

If reports are prepared on a . . .	Expenditures are the sum of . . .
(a) Cash basis	<ul style="list-style-type: none"> (1) Cash disbursements for direct charges for goods and services; (2) The amount of indirect expense charged; (3) The value of third party in-kind contributions applied; and (4) The amount of cash advances and payments made to any other organizations for the performance of a part of the research effort.
(b) Accrual basis	<ul style="list-style-type: none"> (1) Cash disbursements for direct charges for goods and services; (2) The amount of indirect expense incurred; (3) The value of in-kind contributions applied; and (4) The net increase (or decrease) in the amounts owed by the recipient for goods and other property received, for services performed by employees, contractors, and other payees and other amounts becoming owed under programs for which no current services or performance are required.