
City of Clarkston

**Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2020**

Note 1 – Basis of Accounting

This Schedule is prepared on the same basis of accounting as the City's financial statements.
The City of Clarkston uses the cash basis of accounting.

Commented [JT(2)]: Remove underline

Note 2 – Federal De Minimis Indirect Cost Rate

The City has elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance. The election of the 10-percent de minimis indirect cost rate is accepted by the City, as the City does not have a negotiated rate. The amount expended includes \$ -0 claimed as an indirect cost recovery using an approved indirect cost rate of 10 percent.

Commented [JT(3)]: Remove un needed language in Note

Note 8 – Program Costs

The amounts shown as current year expenditures represent only the federal grant portion of the program costs. Entire program costs, including the City's portion, may be more than shown. Such expenditures are recognized following, as applicable, either the cost principles in the OMB Circular A-87, Cost Principles for State, Local, and Indian Tribal Governments, or the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Commented [JT(4)]: Change to "Note 3"