



DIRECT AND INDIRECT COST

Direct costs are charged to the appropriate programs, while direct and indirect support charges are distributed for support service programs to various user programs. These accounting procedures provide the means for assessing the fiscal impact of operating such programs. This section will cover the differences between the charges and methods of accounting for them.

An excellent reference is the California School Accounting Manual. Procedures 320, 325, 910 and 915 cover direct, direct support, and indirect costs accounting methods in detail.

The United States Department of Education (USDE) has approved a cost allocation plan for California which will govern the methodology for determining restricted indirect cost rates for school districts, charter schools, and county offices of education.

Direct Cost

Direct costs are expenses that can be separately identified and charged as part of the cost of a product, service, or department. Typical direct costs include items such as instructional materials printed in the district print shop, fuel, oil and repairs of district vehicles, centralized data processing services, in-house equipment repairs, and field trips.

Calculating Direct Costs

Direct costs can be calculated using different methods, which are described in the accounting manual. An example is a charge to district administration for the printing of workshop materials.

Intrafund Direct Costs

When direct costs are charged to programs within the same fund, object code **5710** is used. The program receiving the service is charged (a debit entry) and the program providing the service is credited. **The total of all 5710 accounts must have a zero balance for each fund.**

The following is a sample entry charging Title I for School Choice Transportation:

Account	Fund	Resource	Goal	Function	Object	Site	Debit	Credit
School Choice - Program Impr	0100	3010	1110	3600	5710	000	\$XXX	
Cash	0100	3010			9110			\$XXX
HTS Transportation	0100	0000	0000	3600	5710	000		\$XXX
Cash	0100	0000			9110		\$XXX	

Interfund Direct Costs

When direct costs are charged to another fund, such as, Child Nutrition, Child Development, or the Adult Education Fund, object code **5750** is used. The program receiving the service is charged (a debit entry) and the program providing the service is credited. **The total of all 5750 accounts must have a zero balance across all funds.**

The following is a sample entry charging the child development program for printing:

Account	Fund	Resource	Goal	Function	Object	Site	Debit	Credit
Child Dev-Print Charges	1200	0000	0000	0000	5750	000	\$XXX	
Cash	1200	0000			9110			\$XXX
Print Shop	0100	0000	0000	7200	5750	000		\$XXX
Cash	0100	0000			9110		\$XXX	

Direct Support Costs

Direct support costs are charges for a support program and services that directly benefit other programs. These are costs identified in provider programs that can be transferred to user programs during the year. Typical direct support costs are for supervision, utilities, and psychological and nursing services.

Intrafund Direct Support Costs

When direct support costs are charged to programs within the same fund, object code **5710** is used. The program receiving the service is charged (a debit entry) and the program providing the service is credited. **The total of all 5710 accounts must net to a zero by function and fund.**

The following is a sample entry:

Account	Fund	Object	Debit	Credit
Special Education Assessment	0100	5710	\$XXX	
Pupil Services Special Education Assessment	0100	5710		\$XXX

Interfund Direct Support Costs

When direct support costs are charged to the Cafeteria, Child Development or Adult Education Funds, object code **5750** is used. The program receiving the service is charged (a debit entry) and the program providing the service is credited. **The total of all 5750 accounts must net to zero by object and function.**

The following is a sample entry:

Account	Fund	Object	Debit	Credit
Developer Fees - Administrative Expenses	2519	5750	\$XXX	
Cash	2519	9110		\$XXX
General Fund - Administrative Expenses	0100	9110	\$XXX	
Cash	0100	5750		\$XXX

Intrafund Indirect Costs

When indirect costs are charged to programs within the same fund, object code **7310** is used. The program receiving the service is charged (a debit entry) and the program providing the service is credited. **The total of all 7310 accounts must have a zero balance by fund.**

Account	Fund	Resource	Goal	Function	Object	Site	Debit	Credit
Title I	0100	3010	1110	7210	7310	000	\$XXX	
GF	0100	0000	0000	7210	7310	000		\$XXX

Interfund Indirect Costs

When indirect costs are charged to programs within the Child Nutrition, Child Development or Adult Education Funds, object code **7350** is used. The program receiving the service is charged (a debit entry) and the program providing the service is credited. **The total of all 7350 accounts must be a zero balance.**

The following is a sample entry:

Account	Fund	Resource	Goal	Function	Object	Site	Debit	Credit
Food Services	1300	5310	0000	7210	7350	000	\$XXX	
Cash	1300	5310			9110			\$XXX
GF	0100	0000	0000	7210	7350	000		\$XXX
Cash	0100	0000			9110		\$XXX	



