

**CHAPTER 7.00 – FINANCE AND BUSINESS SERVICES**

**DETERMINATION OF ALLOWABLE COSTS**

**7.16**

Before instituting a financial transaction that will require the expenditure of federal funds the Federal Program Director and the Chief School Financial Officer or designee will determine that the proposed transaction meets the requirements for allowable costs for the federal program. Actions to determine allowable costs will assure that:

- The proposed expenditure is included in the federal program budget;
- The proposed expenditure is reasonable and necessary for the federal program;
- The proposed expenditure is consistent with procedures for financial transactions of the board including:
  - a. Purchase order approval procedures;
  - b. Contract review and approval procedures;
  - c. Applicable competitive purchasing procedures and;
  - d. Documentation supports allowability of transaction.

Before payments are made from federal funds the federal program director and the Chief School Financial Officer or designee will determine that the federal program expenditure complies with generally accepted accounting principles and complies with state, local, and federal laws, rules and regulations.

**STATUTORY AUTHORITY:** **OFFICE OF MANAGEMENT  
UNIFORM GUIDANCE FOR FEDERAL PROGRAMS-PART 200**

**ALABAMA ADMINISTRATIVE PROCEDURE ACT:** **§\_\_\_\_\_**

**HISTORY:** **ADOPTED: March 15, 2017  
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