

reimburse that entity for the pre-award costs incurred. The NASA approval only allows the entity to charge its pre-award costs to a NASA award if the entity receives an award.

5.14.2 Indirect Costs

1. Indirect costs are those costs incurred for a common or joint purpose benefitting more than one cost objective and cannot be readily identified with a particular final cost objective. Indirect costs, also known as facilities and administrative costs or overhead, must be applied to awards in accordance with 2 CFR 200, Subpart E, and can only be charged to an award when:
 - a. The recipient has a Negotiated Indirect Cost Rate Agreement (NICRA), or
 - b. If the recipient does not have a current Federally-negotiated indirect cost rate, it may elect to charge a de minimis rate of ten (10) percent of the modified total direct costs (MTDC). No documentation is required to justify the 10 percent de minimis indirect cost rate (see 2 CFR § [200.414](#), Indirect (F&A) costs, for more information).
2. NICRA rates and the 10 percent de minimis rate shall only be applied to the MTDC in the award budget. Per 2 CFR 200, MTDC means all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and up to the first \$25,000 of each subaward (regardless of the period of performance of the subawards issued under the award). MTDC excludes equipment, capital expenditures, charges for patient care, rental costs, tuition remission, scholarships and fellowships, participant support costs, and the portion of each subaward in excess of \$25,000. Other items may be excluded only when necessary to avoid a serious inequity in the distribution of indirect costs, and with the approval of the cognizant agency for indirect costs.
 - a. NASA Fellowship and Scholarship awards shall not provide for the payment of facilities and administrative, overhead, or indirect costs per the definition of MTDC above.
 - b. For a definition of “participant support costs” and “participant”, please see section 1.1 of this Manual.
3. Award applicants may voluntarily choose to apply an overhead rate that is lower than their approved NICRA rate or the 10 percent de minimis rate. However, NASA will not encourage or coerce applicants or award recipients to apply a lower rate.
4. The Department of Interior (DOI) is responsible for determining and approving indirect rates for entities in which NASA is the cognizant agency. The DOI’s contact information is as follows:

DOI Interior Business Center
650 Capitol Mall, Suite 7-400
Sacramento, CA 95814-4706
Phone: 916-930-3803 Fax: 916-930-3804
Email: ICS@IBC.DOI.Gov
<https://ibc.doi.gov/ICS> and <https://ibc.doi.gov/ICS/commercial>