Home / Finance & Grants / Accounting / Indirect Cost Rates (ICR)

**California Department of Education
Official Letter**

April 16, 2021

Dear County Chief Business Officials:

2021-22 Approved Indirect Cost Rates

As the agency authorized by the United States Department of Education to approve California kindergarten through grade twelve (K–12) local educational agency (LEA) indirect cost rates, the California Department of Education (CDE) has reviewed the 2019–20 standardized account code structure (SACS) expenditure data and has finalized the approved indirect cost rates. The rates are for use, as allowable, with 2021–22 federal and state programs.

Approved Indirect Cost Rates

Please advise the school districts and joint powers agencies (JPAs) in your county that the indirect cost rates are posted on the CDE Indirect Cost Rate (ICR) web page at <http://www.cde.ca.gov/fg/ac/ic/index.asp>.

Indirect Cost Rates for JPAs

As a reminder, because JPAs do not generally meet the guidelines for receiving approved indirect cost rates, they are not given an approved rate unless it is requested during the SACS data submission process. For further information on indirect cost rates applicable to JPAs, including the guidelines that must be met to receive an indirect cost rate, see Procedure 805 of the California School Accounting Manual which is available on the CDE Accounting Definitions, Instructions & Procedures web page at <http://www.cde.ca.gov/fg/ac/sa/index.asp>.

Charter School Indirect Cost Rates

The approved 2021–22 indirect cost rates for charter schools are also posted on the ICR web page listed above. Please share them with the applicable school districts and charter schools.

Statewide Average Indirect Cost Rates

The 2021–22 statewide average indirect cost rate is 5.48 percent.

California Education Code Section 38101(c) limits food service program indirect costs to amounts derived using the lesser of a school district's approved indirect cost rate or the statewide average indirect cost rate. Each district should compare this statewide average rate with its individual indirect cost rate to determine the lesser rate for use with this program.

A listing showing the statewide average rates for the last five years is also available on the ICR web page listed above.

SACS Query Page

To aid staff in identifying the allowable indirect cost rates for various programs, the SACS Query system available on the CDE Standardized Account Code Structure (SACS) web page at <http://www.cde.ca.gov/fg/ac/ac/index.asp> includes this information for most programs.

If you have any questions regarding the indirect cost rates, please contact our office by email at sacsinfo@cde.ca.gov.

Sincerely,

/s/

Jonathan Feagle, Administrator
Fiscal Oversight and Support Office

JF:dm
2021-2701

Last Reviewed: Friday, April 16, 2021

2021–22 Restricted Indirect Cost Rates for K–12 Local Educational Agencies (LEAs) – Five Year Listing
California Department of Education (CDE) - School Fiscal Services Division

Rates approved based on standardized account code structure expenditure data

As of April 16, 2021

C: County

CA: Common Administration

D: District

J: Joint Powers Agency

Non Op : Closed or LEA not yet operational

Approved Rates. For use with state and federal programs, as allowable in:

