## **Limitations on Administration**

Lead Agencies may spend up to 5 % of the aggregate funds (mandatory, matching and discretionary) from each fiscal year's allotment on administrative costs, including:

Program administration (e.g. salaries and benefits).

Travel costs incurred for official business.

Administrative services (e.g. accounting services).

Other costs
(e.g. rental equipment, utilities, and office supplies).

Indirect costs
(i.e. costs other than direct services, such as rent and overhead).

## Activities not counted toward 5 % limit on administrative costs

Establishment and maintenance of computerized child care information systems.

Establishing and operating a certificate program.

Eligibility determination and redeterminations.

Preparation and participation in judicial hearings.

Child care placement.

Training for Lead
Agency or subrecipient staff on billing
and claims processes
associated with the
subsidy program.

Reviews and supervision of child care placements.

Activities associated with payment rate setting.

Resource and referral services.

Training for child care staff.

Recruitment, licensing, and inspection of child care providers.

Improper payment process and investigation/recovery of improper payments.