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| **WS 15-01** |
| June 22, 2015 |
| **Basic/Expanded Services** |
| **Expires:**  Continuing |



To: Adult Education Consortium Providers

# From: Gulf Coast Workforce Board

Subject: Allowable Advertising and Public Relations Expenditures

##### Purpose

##### To provide Adult Education and Literacy (AEL) fiscal agents and AEL consortium providers with information and guidance on allowable advertising and public relations expenditures.

Background

To reach new student populations and increase enrollment, AEL entities are seeking guidance on allowable expenditures relating to advertising and public relations.

Action

AEL providers must be aware that the only allowable advertising costs are those that are solely for:

• the recruitment of personnel required for the performance by the institution of obligations arising under a sponsored agreement;

• the procurement of goods and services for the performance of a sponsored agreement;

• the disposal of scrap or surplus materials acquired in the performance of a sponsored agreement except when nonfederal and/or state entities are reimbursed for disposal costs at a predetermined amount; or

• other specific purposes necessary to meet the requirements of the sponsored agreement.

AEL providers must be aware that per Office of Management and Budget Circular A-21, “sponsored agreement” is defined as any grant, contract, or other agreement between the institution and the federal and/or state government.

AEL providers must be aware that the only allowable public relations costs are:

• specifically required by the sponsored agreement;

• used to communicate with the public and press pertaining to specific activities or accomplishments that result from performance of sponsored agreements (these costs are considered necessary as part of the outreach effort for the sponsored agreement); or

• used to conduct general liaison with news media and government public relations officers, to the extent that such activities are limited to communication and liaison necessary to keep the public informed on matters of public concern, such as notices of federal and/or state contract/grant awards, financial matters, etc.

Therefore, AEL providers must be aware that:

• if the above advertising and public relations costs are incurred specifically for participant outreach for the grant program, the costs are allowable; and

• in accordance with WS Letter 17-10, outreach and promotional materials that solely promote an organization are unallowable costs if the materials do not provide information that promotes program activities or goals. There must be no ambiguity on which service is being promoted.

*Note:* Please see WS Letter 17-10 for further information.

Questions

Staff should first ask questions of their managers or supervisors. Direct questions to the Gulf Coast Consortium Lead Agency Staff through the Submit a question link.