



ACCOUNTING POLICY AND PROCEDURES (APP) MANUAL

TOPIC: Section 10 – Special Expense 9.0	EFFECTIVE DATE: 04/14/2003
TITLE: Allowable Federal Rental Rates for State-Owned Buildings	REVISION DATE: 05/15/2018
AUTHORIZED BY: Deputy Director, Bureau of Fiscal Services	

BACKGROUND

The Department of Administration (DOA) charges a uniform rental rate for all the DOA-owned and -operated buildings. However, the Federal Division of Cost Allocation requires that the rent charged to federal programs for reimbursement must be determined on a building-by-building basis.

Therefore, each year DOA submits a proposed rate for each DOA-owned and -operated building to the Federal Division of Cost Allocation. The proposed rates are based on actual building costs from the prior fiscal year, plus carry-forward adjustments and interest costs for debt service. These proposed rates are also known as "allowable" federal rental rates. The rates vary from building to building and year to year.

PROCEDURES

Each year, DOA will notify the Department of Health Services (DHS) of the proposed federal rental rates for DOA-owned buildings that have been submitted to the Federal Division of Cost Allocation for the upcoming state fiscal year.

The Cost Allocation and Financial Reporting Section will prepare a schedule of the proposed allowable federal rates, compared to rental rates charged by DOA, and calculate the non-federal amounts and percentages for each building occupied by DHS.

Only the portion of the DOA rent that is allowable for federal reimbursement may be billed to federal programs. The table attached shows the allowable federal reimbursement rental rate.

ATTACHMENTS

DOA vs. Allowable Federal Rental Rates for the Fiscal Year Ending 6/30/2018

CONTACTS

[Accountant, Cost Allocation and Financial Reporting Section](#)

[Deputy Director, Bureau of Fiscal Services](#)

ATTACHMENT

<p>Department of Health Services DOA vs. Allowable Federal Rental Rates Fiscal Year Ending 6/30/2018</p>

PROPOSED RATES
Effective December, 2017

Location	Rental Rate Paid to DOA	Allowable Federal Reimbursement Rental Rate	Allowable Federal % of DOA Rent	Non-Allowable Federal Adjustment	Non-Federal Percentage of DOA Rent
	(Annual \$ per sq ft) (col. 1)	(Annual \$ per sq ft) (col. 2)	(col. 2/col.1)	(col. 1- col. 2)	(col. 4/col.1)
Green Bay	\$25.60	\$11.54	45.079%	\$14.06	54.921%
Milwaukee	\$25.60	\$11.21	43.790%	\$14.39	56.210%
Revenue Building	\$25.60	\$10.20	39.844%	\$15.40	60.156%
Waukesha	\$25.60	\$15.04	58.751%	\$10.56	41.249%
Wilson St. Bldg.	\$25.60	\$9.50	37.110%	\$16.10	62.890%

Sources: State-Owned Bldg. rent approved by State Bldg Commission for Office Space
12/1/17 Memo from Colleen Holtan , DOA