
FW: UPDATE: Extended Deferred Implementation of Indirect Cost Policy for Institutes of Higher Education (IHEs)

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Sent: Wednesday, June 18, 2025 11:29 PM

Subject: UPDATE: Extended Deferred Implementation of Indirect Cost Policy for Institutes of Higher Education (IHEs)

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Issuance Date: June 18, 2025

Effective Date: June 18, 2025

Applies to: All new awards and associated subawards to IHEs.

This notice is being issued to all NSF proposers and recipient organizations, Principal Investigators, and Authorized Officials for awareness. The National Science Foundation (NSF) is extending its previously issued temporary pause in implementation of NSF Policy Notice: Implementation of Standard 15% Indirect Cost Rate (NSF 25-034) until the District Court for the District of Massachusetts issues a decision, in accordance with a voluntary stay filed in the United States District Court for the District of Massachusetts in *Association of American Universities, et al. v. National Science Foundation, et al.*, No. 25-cv-11231. This policy applies to all new awards and associated subawards to IHEs. New NSF awards and associated subawards issued during this pause will not implement NSF 25-034 but will include a term applying NSF 25-034 for the entirety of the award if there is a court decision permitting application of the policy.

NSF reserves the right to modify, rescind, or fully implement NSF 25-034 to the entirety of awards and subawards issued to IHEs on or after May 5, 2025 in accordance with applicable legal rulings and administrative procedures.