

ADMINISTRATIVE COST LIMITATION NEGOTIATION FORM

Subrecipients must use this form to negotiate administrative costs greater than five percent (5%) of their overall grant award. In cases where five percent is too restrictive, to allow for administrative activities, the subrecipient must negotiate an adequate level of funds to be used for non-instructional purposes. The grantee must demonstrate why this restricts the overall performance of the grant.

Check if your agency will be utilizing 5% administrative costs only

Proposed Administrative Cost Rate: _____

Statement explaining why 5% administrative costs are too restrictive:

Signature of Authorized Official

Date

Printed Name of Authorized Official

Title

State of Alaska Adult Education Program Office Use Only

Approved Negotiated Rate: _____

Signature of AAE Director

Date

34 CFR §463.25, not more than five percent (5%) of a local grant to an eligible provider can be expended to administer a grant or contract under title II. In cases where five percent is too restrictive to allow for administrative activities, the eligible agency may increase the amount that can be spent on local administration. In such cases, the eligible provider must negotiate with the eligible agency to determine an adequate level of funds to be used for non-instructional purposes.

34CFR §463.26, an eligible provider receiving a grant or contract under this part may consider costs incurred in connection with the following activities to be administrative costs:

- a) Planning;
- b) Administration, including carrying out performance accountability requirements;
- c) Professional development;
- d) Providing adult education and literacy services in alignment with local workforce plans, including promoting co-enrollment in programs and activities under title I, as appropriate; and
- e) Carrying out the one-stop partner responsibilities described in §678.420, including contributing to the infrastructure costs of the one-stop delivery system