

## Appendix 5

### Indirect Costs Guidelines

Subgrantees may request indirect costs for operation of the grant if the subgrantee does not have an established Indirect Cost Rate (ICR) with the Federal Government.

Indirect costs are allowable up to eight percent (8%) of the requested funding. Some examples of indirect costs would be:

- (1) Salaries and benefits for staff for planning and administering the project, but not staff salaries for implementing and operating the project (those are direct costs funded by the grant)
  - a. Executive personnel
  - b. Personnel administration
  - c. Account personnel
- (2) Supplies (office, laboratory, workshop or classroom) that cannot be readily identified with the funded project but supports the overall operation of the project.
- (3) Use of a facility for operating the project.
- (4) Use of equipment utilized by the whole organization but also used by the project.
- (5) Use of business services such as accounting, budget, legal counsel, and management information systems.
- (6) Communication costs not readily identifiable to the project such as telephone toll and local charges, computer costs, and some publication expenses.
- (7) A portion of pooled clerical services related to the operation of the whole organization, where certain services are supplied to the project or grant.
- (8) General postage not directly identified with the operation of the project.
- (9) Library usage or usage of other printed materials not directly identified to the operation of the project.
- (10) Other general expenses not specific to the project or grant. (i.e., use of furniture, security, care and cleaning of facility housing the project, hazardous waste disposal, etc.)