

**From:** NSF eBusiness Outreach **On Behalf Of** NSF Business Applications

**Sent:** Wednesday, May 21, 2025 8:27 AM

**To:** ORA Awards

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

**Issuance Date:** May 20, 2025

**Effective Date:** May 20, 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 temporarily pausing implementation of NSF Policy Notice: Implementation of Standard 15% Indirect Cost Rate (NSF 25-034) through June 13, when a hearing is scheduled to occur 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.