

Allowable Expenditures

Allowable expenditures include those that support the MPO transportation planning process and are used to carry out the metropolitan planning provisions of 23 U.S.C 134. Typical expenditures are itemized in tables A and B and include:

- Salaries and payroll additive costs, transportation expenses, and office and other expendable supplies necessary to carry out the work provided for in the *approved* (unified) planning work program (U/PWP).
- Printing, copying, computer processing, mapping and aerial photography costs are required for carrying out the work provided for in the approved U/PWP.
- Purchases of special equipment (i.e. traffic counters) and materials required for carrying out the work specified in the PWP. Purchases must be in accordance with NCDOT requirements, FHWA requirements (49 CFR 18), and regulations relating to minority business enterprises (MBE). The LPA must maintain conflict of interest statements with respect to purchases of goods and services. LPAs must ensure that they are not using vendors that have been disbarred by Federal, State or local governments.
- If equipment is to be used by other units within the LPA, then expenditure must be allocated upfront or a method developed to assess costs as they occur.
- Reimbursement of other LPA agencies, municipalities, counties, regional and state agencies for authorized expenses incurred in conducting work provided for in the PWP.
- Auditing costs associated with fulfilling the State requirements.
- Costs must be able to be directly attributable to carrying out the work as approved in the annual work program. Indirect costs are allowable with the submittal and approval of an indirect allocation plan. Some allowable costs may be either direct or indirect costs.

Table A. Allowable Costs

1. Accounting
2. Advertising
3. Audit Service
4. Budgeting
5. Building Lease Management
6. Communications
7. Employee Fringe Benefits
8. Exhibits
9. Materials and Supplies
10. Memberships, Subscriptions and Professional Activities
11. Payroll Preparation
12. Personnel Administration
13. Printing and Reproduction
14. Procurement Service
15. Taxes
16. Training and Education
17. Travel (must be directly related to identified task in annual work program. Commuting costs of employees or contractors are not eligible).

Table B. Costs Allowable with Review of Transportation Planning Branch

1. Computers and Equipment (if used by multiple units within LPA, must be allocated as described above)
2. Capital Expenditures
3. Management Studies
4. Professional Services
5. Building Space and Related Facilities
6. Insurance and Indemnification
7. Pre-agreement Costs
8. Proposal Costs

Table C. Unallowable Costs

1. Bad Debts
2. Contributions and Donations
3. Fines and Penalties
4. Interest and Other Financial Costs
5. Under-recovery of Costs Under Grant agreements
6. Contingencies
7. Entertainment, including meals at meetings
8. Governor's Expenses
9. Legislative Expenses, including lobbying expenses