

Joint Associations Group on Indirect Costs Shares Subject Matter Expert Recommendations with Research Community

June 12, 2025

Today, during a public webinar, the Joint Associations Group (JAG) on Indirect Costsⁱ updated the research community on the work of its subject matter experts (SME) team to develop a new model for funding indirect costs of federal research grants. The group announced that it is soliciting feedback on the provisional models it has developed from which it plans to synthesize a final model to present to Congress and the executive branch.

Over the past two months, the JAG solicited and received input from the research community and, with its SME team made up of individuals who have broad knowledge of direct and indirect costs and represent research institutions of varying types and sizes, conducted a thorough evaluation of the current indirect cost reimbursement model and possible alternatives to it. In developing the provisional models, the SME team prioritized the goals of ensuring transparency, accountability, simplicity, and reasonableness.

The provisional models presented today, though distinct, have many features in common; both create an auditable and transparent process for covering essential research costs. JAG Leader, Kelvin Droegemeier, praised the work of the SME team and the speed and thoroughness with which the group has developed the models, noting: “The models offer acceptable and reasonable approaches to fairly account for the essential costs required to conduct federally funded research.”

Droegemeier described the models as “two bookends that frame the range of options JAG will refine, after seeking additional community feedback, into a single final model to put forward.” Over the course of the next couple of weeks, JAG will solicit input from the community on the pros and cons of the approaches developed by the SME team. This input will be used to fine tune and develop a final proposal by the end of the month.

Indirect costs are the real and unavoidable costs of doing research. JAG looks forward to presenting a replacement for the existing facilities and administrative (F&A) costs model to Congress and the Executive Branch that will enable our country to continue leading the world in research and innovation while upholding the highest standards of ethics and accountability to American taxpayers.

ⁱ The JAG was announced on April 8 as a community-based effort to develop potential replacement models for the funding of indirect costs on federal research grants. The group consists of the Association of American Universities (AAU), Association of Public and Land-grant Universities (APLU), Association of American Medical Colleges (AAMC), American Council on Education (ACE), Association of Independent Research Institutes (AIRI), COGR, National Association of Independent Colleges and Universities (NAICU), National Association of College and University Business Officers (NACUBO), American Association of State Colleges and Universities (AASCU), and the Science Philanthropy Alliance (SPA).