



Indirect Cost Policy

DEFINITION

The Association of Tribal Archives, Libraries and Museums (ATALM) defines indirect costs as:

- Administrative, overhead or other expenses or ongoing operational costs incurred by the applicant organization on behalf of the organization's activities and projects, but that cannot be readily and specifically identified with a particular direct project or activity.
- Expenses related to general operations of an organization that are shared among projects and/or functions.
- Basic examples include executive oversight, existing facilities costs, accounting, grants management, legal expenses, utilities, and technology support.

OTHER FUNDING

ATALM is a charitable entity and is not committed to matching the indirect cost rates of the U.S. government or any other entities. We recognize that this means that:

1. Some grantees may need to engage in cost-sharing between projects, utilize unrestricted funds, or conduct other fundraising to cover operations; or
2. Some contractors may choose not to contract with ATALM.

ATALM believes this policy is consistent with that of many grant-making organizations and certain government entities that have a flat or maximum indirect cost rate that caps the amount an applicant can charge. This policy helps ensure furtherance of our mission and charitable purpose.

MAXIMUM INDIRECT COST RATES

Maximum indirect cost rates for grants and contracts is subject to the following limitations:

1. 0% rate for US government agencies, private foundations, and for-profit organizations.
2. Up to 10% rate for all other entities, including nonprofit organizations, universities, and community colleges.

DETERMINATION OF INDIRECT COSTS

- Indirect Costs Amount = Rate % * Total Project Costs (personnel, sub-contracts, supplies, equipment, etc.)
- Rates and limitations apply to *both* the primary applicant organization and any sub-grantees and sub-contractors. Each respective organization may receive indirect costs up to the rate applicable to their organization type.

The rates provided above are the *maximum* rates allowed under ATALM's policy. A grantee or contractor with an actual indirect cost rate lower than the maximum rate provided above should *not* increase the funding request to the maximum allowed.