- (4) The following OMB Circulars, as appropriate A–21, "Cost Principles for Educational Institutions", A–87, "Cost Principles for State, Local and Indian Tribal Governments", A–122, "Cost Principles for Non-Profit Organizations", and A–133, "Audits of States, Local Governments, and Other Non-Profit Organizations" (OMB circulars are available electronically at the OMB homepage www.whitehouse.gov/WH/EOP/omb); and
- (5) Other applicable Corporation requirements.
- (b) Project support provided under a Corporation grant shall be furnished at the lowest possible cost consistent with the effective operation of the project.
- (c) Project costs for which Corporation funds are budgeted must be justified as being essential to project operation.
- (d) Volunteer expense items, including transportation, meals, recognition activities and items purchased at the volunteers own expense that are not reimbursed, are not allowable as contributions to the non-Federal share of the budget.
- (e) Costs of other insurance not required by program policy, but maintained by a sponsor for the general conduct of its activities are allowable with the following limitations:
- (1) Types and extent of and cost of coverage are according to sound institutional and business practices;
- (2) Costs of insurance or a contribution to any reserve covering the risk of loss of or damage to Governmentowned property are unallowable unless the government specifically requires and approves such costs; and
- (3) The cost of insurance on the lives of officers, trustees or staff is unallowable except where such insurance is part of an employee plan which is not unduly restricted.
- (f) Costs to bring a sponsor into basic compliance with accessibility requirements for individuals with disabilities are not allowable costs.
- (g) Payments to settle discrimination allegations, either informally through a settlement agreement or formally as a result of a decision finding discrimination, are not allowable costs.

(h) Written Corporation State Office approval/concurrence is required for a change in the approved service area.

[64 FR 14135, Mar. 24, 1999, as amended at 67 FR 6875, Feb. 14, 2002; 69 FR 20831, Apr. 19, 2004]

Subpart H—Non-Corporation Funded Projects

§ 2553.81 Under what conditions may an agency or organization sponsor a RSVP project without Corporation funding?

An eligible agency or organization who wishes to sponsor a RSVP project without Corporation funding, must sign a Memorandum of Agreement with the Corporation that:

- (a) Certifies its intent to comply with all Corporation requirements for the Retired and Senior Volunteer Program; and
- (b) Identifies responsibilities to be carried out by each party.

§ 2553.82 What benefits are a non-Corporation funded project entitled to?

- (a) All technical assistance and materials provided to Corporation-funded RSVP projects; and
- (b) The application of the provisions of 42 U.S.C. 5044 and 5058.

§ 2553.83 What financial obligation does the Corporation incur for non-Corporation funded projects?

Entry into a Memorandum of Agreement with, or issuance of an NGA to a sponsor of a non-Corporation funded project does not create a financial obligation on the part of the Corporation for any costs associated with the project.

§ 2553.84 What happens if a non-Corporation funded sponsor does not comply with the Memorandum of Agreement?

A non-Corporation funded project sponsor's noncompliance with the Memorandum of Agreement may result in suspension or termination of the Corporation's agreement and all benefits specified in §2553.82.