

# JRS Biodiversity Foundation Indirect Cost Rate Policy

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January 2016

## Definition

The JRS Biodiversity Foundation (JRS) defines *indirect costs* as:

- Overhead expenses or ongoing operational costs incurred by the grantee on behalf of the organization's activities and projects, but that are not easily identified with any specific project.
- Administrative or other expenses which are not directly allocable to a particular activity or project.
- Expenses related to general operations of an organization that are shared among projects and/or functions.
- Basic examples include utilities, rent, general administrative support, legal expenses, grant management, and accounting.
- Sub-grants and sub-contracts are considered indirect costs.

JRS defines *direct costs* as:

- Costs that can be identified with a particular program or project. These costs would not be incurred if not for the existence of the program or project being funded.
- Expenses that are easily identifiable and allocable to a specific activity or project.
- Basic examples include personnel, equipment and capital expenses, and direct expenses like supplies, travel, training and software.

## Indirect Cost Rates

Indirect costs reimbursement = (Rate %) x (Total project costs) (including personnel, equipment, supplies, etc.). Indirect costs rates for grants are subject to the following limitations:

- **Up to 15% rate:** Non-Profits and Educational Institutions are eligible for up to 15% of indirect costs.
- **Up to 10% rate:** Government agencies of African countries.
- **0% rate:** Government agencies of OECD countries and for-profit organizations.

The rates provided above are the maximum rates under JRS' policy. A grantee with an actual indirect cost rate lower than those provided above should not increase the funding request to the maximum allowed.

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