CSRS Stance on Indirect and Direct Costs

*Rev. 7/24 MW*

Indirect costs

The U.S. Department of Education, Office of the Chief Financial Officer defines indirect costs as those that “represent the expenses of doing business that are not readily identified with a particular grant, contract, project function or activity, but are necessary for the general operation of the organization and the conduct of activities it performs” (2020).

Direct costs

The NIH Grants Policy Statement from the U.S. Department of Health and Human Services defines a direct cost as “any cost that can be specifically identified with a particular project, program, or activity or that can be directly assigned to such activities relatively easily and with a high degree of accuracy.”

CSRS identifies the following items as direct costs that may be funded using a CSRS grant:

1. Salaries approved in the budget proposal at the time of application – *Resident/Fellow grant funds may not be used for salaries or admin support at all*
2. Employee fringe benefits approved in the budget proposal at the time of application
3. Materials, supplies and equipment purchased directly for use on the specific grant

\*The PI may make a formal request to use grants funds for travel to the Annual Meeting the year of the project oral update only.

References:

Office of the Chief Financial Officer. (2020, December 17). *Indirect cost overview*. U.S. Department of Education. Retrieved November 9, 2022, from <https://www2.ed.gov/about/offices/list/ocfo/intro.html>

U.S. Department of Health and Human Services. (2022, December). *7.3 direct costs and facilities and administrative costs*. National Institutes of Health. Retrieved January 9, 2023, from <https://grants.nih.gov/grants/policy/nihgps/html5/section_7/7.3_direct_costs_and_facilities_and_administrative_costs.htm>