

# FY25 Indirect Cost

Changes and Updates to the  
Indirect Cost Supplement in  
Grants Management  
Enterprise (GME) for FY25

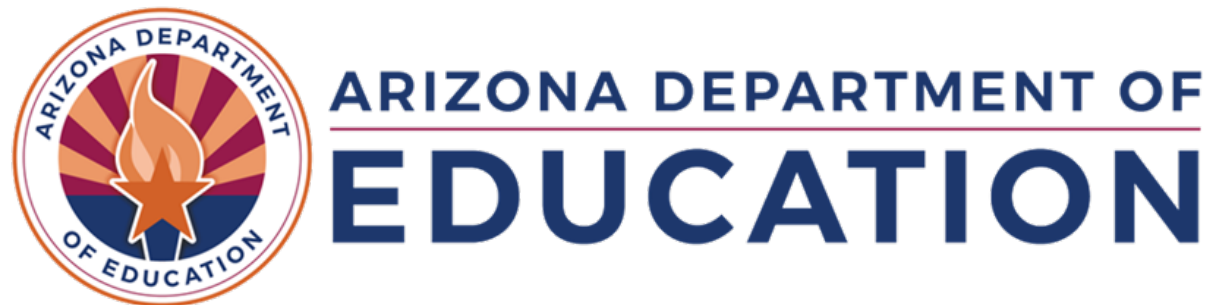


ARIZONA DEPARTMENT OF  
**EDUCATION**



# New Indirect Cost Supplement

- As in prior years, there are three main components to the Indirect Cost request:
  - 1) Data Sheet
  - 2) Restricted Rate Calculation Page
  - 3) Unrestricted Rate Calculation Page



# Data Sheet

- **Based on an in-depth field test, the data sheet for FY25 is very similar to FY24.**
  - **Anticipate changes to the level of detail requested for Function Codes and Object Codes in FY26**
  - **These changes, along with some LEA-shared resources, will be made available soon**
- **Based on guidance from our federal indirect cost team at US Dept. of Education, certain fields on the data sheet will not allow for the indirect column to be filled in. According to our federal partners, these costs would be direct costs.**



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## Data Sheet




Test District (00000000) Test District - FY 2025 - Global Hold(s): (2025) - Fiscal Hold(s): (2023, 2024, 2025) - Indirect Cost - Rev 0

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The Restricted Indirect Cost Rate is required when applying for an Indirect Cost Rate. Please check the box below if you would also like to request an optional Unrestricted Indirect Cost Rate.

\* Restricted

Unrestricted

Function Definition	Function (District)	Function (Charter)	Total Costs	Excluded and/or Unallowed Costs					Used by Restricted Rate	
			All Costs A	Food B	Capital Object C	Debt D	Other Exp E	Direct Cost	Indirect Cost	
Instruction	1000/1900	1000/1900	\$ 0.00	\$	\$	\$	\$	\$		N/A
Support Serv-Students	2100-2190	2100-2190	\$ 0.00	\$	\$	\$	\$	\$		N/A
Support Serv-Inst Staff	2200-2290	2200-2290	\$ 0.00	\$	\$	\$	\$	\$		N/A
Support Serv-General Admin	2300-2351	2300-2390	\$ 0.00	\$	\$	\$	\$	\$		\$
Support Serv-School Administration	2400-2490	2400-2490	\$ 0.00	\$	\$	\$	\$	\$		\$
Central Services	2500-2540,2570-2590	2500-2519	\$ 0.00	\$	\$	\$	\$	\$		\$
Planning	2550	2520	\$ 0.00	\$	\$	\$	\$	\$		\$

Von Prisk, Nicole

Production

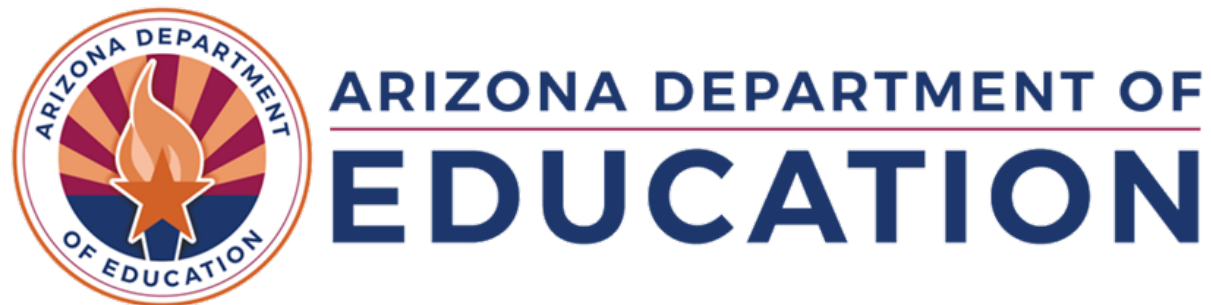
Session Timeout

00:59:37

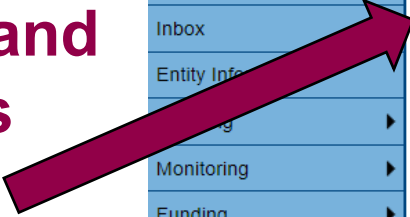
**Based on Education Department General Administration Regulations (EDGAR) and U.S. Department of Education (ED) guidance, specific indirect cost fields are not fillable.**

# Restricted Rate Calculation Page

- Information, such as expenditure codes, pulls from your data sheet into fields on the rate calculation page
- The restricted rate caps at 8%
- The carryforward field is not populating for FY25, as FY25 is a baseline year for carryforward
- Over or under recovery of indirect costs in FY25 will impact your indirect cost rate for FY27



For FY25 and FY26 the Previous Carryforward cell "Y" will be blank, as FY25 and FY26 will be baseline years used in calculating carryforward for future years. Any over/under recovery for FY25 Indirect Costs will apply in line "Y" for FY27 and any over/under recovery in FY26 will apply in line "Y" for FY28.



