

Cost Allocation Method

Nonprofit, NGO & Social Sector

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This guide explains what the tool produces, how to use the output, and what to watch for. The actual output (draft/report) is generated on the tool page.

Background

Builds a cost allocation method — direct vs shared costs, an allocation basis (time, headcount, budget share) and documentation — with admin recovery within funder limits and consistent application. Use this to allocate shared costs fairly across grants. Align to funder rules and document the basis.

Purpose of this tool & output

Allocate shared costs fairly across grants

How the output is used

Use the method to allocate shared costs fairly across grants and programs, defensibly to funders.

Who should vet it

A CA/finance person, to confirm the allocation basis is defensible.

Important cautions

AI-generated method; align to funder rules and document the basis.

Companion documents

- NGO Financial Management Guide
- Fund Accounting Setup
- Organisational Budget Builder
- Financial Report Builder
- Utilisation Certificate Builder
- Internal Controls Framework

This is AI-assisted guidance. Verify with a qualified professional before any binding decision. Fees, authorities and processes vary by state and change over time — confirm with your state authority.