

Cost Allocation Plans and Indirect Cost Rates

NCJA Center for Grants Management

Session 1: Introduction to Cost Allocation Plans and Indirect Cost Rates, Tuesday, May 10, from 2:00-4:00 p.m. ET – will address an introduction to cost allocation plans and the development of an indirect cost rate packet. This session will go through the key definitions, what a cost allocation plan and indirect cost rate proposal includes, and provides clarification regarding the requirements under the Uniform Guidance (2 CFR 200). During this session, participants will take a deeper look at the different types and methodology for allocating costs including direct costs, shared costs, indirect costs, and administrative costs how those costs factor into the indirect cost rate proposal process.

Session 2: How to Develop a Cost Allocation Plan, Tuesday, May 17, from 2:00-4:00 p.m. ET – will look at what's included and how to go about developing a cost allocation plan. Participants will learn how cost allocation plans differ for institutes of higher education, nonprofits, and states and local governments. Participants will learn how to take various agency expenses to create a cost allocation plan that will ultimately outline and substantiate an organization's methodology for allocating costs. This will be an interactive session to give the participants a chance to look at and discuss what needs to be included and learn about tools that are available to develop their own cost allocation plan.

Session 3: How to develop an indirect cost rate, Tuesday, May 24, from 2:00-4:00 p.m. ET – will allow participants to build on the previous session and review a cost allocation to determine and develop an indirect cost rate that ensures a fair and equitable allocation of essential costs. During this session, participants will review the various types of indirect cost rates and examine the required documentation for developing an indirect cost rate proposal package. Participants will also gain an understanding of the process and time frames for negotiating an indirect cost rate with their cognizant agency.