

# FULL COST vs OMB COST PLANS

**OMB:** Used for federal and state grant reimbursement.

**FULL COST:** Used internally for the indirect cost reimbursement of services from non-general fund operations within an agency, as well as to calculate the indirect cost to be included in the calculation of user fees to the public.

## FULL COST

- Less conservative, but still follows the OMB layout.
- Uses budget numbers, so it more accurately reflects what is truly going on within an agency going forward.
- Includes costs that are excluded based on OMB guidelines, such as general government expenses (city council cost, general government, elections and dues and subscriptions).
- More accurately reflects the true full cost of operation in your agency.



## OMB (2 CFR Part 200 Uniform Guidance)



- Very conservative, strictly follows the guidelines put in place by the federal government.
- Actual costs of the last closed-book fiscal year must be used to estimate future costs.
- Many costs are excluded, such as city council or general government expenses.
- Excludes departments that do not support the entire agency as a whole, such as public works administration and other departments that are administrative in nature.

## CENTRAL SUPPORT DEPARTMENTS

**OMB:** Departments whose primary purpose is to support **ALL** other departments/funds within the agency, not to support the public.

**FULL COST:** Departments whose primary purpose is to support **MOST** or a **FEW** departments/funds within the agency, not to support the public.