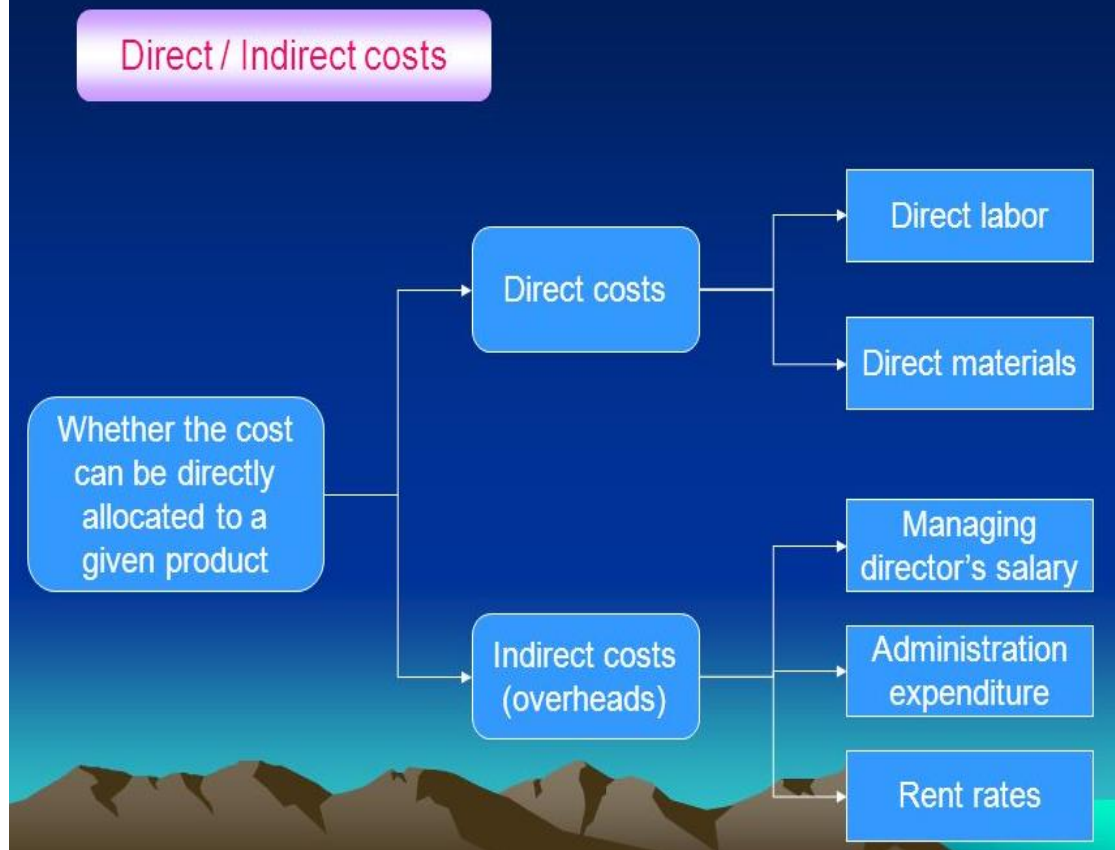


Direct Vs Indirect Costs



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 10%, as long as your library has never had a federally negotiated rate. This option requires no documentation, so any eligible library may claim the 10% ICR on grants.

Keep in mind that the ICR applies to LSTA expenses only, and not the total project cost. A 10% ICR would be 10% of the LSTA requested funds for the grant, not 10% of the total cost of the project.