

Effective July 1, 2021

CHIEF FINANCIAL OFFICER MEMORANDUM NO. 10

SUBJECT: STATEWIDE COST ALLOCATION PLAN

Statewide Cost Allocation Plan

The Department of Financial Services (DFS) prepares a Statewide Cost Allocation Plan (SWCAP) pursuant to section 215.195, Florida Statutes (F.S.), and in accordance with federal regulations established by the United States Office of Management and Budget. The SWCAP permits the State to determine costs that are associated with the general administration of the State and to charge a portion of these costs to federal programs. Each state agency and the judicial branch is required to include a prorated share of the cost of services provided by state central service agencies, in accordance with the SWCAP, in its application for a federal grant or contract. If an application for federal grant or contract funds is approved, the state agency or judicial branch receiving the federal grant or contract shall identify the appropriate reimbursement of allocable statewide overhead and deposit that amount into the General Revenue Fund unallocated as directed by DFS pursuant to section 215.195, F.S. The SWCAP should be charged to all federal grants and contracts if indirect costs are an allowable cost by the granting or contracting agency.

General Revenue Fund Deposits

Applicable agencies must make a minimum of one deposit each quarter of the fiscal year into the General Revenue Fund unallocated using revenue category code:

001517 – Statewide Cost Allocation Transfer

DFS monitors the timeliness and accuracy of SWCAP deposits to the General Revenue Fund as required by section 215.195, F.S.

SWCAP Excess Balances

The SWCAP includes comparisons of revenues generated by billed central services within the State to the actual allowable costs of those services. Although federal regulations allow for a reasonable level of working capital reserves, adjustments must be made for excess balances resulting from revenues exceeding allowable costs.

In order to avoid penalties resulting from carrying excess balances, state agencies that provide billed central services must carefully review their financial information prior to submitting to DFS for inclusion in the SWCAP. In the event that excess balances are identified at the fund or service level, the state agencies that provide billed central services must timely reduce the balances to a reasonable level.

Please direct questions to the Bureau of Financial Reporting at 850-413-5511 or financialreporting@myfloridacfo.com.