

## CEAP – ADMINISTRATIVE COSTS AND PROGRAM SERVICES COSTS

| CATEGORY                      | <u>TAC §6.308</u> ALLOWABLE EXPENDITURES                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | EXAMPLE ACTIVITIES <i>can include, but are not limited to:</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|-------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Administrative Costs</b>   | <p>(a) Funds available for Subrecipient administrative activities will be calculated by the Department as a percentage of direct services expenditures. Administrative costs shall not exceed the maximum percentage of total direct services expenditures as indicated in the Contract. All other administrative costs, exclusive of administrative costs for program services, must be paid with nonfederal funds...</p> <p><i>The Department calculates Program Services Costs based off total contract expenditure.</i></p>                  | <ul style="list-style-type: none"> <li>• Salaries &amp; Fringe Benefits for Appropriate Staff (<i>charges must have appropriate support documentation</i>) <ul style="list-style-type: none"> <li>○ General program meetings and program planning: <ul style="list-style-type: none"> <li>▪ outreach/targeting activities; program activities, processes, implementation, etc.; budgeting; establishing staff goals and objectives;</li> </ul> </li> <li>○ Program personnel management</li> <li>○ Updating/maintaining vendor agreements</li> <li>○ Financial and Performance reporting; accounting processes</li> <li>○ General program correspondence with Department; preparing monitoring responses</li> </ul> </li> <li>• Non-training travel</li> <li>• General CEAP Admin Equipment &amp; Supplies (<i>if equipment/supplies are shared across multiple programs, costs should be shared appropriately</i>)</li> <li>• Audit (<i>limited to percentage of the contract expenditures, excluding training/travel costs as indicated in the contract</i>)</li> <li>• Office Space (<i>limited to percentage of the contract expenditures, excluding training/travel costs as indicated in the contract</i>)</li> </ul> |
| <b>Program Services Costs</b> | <p>(b) Program Services costs shall not exceed the maximum percentage of total direct services Expenditures as indicated in the Contract. Program Services costs are allowable when associated with providing customer direct services. Program services costs may include outreach activities and expenditures on the information technology and computerization needed for tracking or monitoring required by CEAP, and activities...</p> <p><i>The Department calculates Program Services Costs based off total contract expenditure.</i></p> | <ul style="list-style-type: none"> <li>• <b>Direct administrative cost associated with <u>PROVIDING THE CLIENT DIRECT SERVICE</u></b></li> <li>• Salaries &amp; Fringe Benefits cost for staff providing actual CEAP program services <ul style="list-style-type: none"> <li>○ Identifying client needs and completing needs assessment</li> <li>○ Providing energy conservation and budget counseling</li> <li>○ CEAP Component assistance – UA &amp; HCC</li> <li>○ Providing client assistance with energy vendors, referrals, and follow ups</li> <li>○ Ongoing documentation and quality control of client files</li> <li>○ Processing pledges/invoices for eligible clients</li> </ul> </li> <li>• Program Equipment &amp; Supplies <ul style="list-style-type: none"> <li>○ Outreach/client education materials</li> </ul> </li> <li>• Travel</li> <li>• Postage for Program Use <ul style="list-style-type: none"> <li>○ Mail-in applications</li> </ul> </li> <li>• Utilities</li> <li>• Rental of office space</li> </ul>                                                                                                                                                                                         |

➤ Please also refer to CEAP Contract Section 8 and Exhibit A for additional guidance on Admin and Program Services Costs.

Revised 08/11/2026

# CEAP - Administrative Costs and Program Services Costs Allowable/Unallowable Expenses



Is the anticipated expense  
an allowable CEAP expense?



Determination of allowable expenses also considers, at a minimum: proper support documentation, proper procurement (if applicable), and proper allocation (if applicable).



1. READ THE RULES



2. ASK THE QUESTIONS



3. MAKE A DECISION

Start by reviewing  
the following:



[CEAP Contract  
Section 8:  
Allowable  
Expenditures](#)



[TAC §6.308](#)  
Texas Administrative  
Code § 6.308



[TxGMS](#)  
Texas Grant  
Management  
Standards



[2 CFR Part 200,  
Subpart E](#)  
Uniform Guidance

1

Is the anticipated expense an allowable expense as listed in TAC §6.308 and/or your CEAP contract?

YES

Proceed to question #2.

NO

Unallowable, stop here.

?

If you don't know this answer, re-read the rules.

2

Would any federal or state monitor agree that the expense is reasonable and necessary to accomplish the goals of the CEAP program?

YES

Proceed to question #3.

NO

Unallowable, stop here.

?

Something to consider further, proceed to question #3.

3

Would the agency be able to convince any federal or state monitor, through logic and support documentation, that the expense is in fact necessary and reasonable to accomplish the goal of the CEAP program?

YES

Proceed to question #4.

NO

Unallowable, stop here.

?

Something to consider further, proceed to question #4.

4

Did the agency follow the appropriate procurement requirements, as referenced on the [Community Affairs Procurement](#) page?

YES

**Yes to all four questions!**

You should be able to proceed with your anticipated purchase.



If after completing the above steps the answer is still unclear, reach out to TDHCA through [Wufoo](#) and ask for guidance.