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AM-400-3

*m*      ***Indirect Cost Reimbursement for Federal Grants  
and Contracts***

**FEDERAL REQUIREMENT**

The Federal Government requires recipients of federal grants and contracts to submit overhead rate proposals for its approval in order to claim reimbursement for any overhead costs chargeable to a federal grant or contract (see Federal OMB Circular A-87).

In some cases, overhead is used as part of the local “match.” If the overhead rate proposals are not submitted, the City will have to use cash, rather than overhead, to supply any required “match.”

**ASSISTANCE IN PREPARING PROPOSALS**

Due to the complexity of preparing these overhead rate proposals, the Bureau of Accounting Operations is providing assistance to all City agencies who receive federal funds.

If your agency is currently receiving federal funds, immediately set up an appointment with Accounting by calling or writing:

Sandra Stecker  
Bureau of Accounting and Payroll Services  
4<sup>th</sup> Floor  
401 E. Fayette St.  
Phone: 401-396-3767