



## Grants and Sponsored Programs

### Policy Statement on Direct vs. Indirect Costs

#### Direct Costs

Direct costs are identified as those costs specifically benefitting a single direct activity (e.g. a Federal, state, or private award or sub-award pass-through) of the University. These include:

- Direct salaries and wages
- Applicable fringe benefits
- Travel
- Materials and Supplies (including equipment with a per unit value of \$2,500 or less)
- Publication Costs
- Services (e.g. consultant services, ADP/computer services)
- Sub awards/Consortium/Contractual Costs
- Printing and duplicating (directly related)

Direct costs that are not included in the direct cost base to calculate indirect cost recovery:

- Equipment (with a per unit value of more than \$2,500 and a useful life of two or more years)
- Capital expenditures
- Rental costs
- Tuition remission
- Scholarships and fellowships
- Participant support costs (unless authorized by award)

#### Indirect Costs

Indirect costs are identified as those costs that do not specifically benefit a single direct activity of the University. Instead, these costs benefit the University's activities across the board. Indirect costs include the following departments/functions:

- Financial Services
- General Administration (e.g. University-wide insurance)
- Grants and Sponsored Programs
- Human Resources
- Information Technology Services
- Legal
- Mail Center
- Operation of Plant
- Printing and Duplicating
- Purchasing
- Tuition Remission (employees only)
- University Administration (e.g. Office of the President; Academic Deans & Department Chairs – 20%)
- University Library