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DEPARTMENT OF FINANCE

TO: Board Members

FROM: Lisa Lewis, Director of Finance *Lewis*

DATE: August 4, 2025

RE: Indirect Cost Rates (revised)

Enclosed is the 2025-26 District Indirect Cost Rate (revised) for Bullitt County Board of Education. Indirect costs are expenditures in support of a program that are not directly identifiable to that program. KDE calculates the allowable percentage that may be applied to grants so that districts may be reimbursed for a portion of the support expenses incurred.

The non-restricted rate applies to the School Food Service program. The restricted rate may be applied to other grants, such as Title I, that exclude expenses for district administrative support. Each local board of education must approve to recover indirect costs. Effective July 1, 2025, the new indirect cost rates will be applied. The rates are as follows:

Non-Restricted Indirect Cost Rate	10.36%
Restricted Indirect Cost Rate	1.92%

The revision is due to the implementation of the 3-year rolling average calculation provide by USDOE, which KDE used in determining indirect cost rates starting in the fiscal year 2026. I ask that indirect costs rates as provided by KDE be approved.

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BULLITT COUNTY PUBLIC SCHOOLS IS AN EQUAL EDUCATION AND EMPLOYMENT INSTITUTION