

Georgia College Office of Grants and Sponsored Projects

Indirect Cost Distribution

Note: the use of F&A (Facilities & Administration) returns and Indirects are used interchangeably in this document.

For **Grants and Sponsored Projects**, the following distribution will be used until the end of FY25 (when it will be reevaluated by the Department of Health and Human Services):

IDC DISTRIBUTION RATES

Effective July 1, 2021

Colleges and the University Library

Unit	38%	16 - 37.9%	8.1 – 15.9%	0 – 8%
Provost	24%	50%	70%	90%
OGSP	37%	20%	10%	0%
College/Library	13%	8%	0%	0%
Department	8%	7%	6%	2%
PIs	18%	15%	14%	8%

IDC DISTRIBUTION RATES

Effective July 1, 2021

All Other Units and Centers

Unit	38%	16 - 37.9%	8.1 – 15.9%	0 – 8%
Provost	25%	58.8%	80%	100%
OGSP	37.5%	20.6%	10%	0%
Units/Centers	37.5%	20.6%	10%	0%

The process for all F&A (Facilities & Administration) returns is that the indirects are calculated appropriately throughout the fiscal year (July 1-June 30). Once the fiscal year is officially closed by the Chief Accounting Officer, the indirects are then allocated to the proper recipients. The change will apply to earnings on or after July 1, 2021 with the initial distribution occurring in Fall of 2022.

Once allocated into the appropriate individual accounts, the funds become institutional dollars which have the same restrictions and follow the state purchasing guidelines with a few exceptions. The allocations do not lapse at the end of the fiscal year and can be accumulated from year to year. This funding may not be used to compensate the grant holder in the form of summer pay or an academic year overload. However, it can be used to pay student (graduate or undergraduate) salaries at any time of the year. In addition, this funding may not be used to support a course buyout unless it is an identified match requirement of future external funding.

The expectation is that the distributed F&A should be used to support GC's research enterprise. Common uses of these monies include the following:

- Funding for student stipends, travel and other expenses incurred while performing research;
- Funding for staff and postdoctoral researchers;
- Research supply/equipment purchases;
- Bridge funding;
- Cost-share, required or voluntary;
- Travel to meet with program directors, present papers, give talks, etc.;
- Books, journals, papers and other similar expenses related to scholarship and research;
- Project development costs such as proposal writing, proposal workshops, etc.;
- General administrative and clerical costs (including office supplies) in support of research;
- Research related recruitment costs;
- Laboratory enhancements for research purposes; and
- Faculty start-up packages for research programs.
- At the discretion of the Provost, distributions may be altered under special circumstances.

Finally, should the responsible faculty member separate from the University, any balance in their IDC account will revert to their home department.

Grants and Sponsored Projects are characterized in the following ways (all may not apply and are often Government or Charity sponsored):

- The activity requires an intellectual or scholarly contribution from Georgia College personnel, including research.
- A formal proposal or award document exists, often requiring the endorsement of an authorized official of Georgia College.
- The proposal or agreement includes an itemized budget, including indirect costs.
- Cost-sharing may be involved or required to receive the outside party's funds.
- The sponsor may place restrictions on how the funds can be spent and sponsor approvals may be required to re-budget funds.
- Unexpended funds must be returned to the sponsor at the end of the activity.
- Novel intellectual property may be developed as a result of the project.
- The activity includes compliance terms and conditions.

Sales and Service Determination

Sales and Service Agreements are characterized in the following ways (all may not apply):

- Routine work that involves standardized procedures or supplies entirely by the outside party funding the work.
- The scope of work describes routine and repetitive services.
- The work will require little or no intellectual or scholarly contribution on the part of the university employees.

- No new intellectual property is expected to be developed in performing the work.
- There is no scientific uncertainty regarding the University's ability to perform the work and provide the state deliverables.
- GC employees will not engage in significant interpretive analysis of resulting data or provide conclusions or prescriptions. There is no expectation of publishing on the work of the data.

For Sales and Service Agreements:

A portion of all **sales and service agreements** should be distributed to the ongoing infrastructure for the program it supports and beginning July 1, 2022 the university will assess an **administrative fee of 15%**. All sales and service accounts should be administered by the USG Business Procedures Manual.

The OGSP is responsible for determining whether an activity should be a sponsored project or a sales and service activity. When necessary, the Director of Grants and Sponsored Projects may seek input from other knowledgeable individuals at the university, including the Associate Provost for Academic Affairs, Grant and Contract Administrator – Post Award Financials, and General Counsel.

IDC Distribution Rates Policy:

- Approved 4/1/2022 – by Executive Cabinet to add 15% Admin Fee on service agreements.
- Amended 7/1/2021 – updated to reflect new indirect cost rates from DHHS.
- Amended 12/2018 – to give Provost discretion to alter distributions under special circumstances.
- Approved 6/25/2018 – by Executive Cabinet to update distribution rates to return funds to PI and Depts.