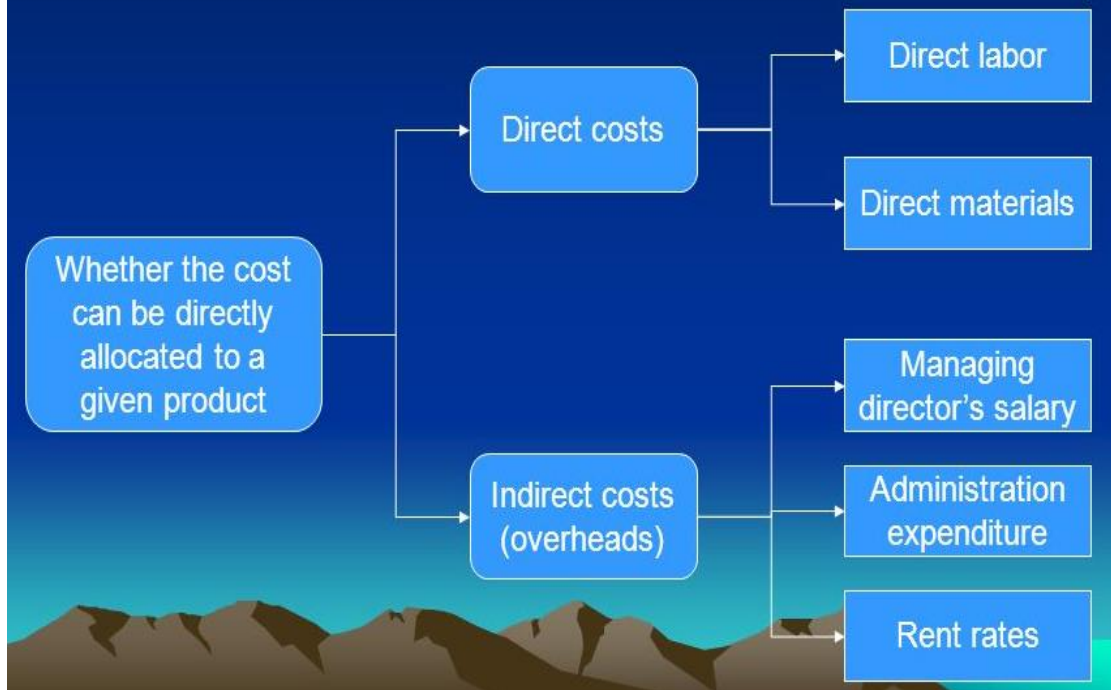


Direct Vs Indirect Costs

Direct / Indirect costs



Indirect Costs are the expense of doing business that are not easy to identify with a single grant or activity, such as utilities, building costs, management, and general office supplies.

Applicants have three options with the ICR:

- 1. You can decline it, by simply not including it in the application.**
- 2. You can claim an indirect cost rate that has been negotiated with your federal agency.**
- 3. OR You can claim the standard rate of 15%, as long as your library has never had a federally negotiated rate. This option requires no documentation, so any eligible library may claim the 15% ICR on grants.**

Keep in mind that the ICR applies to LSTA expenses only, and not the total project cost. A 15% ICR would be 15% of the LSTA requested funds for the grant, not 15% of the total cost of the project.