County Code	LEA Code	Type	LEA Name	2017–18 (based on 2015–16 expenditure data)	2018–19 (based on 2016–17 expenditure data)	2019–20 (based on 2017–18 expenditure data)	2020–21 (based on 2018–19 expenditure data)	2021–22 (based on 2019–20 expenditure data)
37	67967	D	Alpine Union Elementary	7.39%	6.85%	6.04%	5.12%	6.30%
37	76851	D	Bonsall Unified	8.70%	5.35%	5.87%	3.40%	4.58%
37	67983	D	Borrego Springs Unified	6.91%	5.94%	9.47%	11.95%	8.14%
37	67991	D	Cajon Valley Union	6.31%	7.23%	6.91%	6.26%	6.60%
37	68007	D	Cardiff Elementary	4.27%	3.46%	3.63%	4.52%	5.76%
37	73551	D	Carlsbad Unified	6.25%	6.22%	5.93%	6.31%	6.23%
37	68023	D	Chula Vista Elementary	3.57%	4.26%	4.04%	3.39%	4.06%
37	68031	D	Coronado Unified	4.81%	5.39%	4.64%	4.22%	4.51%
37	68049	D	Dehesa Elementary	5.43%	5.21%	7.45%	11.81%	6.80%
37	68056	D	Del Mar Union Elementary	6.84%	4.47%	5.62%	6.70%	7.99%
37	68080	D	Encinitas Union Elementary	6.41%	6.33%	5.87%	3.82%	4.41%
37	68098	D	Escondido Union Elementary	4.71%	5.46%	5.19%	6.82%	5.45%
37	68106	D	Escondido Union High	5.30%	5.19%	5.02%	4.94%	6.28%
37	68114	D	Fallbrook Union Elementary	8.06%	6.92%	7.22%	7.00%	7.06%
37	68122	D	Fallbrook Union High	6.37%	7.70%	7.27%	5.30%	7.80%
37	68130	D	Grossmont Union High	6.26%	7.08%	6.28%	5.90%	6.38%
37	68155	D	Jamul-Dulzura Union Elementary	11.32%	8.73%	7.57%	7.48%	8.77%
37	68163	D	Julian Union Elementary	2.79%	4.36%	6.34%	5.70%	5.61%
37	68171	D	Julian Union High	10.54%	7.56%	8.73%	9.35%	9.18%
37	68197	D	La Mesa-Spring Valley Elementary	4.59%	4.85%	4.76%	4.83%	5.65%
37	68189	D	Lakeside Union Elementary	9.67%	8.71%	8.51%	7.02%	6.44%
37	68205	D	Lemon Grove	5.08%	10.10%	9.43%	7.86%	10.29%
37	68213	D	Mountain Empire Unified	4.76%	4.83%	4.23%	4.21%	3.22%
37	68221	D	National Elementary	7.41%	8.71%	8.10%	5.96%	8.57%
37	73569	D	Oceanside Unified	4.13%	5.73%	6.13%	4.50%	4.64%
37	68296	D	Poway Unified	4.84%	4.80%	4.85%	5.51%	5.45%
37	68304	D	Ramona City Unified	8.55%	6.79%	6.51%	9.05%	7.49%
37	68312	D	Rancho Santa Fe Elementary	9.89%	9.60%	12.54%	7.84%	11.62%
37	10371	C	San Diego County Superintendent	9.49%	9.40%	9.53%	9.44%	9.49%
37	68338	D	San Diego Unified	3.98%	3.38%	2.68%	2.86%	3.76%
37	68346	D	San Dieguito Union High	4.87%	5.40%	5.66%	5.55%	6.87%
37	73791	D	San Marcos Unified	3.54%	3.93%	3.82%	3.42%	4.47%
37	68353	D	San Pasqual Union Elementary	5.23%	4.67%	4.11%	4.19%	4.78%
37	68379	D	San Ysidro Elementary	8.50%	10.71%	9.73%	8.34%	5.86%
37	68361	D	Santee Elementary	7.26%	5.96%	4.61%	6.37%	5.50%
37	68387	D	Solana Beach Elementary	10.64%	9.04%	4.43%	5.37%	6.86%
37	68395	D	South Bay Union Elementary	5.12%	6.65%	7.47%	7.06%	7.57%
37	68403	D	Spencer Valley Elementary	2.00%	2.92%	3.36%	4.46%	3.27%
37	68411	D	Sweetwater Union High	6.01%	8.65%	5.52%	5.18%	5.15%
37	68437	D	Vallecitos Elementary	6.75%	7.69%	11.77%	7.22%	7.30%
37	75614	D	Valley Center-Pauma Unified	3.90%	6.60%	6.92%	5.64%	6.50%
37	68452	D	Vista Unified	4.92%	6.05%	5.34%	4.27%	4.94%
37	75416	D	Warner Unified	7.94%	8.97%	9.02%	12.79%	13.00%

2021–22 Indirect Cost Rates - Charter Schools

California Department of Education (CDE) - School Fiscal Services Division

Approved April 2021 by CDE based on 2019–20 standardized account code structure expenditure data

(New charter schools not yet on the list may use the 2021–22 statewide average rate of 5.48%)

