CHILD ABUSE PREVENTION CENTER
COST ALLOCATION PLAN
Updated 7/1/2019

A. INTRODUCTION

The Child Abuse Prevention Center (CAPC) is a (c)3 tax exempt entity, one of the largest not-for. profit dedicated to the prevention of child abuse in the county and one of 100 centers nationwide sponsored in part by the National Exchange Club Foundation for the Prevention of Child Abuse. CAPC is the country's leading not-for-profit organization focused exclusively on the prevention of child abuse. CAPC's early intervention programs have a well-documented record of strengthening and improving parent-child relationships, working to prevent child abuse before it occurs. Listed below is a summary table of CAPC programs:

PROGRAM	FUNDING SOURCE	DESCRIPTION
Children's In Home Crisis Stabilization (CIHCS)	Health Care Agency (HCA)	Serves suicidal and homicidal children who can't be hospitalized in order to diffuse the crisis, promote a healthy family, prevent suicide, and keep the family unit together.
Outreach and Engagement (O&E)	Health Care Agency (HCA)	Provides educational and skills building presentations, including topics such as growth and development, bullying, anger and stress management, healthy communications and healthy relationships to support emotional and social well-being.
School Readiness (SR)	Health Care Agency (HCA)	Reaches out to families with toddlers who have fallen between the cracks in order to prepare the family to support their child's transition to school.
Adult In Home Crisis Stabilization (AIHCS)	Health Care Agency (HCA)	Serves suicidal and homicidal adults who can't be hospitalized in order to diffuse the crisis, promote a healthy lifestyle and recent suicidal and homicidal acts.
Infant In Home Visitation (HV-I)	First 5 Orange County	Serves high-risk families with infants in order strengthen bonding, attachment, and self-sufficiency.
Toddler In Home Visitation	First 5 Orange County	Serves high-risk families with toddlers in order to promote positive parenting, positive behavior, and positive relationships.
CalWORKS Home Visiting Program (HVP)	First 5 Orange County	Serves high-risk CalWORKS eligible families with infants and toddlers in order strengthen bonding, attachment, and

		self-sufficiency and to promote positive parenting, behaviors, and relationships.
Basic Needs (BN)	Social Services Administration SSA	Serves families gaining custody of children in order to provide critically-needed household items.
Child Abuse Services Team (CAST)	Social Services Administration SSA	Serves child victims of abuse in order to reduce the trauma they experience while their abuse is investigated.

CAPC offices are located at 2390 E. Orangewood Ave, Suite #300 & #110 Anaheim, CA 92806, Basic Needs at 7281 Garden Grove Blvd., Unit D, Garden Grove, CA 92841 and Child Abuse Services Team at 401 The City Drive South, Orange, CA 92868.

B. PURPOSE/GENERAL STATEMENTS

The purpose of this cost allocation plan is to summarize, in writing, the methods and procedures that this organization will use to allocate costs to various programs, grants, contracts and agreements. The Cost Allocation Plan is based on the Full Time Equivalent (FTE units.

Direct Allocation method is described in 2 CFR Part 230. The Direct Allocation Method treats all costs as direct costs except general administration and fundraising expenses.

Direct costs are those that can be identified specifically with a particular final cost objective. Indirect costs are those that have been incurred for common or joint objectives and cannot be readily identified with a particular final cost objective.
Only costs that are allowable, in accordance with the cost principles, will be allocated to benefiting programs by Child Abuse Prevention Center.

C. GENERAL APPROACH

The general approach of Child Abuse Prevention Center in allocating costs to particular programs, grants and contracts is as follows:

1. All allowable direct costs are charged directly to programs, grants, activity, etc.
2. Allowable direct costs that can be identified to more than one program is prorated individually as direct costs using a base most appropriate to the particular cost being prorated.
3. 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. Fundraising expenses are treated as their own program and are not allocated to other programs.

DESCRIPTION OF ACCOUNTING SYSTEM

CAPC uses the accrual fund accounting system that allows for tracking of expenses by individual grant. Expenses are booked on the accrual system as the expense is incurred.

