

Indirect Costs

Indirect costs are costs of an organization that are not readily assignable to a particular project, but are necessary to the operation of the organization and the performance of the project. Examples of costs usually treated as indirect include those incurred for facility operation and maintenance, depreciation, and administrative salaries.

All applicants applying for grants passed through the District Attorneys Council will be allowed to apply for indirect costs as a part of their application.

If an applicant already has a federally negotiated rate with a cognizant federal agency, this rate must be used and supporting documentation of the negotiated rate must be attached to the application. If an application has never applied for or has never received a negotiated rate from another federal agency, a 10% de minimis rate may be applied.

The indirect cost rate, whether federally negotiated or de minimis, will be charged against the Modified Total Direct Cost (MTDC). To determine if your agency may benefit from indirect costs based on your MTDC, complete the [Modified Total Direct Costs Worksheet](#).

Indirect costs will be requested for reimbursement on the Monthly Financial Request (MFR/A-3) Form and will be reviewed during the grant monitoring process. Any indirect costs not expended must be forfeited or the organization may request a budget revision by submitting a Grant Adjustment Notice (GAN). For additional guidance on indirect costs, please visit the Office of Executive Councils, Chief Financial Officers Council website at <https://cfo.gov/cofar/>.