

Indirect Costs in Opioid Settlement Fund Grants

Indirect costs are costs for activities or services that support the organization overall rather than the specific program or project. While the costs are not directly tied to delivering services, they are often necessary to administer programs supported by Opioid Settlement Funds.

Common Organizational Indirect Cost Examples

Note: The funder sets the rules around indirect costs, including what is allowed and how much can be requested.



Facilities Costs

Property taxes
Utilities (water, electricity, internet)
Maintenance and repair costs



Office Expenses

General supplies
Postage
Office equipment



Other Overhead Costs

Business insurance
Bank fees
Membership dues and expenses



Administrative Costs

Support overall organization salaries and benefits for staff such as HR, payroll, accounting, & executive leadership

To determine whether a cost is direct or indirect, consider:

Is this cost directly and exclusively tied to the program you are considering funding? ***If yes, direct***

Is the cost necessary to carry out a specific program activity? ***If yes, direct***

Does the cost benefit multiple programs at once? ***If yes, indirect***

Is this expense part of the organization's standard overhead? ***If yes, indirect***

To determine how much to allow for indirect, consider:

The focus of the grant

Consider whether to fund full (direct & indirect) costs or only direct work; a balanced approach may help align spending with settlement goals.

Support a range of organizations

Smaller, community-based organizations often need indirect support because overhead makes up a larger share of their budgets.

Consider best practices

Use a simple, consistent cap to cut administrative burden and keep implementation reliable.

Common standards

Federal default 10%
State/local public health 8-15%

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