COST ALLOCATION METHODOLOGY

This proposal is for a Cost Allocation Plan (Plan) effective July 1, 2019. CAPC has adapted the Full Time Equivalent or FTE in allocating its indirect cost. FTE is defined as the ration of the total number of actual paid hours during a period (part-time or full-time). The FTE calculation is based on total number paid hours during a period (part time or full time).

CAPC calculated the actual FTE noted above as follows:

1. CAPC develops a budget at the beginning of the year to include all contracted and non-contracted FTEs.
2. CAPC calculated the total FTE's per functional area.
3. The total general and administrative cost which is considered as indirect Cost is to be allocated based upon the number of FTEs working on each functional area.
4. FTE per functional area:

	Full Time Equivalent (FTE)	Percent of Total
Direct Programs:		
Children's In-Home Crisis Stabilization (CIHCS)	20.63	18.29%
Outreach and Engagement (OE)	16.85	14.94%
School Readiness (SR)	10.08	8.94%
Adult In-Home Crisis Stabilization (AIHCS)	21.93	19.44%
Infant In Home Visitation (HV-I)	8.60	7.62%
Toddler In Home Visitation (HV-T)	7.60	6.74%
CalWORKs HVP (HVP)	5.00	4.43%
Basic Needs (BN)	4.50	3.99%
Child Abuse Services Team (CAST)	2.60	2.31%
Others:		
Development	4.00	3.55%
General and Admin	11.00	9.75%
TOTAL	112.79	100%

Table Showing the percentage allocation of indirect cost using FTE (General and Admin to allocate to various functional areas):

	Full Time Equivalent	Percent of Total
Direct Programs:		
Children's In Home Crisis Stabilization (CIHCS)	20.63	20.27%
Outreach and Engagement (OE)	16.85	16.55%
School Readiness (SR)	10.08	9.90%
Adult In-Home Crisis Stabilization (AIHCS)	21.93	21.54%
Infant In Home Visitation (HV-I)	8.60	8.45%
Toddler In Home Visitation (IN-T)	7.60	7.47%
CalWORKs HVP (HVP)	5.00	4.91%
Basic Needs	4.50	4.42%
Child Abuse Services Team (CAST)	2.60	2.55%
Others:		
Development	4.00	3.93%
TOTAL	101.79	100%

COST ALLOCATION PROCESS

Allocation of shared costs (direct and indirect) to appropriate funding sources was conducted as follows:

1. CAPC identifies its functional areas including those directly and indirectly related to programs and those that are related to fundraising. Functional areas related to program services include Children in Home Crisis Stabilization (CIHCS), Outreach & Engagement (OE), School Readiness (SR), Adult in Home Crisis Stabilization (AIHCS), Infant in Home Visitation (HVI), Toddler in Home Visitation (HV-T), CalWORKS HVP (HVP), Basic Needs (BN), and Child Abuse Services Team (CAST). Other functional areas identified were Fundraising (Development) and General and Administrative.
2. CAPC identifies its expenses;
    1) Total programs costs are based upon salaries/benefits and other expenses directly involved with the operation of the program.

2) General and administrative costs are based upon salaries/benefits of the administration and other costs that benefit more than one program.
3) Fundraising costs are based upon the expenses incurred for events.

3. CAPC reviews the program costs to ensure that all cost identified are allowable and none of the unallowable costs was included in the program cost.
4. CAPC identifies direct costs. Direct cost for each department are cost that benefit the relevant department and include salaries and benefits for the department staff serving clients, & operational costs needed to serve the clients. Every month staffing hours and corresponding salary and benefits are •worked out to include in the Expense and Revenue report for submission to the County for reimbursement of expenses incurred during the month with an invoice.

