

TO:	Cumberland County Commissioners
FROM:	James H. Gailey
DATE:	April 22, 2025
SUBJECT:	Setting an Indirect Rate Cumberland County

Requested Action:

Authorize the County Manager to set the County's Indirect Rate at 12.5%.

Background & Purpose of Request:

The County's emphasis over the past few years has been to explore outside funding in support of regional service delivery. This is a Commissioner Strategic Goal. Of course, some departments are better setup for this than others. The County has been successful over the past few years in obtaining small to large grants. Historically, the County never instituted an Indirect Rate when it came to grants. This was probably due to the limited number of grants the County received and found that they could cover the administrative costs through the General Fund budget.

Indirect costs are expenses that are not directly tied to a specific project, product or service, but are necessary for the overall operation of an organization, such as rent, utilities, insurances, facility maintenance, supplies and salaries.

With the success of the last few years, staff have included a 12.5% indirect rate to the last couple of grants to begin to cover the costs associated with administering these grants. Grants, especially when receiving a number of them, can add significant oversight not only in the department who wrote the grant, but Finance, Human Resource, Facilities and Executive.

The County has the opportunity to have a rate between 10 and 15% without needing review and rate approval of the federal government.

Staff are bringing this item forward for Commissioner formal approval for setting the County Indirect Rate of 12.5%

Rate 01 12.570.	
Funding Amount and Source:	Various
Attachments:	None
Attachments.	INOTIC

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Result			
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Vote Result:			
Roll Call Vote if Me	eeting Remotely:		
		Chair of Board, Date	

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