter the expenses for awards, grants, subsidies, and other pass-through expenditures to individuals and to third party or affiliated organizations. Pass-through funds provide a direct financial benefit to beneficiaries and do not directly benefit the organization passing through the funds.

Pass-through funds include direct support to individuals provided in conjunction with their participation in government sponsored programs, functions or activities. This line includes payments and subsidies to trainees, students, faculty, and research subjects and participants. Include payments for tuition, scholarships, fellowships, books, education supplies and health insurance.

Pass-through funds include specific assistance to individuals and families. Include payments to the disabled, unemployed, and homeless. Include payments to individuals and families on welfare. Include paying for rent or shelter, room and board, clothing, medical fees and expenses, food and food stamps, travel, wage supplements, and insurance coverage.

Related items of cost include:	A-21: 37 and 45
	A-87: 12 and 32
	A-122: 33 and 37
Related line items include:	SF 424A: 6f
	Form 990: 22 and 23

Line Item 7—Equipment and Other Capital Expenditures

Enter the *allowable, direct program* expenses for purchases and acquisitions of fixed assets and other capital expenditures. Include purchases of equipment, vehicles, land and buildings, improvements that extend the useful life of the asset, and other fixed assets that meet or exceed the lesser of the capitalization threshold of the grant recipient or that of the grantor. Equipment includes tangible, non-expendable personal property having a useful life of more that one year. Purchases of equipment and other fixed assets below the lesser of the capitalization threshold of the grant recipient or that of the grantor are not included in Line Item 7. They are included in Line Item 4—Supplies.

Related items of cost include:	A-21: 14, 18, 40 and 41
	A-87: 11, 15, 35 and 36
	A-122: 11, 15, 18, 39 and 40
Related line items include:	SF 424A: 6d and 6g
	Form 990: Capitalized, see line 57

LINE ITEM 8—OTHER DIRECT COSTS

Only *allowable, direct program* expenses not defined for other lines are included here. Examples include, but are not limited to:

Facilities-related expenses such as:

- Occupancy expenses such as direct cost portion of rent, parking garage rental, utilities, outside janitorial services, allowable portion of mortgage interest, real estate taxes and property insurance.
- Equipment rental and maintenance for computers, copiers, postage meters, telephone and other office equipment; and for trucks and automobiles.
- Telecommunication expenses such as telephone, FAX, E-mail, Internet, website and cable.
- Depreciation for equipment, buildings, leasehold improvements, and other fixed assets.
- Interest expense for loans and leases on equipment, trucks and automobiles, other notes and loans.

Other expenses such as:

- Postage and shipping expenses including messenger services, overnight delivery, freight and trucking, and rental and maintenance of delivery and shipping vehicles.
- Printing and publications.
- Meetings and conferences including rental of facilities, speakers' fees and expenses, printed materials, and registration fees. Do not include associated employee travel which is included in line 5—Travel.
- Insurance such as liability insurance and fidelity bonds.
- Membership dues for the organization and its employees in associations and professional societies.
- Staff development expenses.
- Fees for the organization's licenses, permits, registrations, etc.
- Allowances for housing, education and other costs for staff stationed away from home or overseas for extended periods.

LINE ITEM 8—OTHER DIRECT COSTS – CONT'D

When nonprofit organizations use OMB Circular A-122's Direct Allocation Method (Attachment A, Paragraph D.4), Line Item 8—*Other direct costs* includes costs that are allocated as direct costs such as (a) facilities and other common and joint costs such as rent, utilities, depreciation, telephone and FAX, equipment rental and maintenance, mail room and (b) program support services such as data processing, graphics, library, food services, nutrition planning, health services, curriculum development, automobile pool, etc.

