Sanford Burnham Prebys

sbpdiscovery.org/research-challenges

DIRECT COSTS

- Salaries of scientists, postdocs, and technicians working on the project
- Certain research equipment, such as small microscopes
- Lab supplies, chemicals and specialized tools
- Costs of publishing research findings

INDIRECT COSTS

- Expensive shared equipment, like high-performance computing or cryo-electron microscopes
- Infrastructure to comply with federal, state and local regulations
- Radiation safety and hazardous materials management
- Building and lab operations and maintenance, such as utilities
- Information technologies, data transmission and storage
- Administrative costs, such as payroll

INDIRECT COSTS AND BIOMEDICAL RESEARCH

Formally known as Facilities & Administration (F&A), indirect costs or IDC cover essential costs of research. They are just as important to biomedical research as the funding that directly supports scientists and the experiments they conduct in the laboratory.

WHY ARE INDIRECT COSTS ESSENTIAL?

There are only two funding categories in biomedical research: **direct** and **indirect**.

Direct costs are those easily linked to a specific research project, such as the salaries of scientists doing the work, equipment specifically required, and necessary supplies.

Indirect costs cover everything else, from ensuring the safety of human participants in clinical trials and the safe disposal of hazardous materials to maintaining data cybersecurity to keeping the lights and heat on in laboratories. Research can't happen without both costs covered.

HOW ARE INDIRECT COSTS DETERMINED?

IDC costs are *not* a percentage of an awarded research grant, but rather the necessary expenses *in addition* to the direct costs of that research. IDC does not take money away from research. It supports that research—*and the institution conducting it.*

Spending categories for IDC are clearly defined and strictly monitored by federal funding agencies. They are negotiated between the government and individual institutions.

HOW ARE INDIRECT COSTS CALCULATED?

Biomedical research is more expensive than most scientific endeavors. Research conducted in large cities is more expensive than in less urban or rural areas.

IDC typically ranges between 25% to 75%, but can be higher depending upon the nature of the science. Some IDC covers tools or equipment that accelerates scientific progress, such as highly specialized microscopes or new computational resources like artificial intelligence that can be very expensive, but dramatically expand knowledge and insight.