

# Overhead and Indirect Cost Policy

The Navigation Fund values the people who carry out the work across our cause areas and understands the importance of things like living wages, employee benefits, and the equipment needed to do great work.

We aim to make general operating support grants as often as possible and defer to our grantee partners to determine how best to allocate those funds in support of their organizational mission. For project-specific grants, we encourage our grantee partners to fully account for overhead needs in project budgets in order to more accurately reflect the true and complete cost of that work.

Below is additional guidance related to different types of organizations. This information does not apply to general operating support or endowment grants.

## Fiscal sponsors

We will accept a **fiscal sponsor administration fee up to 10%**. Any indirect costs not already covered by the fee laid out in the fiscal sponsor agreement will be considered on a case-by-case basis. These costs should be included in the proposal budget.

## For-profit organizations

In order to comply with US tax code, all funds must be directly used for a charitable, educational, or scientific purpose. **Overhead and indirect costs cannot be funded.**

## Organizations or projects outside the US

We encourage **foreign public charity equivalent organizations** to **include overhead and indirect costs** in the budget provided with their proposal.

For **non-public charity equivalent organizations**, the US tax code requires that all costs be used for a charitable purpose and **cannot be used for indirect costs**.

## Universities

We will accept an **indirect cost rate up to 10%**. If there is a subcontract, we recommend the grantee's organization take 4% of the overhead and the subcontract take 16%. Tuition is excluded from overhead.