Elements of Cost	Methodology of Allocation
Salaries, Wages and related benefits	Direct- Program Related Indirect-G&A
Audit Fees	Indirect-G&A
Transportation	Direct-Program Related Indirect-G&A
Bank Charges	Indirect•G&A
Board Expenses	Indirect-G&A
Computer Repairs and Maintenance	Direct- Program Related Indirect-G&A.

Dues and Subscription	Direct-Program Related Indirect-G&A

1. CAPC identifies indirect costs. Indirect cost such as rent, insurance, bank charges and purchase of material services that benefit more than one program are allocated to each program based on the prorated share of the cost.
2. CAPC determines cost drivers. See list of costs and methodology of allocation summarized below.
3. CAPC performs allocation calculations based on the cost drivers identified.

Client Management System	Direct-Program Related
Recruitment Costs	Direct-Program Related Indirect-G&A
Equipment Purchases	Direct-Program Related Indirect-G&A
Fund Raising Expenses	Fundraising
Insurance	Indirect-G&A
News Letter, Printing and Promo	Direct: Program Related Indirect-G&A

Office Expense	Direct: Program Related Indirect-G&A
Postage	Direct: Program Related
Program Supplies	Direct: Program Related
Rent	Direct Program Related Indirect-G&A
Utilities	Direct: Program Related
Telephone	Direct: Program Related Indirect-G&A
Training	Direct: Program Related Indirect-G&A
BN Facilities	Direct: Program Related
BN-Items Goods to Family	Direct: Program Related
BN-Vehicle Related	Direct: Program Related

O&E— Transportation Vouchers Direct: Program Related

O&E _Mental Health Awareness Direct: Program Related

BUSINESS EXPENSES CLASSIFICATION PROCESS

CAPC utilizes this process in classifying cost as direct or indirect:

1. The direct costs are those that can be specifically and easily identified with a particular project or activity and are allowable under the sponsoring organizations guidelines. These costs are charged to specific programs.
2. Indirect costs are those costs that are incurred for common or joint objectives, and cannot be easily and specifically identified with a particular sponsored project or activity. Indirect cost includes general and administrative related expenses.
3. Fundraising expenses, these are costs of all activities that relate to an appeal for financial support or for a contribution to an organization and are normally considered as an unallowable cost under the compliance supplement.

Description and Justification of Allocation Rationale

CAPC charges costs that are reasonable, allowable, and allocable to a Government contract directly or indirectly. All unallowable costs shall be appropriately segregated from allowable costs in the general ledger in order to assure that unallowable costs are not charged to Government contract.

Segregating Unallowable from Allowable Costs

The following steps were taken to identify and segregate costs that are allowable and unallowable with respect to each government contract:

1. CAPC reviews grant contracts, approved funding budget and the compliance supplement to determine which program costs are allowable and unallowable.
2. Any identified allowable costs are billed to the funder.
3. Any identified unallowable costs are excluded from any billing, claim or proposal under a federal governmental award. Unallowable costs such as those related to fundraising are accounted for separately.

Criteria for Allowability

1. Generally Accepted Accounting Principles (GAAP)
2. Funding contract/grant agreement
3. 2 CFR 200 and 2 CFR Part 230

C. DIRECT COSTS

Direct costs are those costs incurred for activities or services that benefit specific programs. The accounting system records these costs as they are incurred within the series of accounts assigned for that purpose.

CAPC identifies and charges these costs exclusively to each award or program. Each invoice shall be coded with the appropriate account number reflecting which program received direct benefit from the expenditure. Invoices are approved by the appropriate project director, the Associate Director/ Controller, or the Executive Director.

Time sheets or Staffing reports are also submitted on a regular basis, reflecting employees' work and which programs directly benefited from their effort. Time sheets or Staffing reports shall serve as the basis for charging salaries directly to Government funding and non-Government functions.

Equipment purchased for exclusive use on a Government funding and reimbursed by a Government agency shall be accounted for as a direct cost of that funding (i.e., such equipment shall not be capitalized and depreciated). However, CAPC will track any purchase that meets the $5000 equipment threshold on a depreciation schedule and record annual adjustments as necessary.

