

**Reporting Full Time Equivalents (FTE's), Administration Costs and Direct Expenses
Legislative Coordinating Commission Guidance**

November 23, 2011

FTE's –The number of positions directly created by a recipient because they received legacy or trust fund dollars to carry out legacy or trust fund work. Examples include new staff hired by Minnesota Public Television to create new legacy-funded programming, or staff hired by a state agency to implement legacy or trust fund programs. The FTE should be calculated as the total number of hours planned for the position divided by 2,088.

Contracted professional or service work associated with a project should be reported as a direct expense of a project. Contracted professional or service work hours should not be included within the FTE calculation.

Administration Costs – General costs incurred to support a project, including costs referred to as “indirect” or “overhead” costs. Such costs must be directly related to and necessary for the project.

This may include: accounting, clerical support, executive and supervisory personnel, facilities management, office equipment and supplies, human resources, information technology, communications, insurance, legal services, purchasing, rent/lease, and security.

Direct Expenses – Any identifiable costs directly related to and necessary for the project. This may include but is not limited to salaries and wages, contracted services (such as construction contractors, artists, and authors), professional services (such as legal research and real estate transactions), travel, equipment, and supplies/materials.