

5101:9-1-05**Allocation of shared costs.****(A) Definition.**

Shared costs are indirect costs incurred for a common purpose that benefit two or more major program areas of the Ohio department of job and family services (ODJFS) acknowledged cost structures outlined in paragraph (B) of rule 5101:9-1-02 of the Administrative Code. Shared costs are:

- (1) Not readily assignable without effort disproportionate to the results achieved to a specific program or specific program cost pool.
- (2) Determined to be allowable as outlined in rule 5101:9-1-18 of the Administrative Code.
- (3) Shared costs are reported in the shared cost pool.

(B) Shared cost pool costs.

- (1) Employee activities. When employee activities benefit two or more major program areas, their payroll and benefits costs are reported in the shared cost pool. Examples of staff who are appropriately charged to the shared cost pool include:
 - (a) The director, the director's immediate staff, and other staff who support the general administration of the agency, such as personnel, fiscal, security or centralized purchasing;
 - (b) The costs associated with those staff are not readily assignable to a specific program area cost pool, and;
 - (c) Staff categorized as shared do not participate in any ODJFS random moment sample (RMS).
- (2) Contract costs. Administrative contract costs are included in the shared cost pool if they are not assignable to a specific program or a major program cost pool in accordance with relative benefit received. Examples of administrative contracts appropriately charged to a shared cost pool include, but are not limited to, human resource services or any service that indirectly benefits more than one federal program operated by the local agency.
- (3) Shared costs include local agency functions.

(C) Allocation of shared costs.

Shared costs are allocated to the major program areas in a two phase process:

(1) In the first phase, shared costs are allocated to each major program area based on the average number of full-time equivalent positions within each major program area in the county department of job and family services (CDJFS). The major program areas are income maintenance (IM), social services (SS), Workforce Innovation and Opportunity Act (WIOA) and child support (CS).

(a) Costs associated with WIOA may be included in the IM or SS cost pools; and

(b) A WIOA cost pool may also be considered a major program area if workforce staff in a CDJFS work solely on workforce programs.

(2) In the second phase, shared costs are further distributed to programs within each major program area.

(a) The IM portion of shared costs identified in phase one is added to the IM indirect costs to create a total IM cost pool.

(i) These costs are then distributed to the IM related programs based on percentages derived from the IM RMS time study.

(ii) In a CDJFS that does not have staff who work solely on WIOA activities and the WIOA staff are not included in the SS cost pool, the IM WIOA portion of shared costs identified in phase one is included in the IM cost pool.

(b) The SS portion of shared costs identified in phase one is added to the SS indirect costs to create a total SS cost pool.

(i) These costs are then distributed to the SS related programs based on percentages derived from the SS RMS time study.

(ii) In a CDJFS that does not have staff who work solely on WIOA activities and the WIOA staff are not included in the IM cost pool, the SS WIOA portion of shared costs identified in phase one is included in the SS cost pool.

(c) The CS portion of shared costs identified in phase one is added to the CS costs to create a total CS cost pool. Costs are distributed between Title IV-D and non-IV-D activities based on percentages derived from the CS RMS time study.

- (d) In a CDJFS with staff who work solely on WIOA activities, the WIOA portion of shared costs identified in phase one is added to the WIOA indirect costs to create a total WIOA cost pool. These costs are then distributed to the WIOA related programs based on percentages derived from the WIOA RMS time study.
- (D) Shared costs are reported in a CDJFS organizational structure as outlined in paragraph (A) of rule 5101:9-1-16 of the Administrative Code.
- (E) ODJFS acknowledged CDJFS shared costs are paid from the public assistance (PA) fund. The individual CDJFS function/program funds shall reimburse the PA fund for the portion of shared costs attributable to its major program areas, as identified through the process described in paragraph (B) of this rule. The transfer between funds shall be identified through the expenditure reporting process.

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