

NORCO COLLEGE

INDIRECT REINVESTMENT PROCESS

Est. 11/2018

Preamble

Norco College intends to increase college-going rates and college completion rates, thus changing the trajectory of our students' lives and the trajectory of our surrounding communities. To expand this effect dramatically, part of our strategy must include intentionally building a college campus that is larger, better constructed to stimulate social interaction, and designed to generate academic success. The Strategic Development staff should be funded by our fundraising efforts as much as possible and fundraising success towards our \$800 million goal will be proportionate growth in the Strategic Development area.

Definitions: Direct vs Indirect Costs

Every sponsored project has both Direct and Indirect Costs. The direct costs are those that can be specifically and easily

initial gift agreement, donor specifications, or approved workplan proposal. Exceptions to applying an indirect rate or administrative fee include:

- x Some private foundations do not permit/fund indirect costs. To increase the College's ability to secure gifts/grants from private sources, Strategic Development may apply an indirect rate, or may reduce the percentage, on a case-by-case basis (regardless if the RCCD Foundation receives a 5% administrative fee)
- x If alternatively prescribed by the funding agency to apply a lower or higher indirect rate.
- x The RCCD Foundation manages accounting functions on nearly all philanthropic money received from private sources. As our district's 501c3 entity, they receive, hold, invest, and manage money from private sources in scholarship, unrestricted, and programmatic accounts. Gifts given to the Foundation shall incur any additional fee/rate, however grants may. For example: Norco College shall not add any additional indirect on scholarship gifts or scholarship endowments on top of the RCCD Foundation's 5% administration fee, hor-3.6 (k.mv6 (r f)6.8 (y)7.1 (eL2

NORCO COLLEGE INDIRECT RATES
INDIRECT REVENUE EXAMPLES