**Restricted Rate Calculation**

Test District (000000000) Test District - FY 2025 - Global Hold(s): (2025) - Fiscal Hold(s): (2023, 2024, 2025) - Indirect Cost - Rev 0

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For FY25 and FY26 the Previous Carryforward cell "Y" will be blank, as FY25 and FY26 will be baseline years used in calculating carryforward for future years. Any over/under recovery for FY25 Indirect Costs will apply in line "Y" for FY27 and any over/under recovery in FY26 will apply in line "Y" for FY28.

New Rate (caps at 8%) - for current year
Total Direct Costs (B)
Total Indirect Costs (X)
Previous Carryforward (Y) - (over)/under from 2 years ago
TOTAL IDC POOL (X + Y = A)

Previous IDC Rate (R) - from 2 years ago
Total Direct Costs (B)
Total Indirect Costs (X)
Previous Carryforward (Y) - (over)/under from 2 years ago
Indirect Cost Recovery
Could have Recovered (B * R = E)
Recovered (Z)
(Over)/Under (E - Z = will become carryforward Y in 2 years)

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Session Timeout 00:50:10

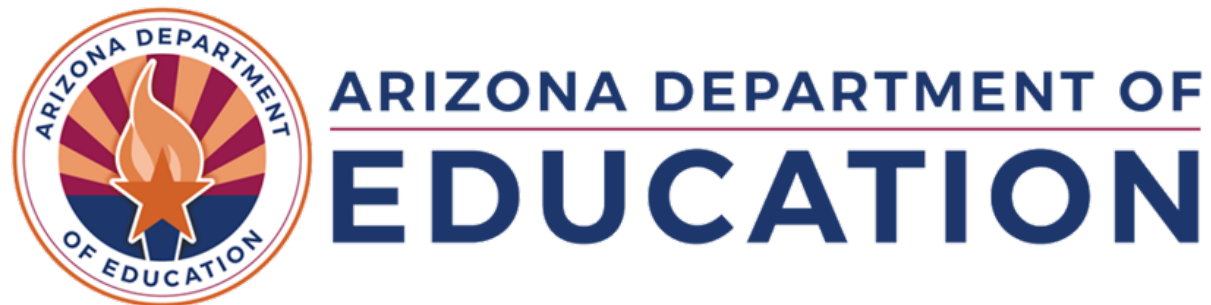
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# Unrestricted Rate Calculation Page

- Information, such as expenditure codes, pulls from your data sheet into fields on the rate calculation page
- The unrestricted rate caps at 18%
- The carryforward field is not populating for FY25, as FY25 is a baseline year for carryforward
- Over or under recovery of indirect costs in FY25 will impact your indirect cost rate for FY27

# Unrestricted vs. Restricted

- Your LEA may only use up to the unrestricted rate on federal grants that do not have a Supplement, Not Supplant (SNS) provision
- If a federal grant has a Supplement, Not Supplant requirement AND allows for indirect costs, you may only recover up to the restricted rate for indirect costs





# I have an approved rate, now what?

- If your FY25 federal grant is already director-approved, and now you want to budget your indirect costs based on a new FY25 approved rate, you need to start a revision to the funding application and the approved rate will populate on the Budget page, allowing for budgeting of indirect costs
- If your FY25 federal grant is not yet director-approved, and you want to budget your indirect costs, you may begin once that new FY25 rate has been approved. This will populate that approved rate on the Budget page.

Indirect Cost	
Total Allocation	\$0.00
Budgeted Amount (Contributing to Indirect Cost)	\$22.22
Excludable Costs	\$0.00
Indirect Cost Rate	0.00%
Max Indirect Cost based on Budgeted Amount	\$0.00
Max Indirect Cost based on Total Allocation	\$0.00

# Thank You

We want to thank our partners in the field who gave of their time, tested the tool, and provided us with specific feedback on the new Indirect Cost supplement in GME.



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# We're here to help!

ADE Helpdesk: <https://helpdeskexternal.azed.gov> **\*\*Put "FY25 INDIRECT COST REQUEST" in Title**

GM Website: [www.azed.gov/grants-management](http://www.azed.gov/grants-management)

GM Hotline: 602-542-3901

Grants Technology	Grants Training	Fiscal Processing	Fiscal Monitoring
<input type="checkbox"/> Option 1	<input type="checkbox"/> Option 1	<input type="checkbox"/> Option 2	<input type="checkbox"/> Option 3
<ul style="list-style-type: none"><li><input type="checkbox"/> GME System Support</li><li><input type="checkbox"/> GME System Updates &amp; Enhancements</li><li><input type="checkbox"/> GSA &amp; Self-Assessment</li></ul>	<ul style="list-style-type: none"><li><input type="checkbox"/> Training and Professional Development</li><li><input type="checkbox"/> Training Resources &amp; Materials</li></ul>	<ul style="list-style-type: none"><li><input type="checkbox"/> Reimbursement Requests</li><li><input type="checkbox"/> Completion Reports</li><li><input type="checkbox"/> Title I Maintenance of Effort</li><li><input type="checkbox"/> Technical Assistance</li><li><input type="checkbox"/> Indirect Cost</li></ul>	<ul style="list-style-type: none"><li><input type="checkbox"/> Single Audits</li><li><input type="checkbox"/> Fiscal Monitoring</li><li><input type="checkbox"/> Corrective Action Plan Support</li></ul>