As of April 16, 2021

County Code	District Code	School Code	Charter School Name (sorted by county-district-school code)	2021–22 Approved Rates (for use with state and federal programs, as allowable)
37	68338	6120935	Albert Einstein Academy Charter Elementary	5.48%
37	68338	0111898	Albert Einstein Academy Charter Middle	5.48%
37	75416	6119275	All Tribes Charter	5.48%
37	75416	0122796	All Tribes Elementary Charter	5.48%
37	68338	0136663	America's Finest Charter	5.48%
37	68023	6116859	Arroyo Vista Charter	4.06%
37	68338	3731395	Audeo Charter	5.48%
37	77032	0134577	Audeo Charter II	5.48%
37	68106	0137034	Audeo Charter School III	5.48%
37	68189	6120901	Barona Indian Charter	6.44%
37	77172	0138099	Baypoint Preparatory Academy - San Diego	5.48%
37	68452	0128223	Bella Mente Montessori Academy	5.48%
37	68163	0139402	Brookfield Engineering Science Technology Academy	5.48%
37	68049	0132506	Cabrillo Point Academy	5.48%
37	68049	0136747	California Academy of Sports Science	0.00%
37	75416	0132472	California Pacific Charter - San Diego	5.48%
37	68403	6120893	California Virtual Academy @ San Diego	5.48%
37	68338	3730959	Charter School of San Diego	5.48%
37	68023	6115778	Chula Vista Learning Community Charter	4.06%
37	68338	0124347	City Heights Preparatory Charter	5.48%
37	68098	6116776	Classical Academy	5.48%
37	68106	0111195	Classical Academy High	5.48%
37	10371	0138404	Classical Academy Vista	5.48%
37	73569	0136267	Coastal Academy Charter	5.48%
37	77164	0137356	College Preparatory Middle	5.48%
37	10371	0137695	Community Montessori	5.48%
37	68213	0127084	Compass Charter Schools of San Diego	5.48%
37	68338	6039457	Darnall Charter	5.48%
37	68049	0136614	Diego Hills Central Public Charter	8.94%
37	68163	0137109	Diego Valley East Public Charter	5.48%
37	10371	0137752	Dimensions Collaborative	5.48%
37	68023	6111322	Discovery Charter	4.06%
37	68338	0127647	e3 Civic High	5.48%
37	67991	0108563	EJE Elementary Academy Charter	5.48%
37	67991	0119255	EJE Middle Academy	5.48%
37	68338	0129395	Elevate	5.48%
37	68213	0136978	Elite Academic Academy - Mountain Empire	5.48%
37	68338	0129387	Empower Charter	5.48%
37	68098	0133991	Epiphany Prep Charter	5.48%
37	68106	3731023	Escondido Charter High	5.48%
37	75416	0139386	Excel Academy Charter	5.48%
37	68023	6037956	Feaster (Mae L.) Charter	4.06%
37	68338	0119610	Gompers Preparatory Academy	5.48%
37	68155	6117303	Greater San Diego Academy	8.77%
37	77099	0136077	Grossmont Secondary	5.48%
37	68452	0124917	Guajome Learning Center	5.48%
37	68452	3730942	Guajome Park Academy Charter	5.48%
37	68163	0128421	Harbor Springs Charter	11.74%
37	68338	6040018	Harriet Tubman Village Charter	5.48%
37	68411	0126086	Hawking S.T.E.A.M. Charter	5.48%
37	68338	0114462	Health Sciences High	5.48%
37	68338	0128066	Health Sciences Middle	5.48%
37	68130	3732732	Helix High	5.48%
37	68098	0101535	Heritage K-8 Charter	5.48%
37	68338	0131565	High Tech Elementary	5.48%
37	76471	0123059	High Tech Elementary Chula Vista	5.48%
37	68338	6117683	High Tech Elementary Explorer	5.48%
37	76471	0138776	High Tech Elementary Mesa	5.48%
37	76471	0127605	High Tech Elementary North County	5.48%
37	68338	3731247	High Tech High	5.48%
37	76471	0114678	High Tech High Chula Vista	5.48%

2021–22 Indirect Cost Rates - Charter Schools

California Department of Education (CDE) - School Fiscal Services Division

Approved April 2021 by CDE based on 2019–20 standardized account code structure expenditure data

(New charter schools not yet on the list may use the 2021–22 statewide average rate of 5.48%)

