

# Cost Allocation Plan/ Internal Service Funds



## Does your LEA have an internal print shop or complex transportation plan?

Consider submitting your Cost Allocation Plan to ADE!

The Auditor General added Object Code **6885** to the USFR chart of accounts for LEAs who need to streamline their billing and payments from an internal service fund for these LEA internal systems.

Reach out via Helpdesk if you would like to submit information to ADE to obtain approval of your cost allocation plan for printshop or transportation services within your LEA. Once your cost allocation plan is approved, you will be able to use Object Code **6885** in any grants that would allow for billing of transportation or printshop expenses (please check with your program area for allowability).

While there is no one-size-fits-all template for a cost allocation plan for an internal service fund, we ask that your plan describe how you determined the specific costs to be charged to the grant fund. For example, the transportation plan could include average driver costs, average fuel costs, actual mileage, or other costs. The plan should also outline how the internal service fund will be reconciled as no income can be earned.

If your LEA does not have an ADE approved Cost Allocation Plan on file, the Object Code **6885** will not be permitted. Combined print shop or transportation expenses will need to be billed directly as salaries, benefits, and supplies, etc.

Thank You!