Related items of cost include:	A-21: 1, 7, 11, 21 23, 25, 26, 32, 33, 34, 39, 42, 44, 46 and 49
	A-87: 1, 5, 6, 7, 9, 16, 18, 21, 23, 27, 28, 29, 30, 38, 40, 41 and 42
	A-122: 1, 6, 9, 18, 20, 21, 22, 23, 29, 30, 31, 34, 35, 38, 41, 42, 44, 45, 47, 48 and 49
Related line items include:	SF 424A: 6h
	Form 990: 34, 35, 36, 37, 38, 40, 41, 42 and 43

LINE ITEM 9—TOTAL DIRECT COSTS

Add Line Items 1 to 8.

SF 424A related line items include: 6i

LINE ITEM 10—INDIRECT COSTS

Enter indirect costs allocated to each program, function or activity, according to the organization's indirect cost rate, applied to an equitable distribution base, which has been approved by its cognizant agency or is acceptable to the funding agency.

Related items of cost include:	A-21: 5, 16, 17, 21, 22, 26, 27, 28, 35, 36 and 42
	A-87: 4, 13, 14, 18, 23, 24, 31 and 37
	A-122: 13, 14, 18, 19, 23, 24, 25, 31, 35, 36 and 41
Related line items include:	SF 424A: 6j
	Form 990: Part II, Column C, Line 44

LINE ITEM 11—*TOTALS*

Add Line Items 9 and 10.

SF 424A related line items include: 6k

[Line item numbers 12 to 20 are reserved for future use as object expense categories, if needed.]

Funding Source Line Items 21 to 29

LINE ITEM 21—FEDERAL [COLUMN S1]

Enter all federal program funds, whether received directly from federal agencies, or provided through state or local government agencies.

Related references
OMB SF 424 Line 15—Estimated Funding, line item 15a - Federal
OMB SF 269 Line 10j—Federal share of net outlays
Form 990 line items: Part I: 1c

LINE ITEM 22—STATE [COLUMN S2]

Enter all state program funds, whether received directly from state agencies, or provided through local government funding agencies.

Related references
OMB SF 424 Line 15—Estimated Funding, line item 15c- State
OMB SF 269 Line 10h—Other recipient outlays
Form 990 line items: 1c

LINE ITEM 23—LOCAL GOVERNMENT [COLUMN S3]

Enter all local government program funds from local government agencies.

Related references
OMB SF 424 Line 15—Estimated Funding, line item: 15d—Local
OMB SF 269 Line 10h—Other recipient outlays
Form 990 line items: 1c

LINE ITEM 24—APPLICANT/RECIPIENT [COLUMN S4]

Enter the portion of matching revenues from the recipient's investments, net earned income or *unrestricted* cash contributions from corporations, foundations, trusts, individuals, United Ways, not-for-profit organizations, and from affiliated organizations. Do not include nongovernmental donor *restricted* contributions that are included in Line 26—Other revenue.

Related references
OMB SF 424 Line 15—Estimated Funding, line item 15b - Applicant
OMB SF 269 Line 10i—Total recipients share of net outlays
Form 990 line items: 1a, 1b and 3 to 11

Line Item 25—Program Income [column S5]

Enter the portion of matching revenues that is from program income such as fees for services and sales of program-related products.

Related references
OMB SF 424 Line 15—Estimated Funding, line item 15f—Program income.
OMB SF 269 Line 10g—Program matching or sharing income
Form 990 line items: 2

Line Item 26—Other Revenue [column S6]

Enter the portion of matching cash revenues that is from other revenues not included in lines 21 to 25.

Include the portion of other revenue funds that is from *restricted contributions* designated by *nongovernmental donors* for use in the program funded by the government funding agency. Do not include any *unrestricted* contributions, which are to be included in Line 24– Applicant/Recipient.

Related references
OMB SF 424 Line 15—Estimated Funding, line item 15e—Other
OMB SF 269 Line 10h—Other recipient outlays
Form 990 line items: 1a, 1b, and 3 to 11

Line Item 27—In-Kind (non-cash) [column S7]

Enter the portion of matching revenues that is from non-cash, in-kind contributions related to the program.

