

INDIRECT COSTS/PROCEDURES

Indirect costs incurred cannot efficiently be directly linked to a program and, therefore, are indirectly charged via a method approved by the federal and/or state governments. Indirect costs are those: (a) incurred for a common or joint purpose benefiting more than one program, and (b) not readily assignable to the programs specifically benefited, without effort disproportionate to the results achieved. Typical examples of indirect costs may include general administration of the NWESD 189, accounting and personnel services provided, public communication and other overall NWESD 189 costs not allocated through a direct cost center.

To facilitate equitable distribution of indirect expenses across the programs served, NWESD 189 establishes a program in which it accumulates indirect costs for allocation based on programs' direct costs. Because the federal government is more restrictive in the types of indirect costs that may be charged, different indirect cost rates are computed for state, federal and locally funded programs. The totals of accumulated indirect expenses are compared to total direct expenses incurred by all programs to determine the resultant indirect cost rates. Indirect cost rates may (in exceptional circumstances) differ from these rates dependent on prior Superintendent approval.

Any exception to the prescribed rates must be recommended by the program administrator and approved by the NWESD 189 Superintendent.

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