

## **Contract and Grant Indirect Costs**

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**3160**

Contracting agencies and grantors recognize that there are genuine overhead costs, requiring the expenditure of resources, which cannot be specifically identified with a given activity without prohibitive administrative effort. The District endorses the recovery of indirect costs based on a variety of formulas depending on the specifics of the project and the regulations of the agency.

The administration, therefore, will assure that all grants include provision for the maximum allowable indirect rate. Whenever a grant fails to provide for appropriate indirect costs, the District will participate in the grant only when the educational value of the proposed project justifies the waiver of these legitimate charges.

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