CALIFORNIA FIRE FOUNDATION

Serving firefighters, their families and their communities

California Fire Foundation

Indirect Cost Policy

Prop 4 - Firefighter Health and Safety, Vegetation and Fuel Reduction and Community Resilience Grant

1. Purpose

The California Fire Foundation (CFF) is committed to directing the greatest possible share of every grant dollar to the programs, services, and communities its funding is intended to serve. This policy establishes a written limit on the indirect costs that will be charged to Proposition 4 grant awarded by CFF. It ensures consistency and fairness across all grantees, provides transparency to applicants, and preserves grant funds for direct programmatic impact.

This policy applies to all grantees, including, but not limited to, California-based fire departments, local firefighter associations, federally recognized tribes, and nonprofit organizations.

2. Definitions

- **Direct Costs.** Costs that can be specifically tied to, and are necessary for, the funded project. Examples include salaries and benefits of program and project staff, supplies and materials, project travel, equipment used for the project, and other expenses directly attributable to the funded project.
- **Indirect Costs.** Indirect costs are expenses that are not directly linked to a specific project. Examples include rent, internet fees, insurance, utilities, office supplies, and administrative salaries. General administration and general expenses, executive oversight not attributable to the project, or overhead rates, organization-wide accounting, human resources, information technology, insurance, and depreciation.
- **Total Direct Costs.** The sum of all direct costs in the approved project budget, excluding indirect costs.
- **Modified Total Direct Costs.** Total Direct Costs excluding Equipment.

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3. Indirect Cost Limit

Indirect costs charged to any CFF grant may not exceed ten percent (10%) of Modified Total Direct Costs (MTDC).

Submission of an application and acceptance of a CFF grant constitutes the grantee's agreement to the indirect cost limit set forth in this policy.

4. Budget Requirements

All grant applications and budgets submitted to CFF must:

- Itemize direct costs by category.
- Present indirect costs as a single, separate line item.
- Show the calculation used to arrive at the indirect amount, including the rate applied and the base to which it was applied.

Budgets with indirect costs exceeding the limit in Section 3 will not be considered for funding.