As of April 16, 2021

37	68338	0106732	High Tech High International	5.48%
37	68338	0108787	High Tech High Media Arts	5.48%
37	76471	0137067	High Tech High Mesa	5.48%
37	76471	0114694	High Tech High North County	5.48%
37	68338	0101204	High Tech Middle	5.48%
37	76471	0123042	High Tech Middle Chula Vista	5.48%
37	68338	0107573	High Tech Middle Media Arts	5.48%
37	76471	0138768	High Tech Middle Mesa	5.48%
37	76471	0119271	High Tech Middle North County	5.48%
37	68338	6117279	Holly Drive Leadership Academy	5.48%
37	68023	0124321	Howard Gardner Community Charter	5.48%
37	68338	0108548	Iftin Charter	5.48%
37	68395	6040505	Imperial Beach Charter	7.57%
37	68338	0131979	Ingenuity Charter	5.48%
37	68338	0118083	Innovations Academy	5.48%
37	68403	0125401	Insight @ San Diego	5.48%
37	68221	0101360	Integrity Charter	8.57%
37	68163	0138628	JCS - Cedar Cove	9.32%
37	10371	0138792	JCS - Manzanita	5.48%
37	68163	0138156	JCS - Mountain Oaks	7.52%
37	68213	0138636	JCS - Pine Valley	5.48%
37	68163	3731239	Julian Charter	16.04%
37	68338	0126730	Kavod Charter	5.48%
37	68338	6039812	Keiller Leadership Academy	5.48%
37	67991	0139394	Kidinnu Academy	5.48%
37	68338	6119598	King-Chavez Academy of Excellence	5.48%
37	68338	0109033	King-Chavez Arts Academy	5.48%
37	68338	0109041	King-Chavez Athletics Academy	5.48%
37	68338	0118851	King-Chavez Community High	5.48%
37	68338	0111906	King-Chavez Preparatory Academy	5.48%
37	68338	6040190	King-Chavez Primary Academy	5.48%
37	68338	0101345	KIPP Adelante Preparatory Academy	5.48%
37	68338	0106799	Learning Choice Academy	5.48%
37	68023	0138073	Learning Choice Academy - Chula Vista	5.48%
37	68023	0119594	Leonardo da Vinci Health Sciences Charter	5.48%
37	10371	6119119	Literacy First Charter	5.48%
37	68411	3731304	MAAC Community Charter	5.48%
37	68338	0109157	Magnolia Science Academy San Diego	5.48%
37	68338	6113211	McGill School of Success	5.48%
37	68049	0129221	MethodSchools	5.48%
37	68213	0129668	Motivated Youth Academy	5.48%
37	68023	6037980	Mueller Charter (Robert L.)	4.06%
37	68338	6115570	Museum	5.48%
37	68338	0137802	National University Academy 1001 STEAM	5.48%
37	10371	0138594	National University Academy Dual Language Institute	5.48%
37	68395	6040513	Nestor Language Academy Charter	7.57%
37	68452	0114264	North County Trade Tech High	5.48%
37	68338	0123778	Old Town Academy K-8 Charter	5.48%
37	68049	0136416	Pacific Coast Academy	5.48%
37	10371	0138016	Pacific Springs Charter	4.92%
37	73569	3731221	Pacific View Charter	5.48%
37	75416	0139451	Pathways Academy Charter - Adult Education	5.48%
37	73791	0138222	Pivot Charter School - San Diego II	5.48%
37	68338	3731189	Preuss School UCSD	5.48%
37	68189	3731072	River Valley Charter	6.44%
37	75416	0139378	Sage Oak Charter - South	5.48%
37	68338	6119168	San Diego Cooperative Charter	5.48%
37	75416	0138651	San Diego Mission Academy	5.48%
37	68213	0123224	San Diego Virtual	5.48%
37	67983	0134890	San Diego Workforce Innovation High	5.48%
37	10371	0136085	Scholarship Prep - Oceanside	5.48%
37	68338	0122788	School for Entrepreneurship and Technology	5.48%
37	10371	0136192	School of Universal Learning (SOUL)	5.48%
37	68338	0121681	SD Global Vision Academy	5.48%
37	68452	0106120	SIATech	5.48%
37	68197	0136408	Sparrow Academy	5.48%
37	68130	3731262	Steele Canyon High	5.48%
37	77107	0136473	Sweetwater Secondary	5.48%

2021–22 Indirect Cost Rates - Charter Schools**California Department of Education (CDE) - School Fiscal Services Division**

Approved April 2021 by CDE based on 2019–20 standardized account code structure expenditure data

(New charter schools not yet on the list may use the 2021–22 statewide average rate of 5.48%)

As of April 16, 2021

37	68049	0127118	The Heights Charter	5.48%
37	68130	0139063	The Learning Choice Academy - East County	5.48%
37	68338	6061964	The O'Farrell Charter	5.48%
37	68049	0138313	University Prep	0.00%
37	68338	0135913	Urban Discovery Academy Charter	5.48%
37	77156	0137323	Vista Springs Charter	5.68%
37	76851	6113468	Vivian Banks Charter	4.58%