

GCCCD

District Services

INTER-DEPARTMENTAL PROCESS

Indirect Cost Allocations

Overview:

Indirect costs are allocated to Restricted Fund programs based on expense unless specifically not allowed by the funding.

Processing:

- Indirect costs are charged to a grant or specially funded program based on a percentage of expenditures:

	<u>Keycode</u>	<u>Object</u>
DR (expense)	Grant	5595
CR (1295091)	R Fds – indirect cost reimbursement	5596

- If the Auxiliary manages the grant for the District:
This reduces the DW available from above as we are now paying the Auxiliary a portion of what we earned. Auxiliary usually charges the District 4%, unless the grant designates a different amount.

PRs for processing via Auxiliary	Encumber 1295091-5594
Payment processing via Auxiliary	

- The net balance in keycode 1295091 can be spent, or carried forward, in Site 2 for districtwide budget challenges.

Federal Indirect Negotiated Rate:

- In 2010 the District worked with Vicenti, Lloyd & Stetzman to develop an indirect cost rate proposal, then negotiated the rate with Department of Health & Human Services (DHHS).
- 34% is our approved rate, effective through 6/30/2017 on federal grants over \$25,000.

Grant Proposal:

- Indirect cost percentage is included to the extent allowable.
- Administrative allocation may also be charged against the grant instead of an indirect cost percentage.