Related references
OMB SF 424 Line 15—Estimated Funding [included in line items 15b—15e]
OMB SF 269 Line 10e—Third party (in-kind) contributions
Form 990 line items: 1a and 82 and Part III

LINE ITEM 28—TOTAL FUNDS [COLUMN S8]

Add lines 21 to 28.

Related references
OMB SF 424 Line 15—Estimated Funding, line item 15g—TOTAL
Form 990 line item: 12

LINE ITEM 29—UNOBLIGATED FUNDS [COLUMN S9]

For use only with continuing grant programs and only when required by a funding agency. Enter the balance of funds from prior commitments that are, or will be, unobligated or unexpended at the end of the funding period. [See especially instructions for OMB SF 424A, Section A, Columns (c) and (d)—"Estimated Unobligated Funds."]

Related references
OMB SF 424A, Section A, Columns (c) and (d)
OMB SF 269 Line 10p—Unobligated balance of Federal funds

Definitions for Columns

Program/Activity Columns

(See exhibit I, appendix A for illustration)

Program/activity columns are used in grant budgeting and financial reporting to match activities within programs (activity column codes P1 to Pn[5]/P1.1 to Pn.n) with object expense line item codes 1 to 11 and funding source line item codes 21 to 29.

Each program-related data element in a grant budget or report is identified with a line item code and an activity column code. For example, salaries (expense line item 1) for the first activity within the first program of a grant budget or report would have a line item code of "1" and an activity column code of "P1.1."

Activity-level grant budgeting and reporting means a*ctivity-level* coding and grouping of all expense and funding source data elements by *activity*. An *activity* is a specific service, purpose, or cost objective within a program for which a separate measurement of expense and/or revenue is desired. An *activity* is the lowest common denominator, lowest level of detail, or lowest grouping of expenses and funding sources required for a specific grant budget or report. An *activity* is also the lowest level for assessing outputs, results, and performance against inputs.

A grant budget or report can consist of a single program with a single activity (e.g., activity code P1); multiple programs, each with a single activities (e.g., activity codes P1 to Pn); a single program with multiple activities (e.g., activity codes P1.1 to P1.n); or multiple programs with multiple activities within one or more of the programs (e.g., activity codes P1.1 to Pn.n).

Funding Source Columns S1 to S9

(See exhibit II, appendix A for illustration)

The definitions for funding source lines 21 to 29 (see pages 17 to 19) apply to the corresponding funding source columns S1 to S9.

Funding source columns S1 to S9 are used in grant budgets or reports when it is necessary to match funding source with object expense line items 1 to 11 or income Line Item 27—In-kind (non-cash). Each source-related data element in a grant budget or report is identified with a line item code and a source column code. For example, salaries (expense line item 1) for a Federal source of funds (funding source line item 21) in a grant budget or report would have a line item code of "1" and a source column code of "S1."

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[5] "n" indicates that one may use one or more additional numbers for as many programs and/or activities as are needed.

Future Funding Period Columns Y1 to Y5

(See exhibit III, appendix A for illustration)

Future funding period columns Y1 to Y5 are used for projecting cash funding requirements for future periods (i.e., future years), usually for a specific funding source.

