



BALTIMORE COUNTY PUBLIC SCHOOLS

DATE: September 17, 2002

TO: BOARD OF EDUCATION

FROM: Dr. Joe A Hairston, Superintendent

SUBJECT: Rule 3122 - NON-INSTRUCTIONAL SERVICES: Classification of Expenditures - Indirect Costs

ORIGINATOR: J. Robert Haines, Deputy Superintendent, Business Services

RESOURCE PERSON(S): Barbara Burnopp, Executive Director, Fiscal Services

INFORMATION

Rule 3122 - NON-INSTRUCTIONAL SERVICES: Classification of Expenditures - Indirect Costs is presented to the Board for information in connection with Board action on Policy 3122. This rule was updated as part of the initiative of the Division of Business Services to update outdated Board Policies.

Attachment – Superintendent Rule 3122

NON-INSTRUCTIONAL SERVICES: Fiscal Services

Classification of Expenditures

Indirect Costs

1. As used in this rule, indirect costs are defined as those allocations of administrative expenditures necessary to manage grant programs. Fiscal Services shall charge all grants indirect costs.
2. This rule sets forth the definition, purpose and classification of indirect costs for grant budgets.
3. Fiscal Services shall establish procedures to ensure that all grant budgets include indirect costs, and to account for indirect cost funds collected in accordance with the *Financial Reporting Manual for Maryland Public Schools*.
4. All grant managers shall include indirect costs when the budget is prepared and submitted, except where the charging of indirect costs is prohibited by the granting agent.
5. Annually, the Maryland State Department of Education (MSDE) calculates the indirect cost rate plan for Baltimore County Public Schools. This rate will be applied to all grants, unless prohibited by the granting agent.
6. Fiscal Services will be responsible for collecting indirect costs from the grants. Funds will be allocated to the indirect cost recovery fund.
7. Fiscal Services prepares the proposed draft of expenditures from indirect cost recovery funds with input from BCPS staff for approval by the superintendent.
8. Fiscal Services will prepare indirect cost recovery budget for inclusion in the operating budget in the special revenue fund.

Rule

Approved:

Superintendent of Schools