D. INDIRECT COSTS

Indirect costs are costs incurred for common or joint objectives and therefore cannot be readily and specifically identified with a particular project or activity. Listed below are examples of costs charged to the general and administrative pools:

1 Salaries and fringe costs for the following positions: Executive Director, Associate Director, Director of Human Resources, Office Manager, Accounting and Payroll staff, Computer Technician, Office Assistant, Receptionist, and Maintenance personnel.
2. Audit Fees: Annual external audit fees.
3. Transportation: Staff mileages.
4. Bank Charge: Account maintenance fees.
5. Board Expense: Board operation expenses.
6. Computers Repairs and Maintenance: Hardware maintenance.
7. Dues and Subscription: Membership and subscriptions.
8. Equipment Purchases: Office Equipment purchases.
9. Insurance: Insurance policy premiums.
10. New Letter, Printing and Promo: Printing & promo material.
11, Office Expense: Office operating costs.
12. Postage: Mailing system costs.
13. Program Supplies: Program operation costs.
14. Rent: Lease cost for offices at Anaheim, Garden Grove & Orange.

15. Telephone: Business phones system costs.
16. Training: Business skills training costs.

E. COST POOL AND BASE FOR DISTRIBUTION

Cost Pools

Direct and joint costs are allocated to the benefiting programs using cost pools under the following methodology:

1. Costs will be allocated to all programs on an equitable basis regardless of any limits imposed by funding sources.
2. As much as possible, costs will be charged directly to benefiting programs.
3. All remaining shared costs will be allocated on the most meaningful measures.

Direct Program Expenses:

Expenses that can be identified specifically for a particular program are charged directly to that program. Management staff codes invoices to the appropriate program and department. Salary and fringe costs for program personnel, as •well as travel, supplies, and other costs related to each grant are charged directly to the appropriate grant.

Direct Allocation of Pooled and Shared Expenses

Costs associated with the administrative, personnel, payroll, and accounting departments are charged to a pooled cost center. At the end of each month, the pooled costs are allocated directly to the programs using:

1. Location
2. FTE per functional area

Listed below are examples of costs charged to the general and administrative:

a. Salaries, Wages and related benefits
b. Audit Fees
c. Transportation
d. Bank Charges
e. Board Expense
f. Computer Repairs and Maintenance
g. Dues and Description
h. Equipment Purchases
i. Insurance
j. News Letter, Printing and Promo
k. Office Expense
l. Postage
m. Program Supplies

n. Rent
o. Telephone
p. Training

Cost Allocation Plan Certification (Non-profit)

This is to certify that I have reviewed the cost allocation plan submitted herewith and to the best of my knowledge and belief that:

1) the information contained in the Plan dated 7/1/2019 was prepared in accordance with 2 CFR Part 230 (formerly OMB Circular A-122),
2) the costs have been accorded consistent treatment in accordance with generally accepted accounting principles,
3) an adequate accounting and statistical system exists to support claims that will be made under the Plan,
4) the information provided in support of the Cost Allocation Plan is accurate, and
5) all federally unallowable costs have been excluded from allocations.

I declare that the foregoing is true and correct.

Organization:	Orange County Child Abuse Prevention Center
Signature:	Linda Sarabia
Name of Official (printed):	Linda Sarabia
Title:	Controller
Date of Execution:	July 1, 2019
	(Signed by the official having the authority to negotiate cost allocation plans for the organization, or by a higher level official.)

LOBBYING COST CERTIFICATE

I hereby certify that the Orange County Child Abuse Prevention Center has complied with the requirements and standards on lobbying costs in 2 CFR Part 230 (formerly OMB Circular A-122) effective July 1, 2019.

Organization:	Orange County Child Abuse Prevention Center
	Linda Sarabia

Signature:	
Name of Official (printed):	Linda Sarabia
Title:	Controller
Date of Execution:	July 1, 2019
	(Signed by the official having the authority to negotiate cost allocation plans for the organization, or by a higher level official.)