

Dear MBCC Subrecipient,

In a continued effort to keep our subgrantees informed, MBCC would like to share the information below about the allowability of costs not normally chargeable to awards, the allowability of salaries, and the allowability of other project costs. Please review the updates below, and if you have any questions, contact your program manager for clarification.

**Allowability of costs not normally chargeable to awards:**

MBCC will allow subrecipients who incur costs related to the cancellation of events, travel, or other activities necessary and reasonable for the performance of the award (e.g., the costs of providing telework equipment to employees who are working on the award), or the pausing and restarting of grant-funded activities due to the public health emergency, to charge these costs to their award.

MBCC will allow subrecipients to charge the full cost of cancellation when the event, travel, or other activities are conducted under the auspices of the grant. In cases where charging of cancellation or other costs results in insufficient funds to eventually carry out the event or travel, please contact your grant manager to discuss possible alternatives or changes to the scope of the project, if feasible.

**Allowability of salaries and other project costs:**

MBCC will allow subrecipients to continue to charge salaries and benefits to their awards consistent with the recipients' policy of paying salaries and benefits under unexpected or extraordinary circumstances from all funding sources (Federal and non-Federal). As outlined in 2 C.F.R. § 200.431 (a) and (b), benefits may include the costs of leave ("regular compensation paid to employees during periods of authorized absences from the job, such as for annual leave, family-related leave, sick leave ... administrative leave, and other similar benefits"), as long as they are provided under written leave policies.

MBCC encourages subrecipients to review and update (if necessary) their written leave policies to address "unexpected or extraordinary circumstances." Subrecipients are required to maintain copies of the leave policies and cost documentation (as required by 2 C.F.R. § 200.302, 2 C.F.R. § 200.333, and 2 C.F.R. § 431(b)(1)) to substantiate the charging of salaries and benefits during interruption of operations or services.

The flexibility in the areas outlined above will be reassessed in 90 days after MBCC receives direction from OJP.

Thank you for your continued service amidst these rapidly changing circumstances. Keep up the good work, take care, and stay healthy!

Sincerely,

The Montana Board of Crime Control

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444-3604

March 24, 2020



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