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MEMORANDUM

DATE: July 19, 2022
TO: All Prospective Contractors/Applicants/Subawardees
FROM: Susan J. Sullivan, Executive Director
RE: **NEIWPC Indirect Policy**

NEIWPC's Indirect Cost Policy for Applicants

NEIWPC recognizes that in some instances, applicants may have costs that are not directly attributable to projects or activities being funded but that the recovery of those indirect costs is necessary in order to effectively implement the respective projects or activities. In those situations, the following indirect cost policy applies:

- Applicants that do not have a Negotiated Indirect Cost Rate Agreement (NICRA) may charge a maximum indirect rate of 10 percent of direct costs (de minimus rate).
- Applicants (including academic institutions) with a valid NICRA with their cognizant federal agency can charge indirect costs to projects based on their negotiated indirect cost rate, and must enclose a current copy with their proposed work plan.
 - A valid NICRA is one in which the effective period has not expired. Applicants must provide a copy of their valid NICRA with their application in order for indirect cost reimbursement to be considered. If the effective period of the NICRA has expired but the grantee has documented evidence (via an indirect cost rate proposal) that they have reapplied for a new rate, the expired rate may be accepted.

