

Finance Department

MEMORANDUM

To: Dr. Maria Brown, Chairperson
Dr. Randy Poe, Superintendent
Board Members

From: Linda Schild
Amy Lampone

Date: May 18, 2016

Re: Indirect Cost Rates

Kentucky Department of Education has calculated the Restricted and Non-Restricted Indirect Cost Rates for the 2017 fiscal year. The rates are as follows:

Restricted Indirect Cost Rate = 1.99%
Non Restricted Indirect Cost Rate = 12.19%

The restricted indirect cost rate is applied to federal grants that allow for indirect costs.

The non-restricted indirect cost rate is applied to Food Service payroll expenditures to cover shared expenses in the Board of Education's operating fund.

Please approve the use of these rates as indicated above for fiscal year 2017.