



Indirect Cost Policy

The spirit of this policy is to pay for expenses that are directly attributable to project outcomes and outputs as direct costs and avoid expenses associated with general running of the business of our partners as indirect costs.

Direct Costs

Direct costs are the expenses required to execute a grant that are directly attributable and can be reasonably allocated to the project. Program staff salaries, travel expenses, materials, and consultants required to execute the grant are examples. Costs that would not be incurred if the grant did not exist are often indicative of direct costs.

Indirect Costs

Indirect costs are general overhead and administration expenses that support the entire operations of a grantee and that may be shared across projects. Examples include facilities expenses, e.g. rent, utilities, equipment for the grantee's headquarters, and associated information systems and support and administrative staff such as HR, general finance, accounting, IT, and legal. Additional examples and detail are included in Annex A. Expenses that would be incurred regardless of whether the grant is funded are often indicative of indirect costs. While these costs may not be directly attributable to a project, they are real and necessary to operate as an organization.

The Valeria Foundation will not award any indirect cost in a grant in general in respect of the fact that the Valeria Foundation assumes that its partners also seek to work on the projects of the Valeria Foundation on a non-profit basis.

April 2nd, 2021

For the Valeria Foundation
The President,

Mario Schenkel