Appendix A—Illustrative Spreadsheets Based on Form-Independent DE Matrix

Exhibit I, Appendix A

CORE UNIFORM FINANCIAL DATA ELEMENT MATRIX
FOR STATE AND LOCAL GOVERNMENT GRANT BUDGETING AND FINANCIAL REPORTING

Matrix: Line Item Code by Program/Activity Code

Line Item Code	Line Item Name	Program 1	Program 2	Activity 3.1	Activity 3.2	Activity 3.3	Program 3	Program 4	Program Total
	Activity Code ------->	(P1)	(P2)	(P3.1)	(P3.2)	(P3.3)	(P3)	(P4)	(T1)
Object Expenses:									
1	Salaries						calc.		calc.
2	Fringe benefits						calc.		calc.
3	Contract services						calc.		calc.
4	Supplies						calc.		calc.
5	Travel						calc.		calc.
6	Subawards & other pass-through funds						calc.		calc.
7	Equipment & other capital expenditures						calc.		calc.
8	Other						calc.		calc.
9	Total Direct Costs [sum of 1 to 8]	calc.	calc.	calc.	calc.	calc.	calc.	calc.	calc.
10	Indirect Costs								
11	TOTALS (sum of 9 and 10)	calc.	calc.	calc.	calc.	calc.	calc.	calc.	calc.
Funding Sources:									
21	Federal						calc.		calc.
22	State						calc.		calc.
23	Local government						calc.		calc.
24	Recipient						calc.		calc.
25	Program Income						calc.		calc.
26	Other revenue						calc.		calc.
27	In-kind (non-cash)						calc.		calc.
28	Total funds (sum 21 to 28)	calc.	calc.	calc.	calc.	calc.	calc.	calc.	calc.
29	Unobligated funds						calc.		calc.

Developed by Technical Advisory Group, Uniform Guidelines Coalition

Exhibit II, Appendix A

CORE UNIFORM FINANCIAL DATA ELEMENT MATRIX
FOR STATE AND LOCAL GOVERNMENT GRANT BUDGETING AND FINANCIAL REPORTING

Matrix: Line Item Code by Funding Source Code

Line Item Code	Line Item Name	Federal	State	Local	Recipient	Program Income	In-kind (non-cash)	Other Revenue	Total Funds	Unobli-gated Funds
	Source Code ------->	(S1)	(S2)	(S3)	(S4)	(S5)	(S6)	(S7)	(S8)	(S9)
Object Expenses:										
1	Salaries								calc.	
2	Fringe benefits								calc.	
3	Contract services								calc.	
4	Supplies								calc.	
5	Travel								calc.	
6	Subawards & other pass-through funds								calc.	
7	Equipment & other capital expenditures								calc.	
8	Other								calc.	
9	Total Direct Costs [sum of 1 to 8]	calc.	calc.	calc.	calc.	calc.	calc.	calc.	calc.	calc.
10	Indirect Costs									
11	TOTALS (sum of 9 and 10)	calc.	calc.	calc.	calc.	calc.	calc.	calc.	calc.	calc.
Funding Source:										
28	In-kind (non-cash)						( )		0	n/a

Developed by Technical Advisory Group, Uniform Guidelines Coalition

Exhibit III, Appendix A

CORE UNIFORM FINANCIAL DATA ELEMENT MATRIX
FOR STATE AND LOCAL GOVERNMENT GRANT BUDGETING AND FINA

Matrix: Line Item Code by Future Period Code

Line Item Code	Line Item Name	First Future Period	Second Future Period	Third Future Period	Fourth Future Period	Fifth Future Period
	Period Code ------->	(Y1)	(Y2)	(Y3)	(Y4)	(Y5)
Object Expenses:						
1	Salaries					
2	Fringe benefits					
3	Contract services					
4	Supplies					
5	Travel					
6	Subawards & other pass-through funds					
7	Equipment & other capital expenditures					
8	Other					
9	Total Direct Costs [sum of 1 to 8]	calc.	calc.	calc.	calc.	calc.
10	Indirect Costs					
11	TOTALS (sum of 9 and 10)	calc.	calc.	calc.	calc.	calc.
Funding Sources:						
21	Federal					
22	State					
23	Local government					
24	Recipient					
25	Program Income					
26	Other revenue					
27	In-kind (non-cash)					
28	Total funds (sum 21 to 28)	calc.	calc.	calc.	calc.	calc.
29	Unobligated funds					

Developed by Technical Advisory Group, Uniform Guidelines Coalition