

**Georgia College & State University**  
**Office of Grants and Sponsored Projects**  
**Internal F&A (Indirect) Cost Distribution**

*Note: Facilities & Administration (F&A) and Indirect Costs are used interchangeably in this document.*

	Colleges and Library	All Other Units
Provost	50%	50%
OGSP	30%	30%
Colleges/Library	5%	
Departments	5%	
PIs	10%	
Unit/Center		20%

*\*\*effective July 1, 2025, until amended*

Facilities & Administration (F&A) Costs, also referred to as Indirect Costs, are calculated and applied at the end of each month based on the direct cost expenditures and the allowable F&A rate for each sponsored project. Using a journal entry, F&A costs are posted to the general ledger as an expenditure on the sponsored project account and revenue in Fund 15000 (indirect cost reserves). Please note, Indirect Costs are not available for use in the year earned. Funds are made available in the following fiscal year and are referred to as Indirect Cost Reserves (IDC Reserves). Once the Senior Director of Financial Services officially closes the fiscal year, the indirect cost earnings for the fiscal year are allocated to the respective recipients using the internal distribution percentages. The above distribution percentages are effective July 1, 2025, with the initial distribution occurring in Fall 2026. At the discretion of the provost, distributions may be altered under special circumstances.

Once distributed to respective IDC Reserve accounts, the funds are institutional dollars and must follow state purchasing guidelines and restrictions, with a few exceptions:

- IDC Reserves do not lapse at the end of the fiscal year. The funds carry forward and accumulate from year to year.
- IDC Reserves may not be used to support compensation for the PI or Co-PI in the form of summer pay or an academic year overload. Additionally, unless it is identified as a match requirement of future external funding, this funding may not be used to support a course buyout.

The distributed F&A (IDC Reserves) should be used to support and grow GCSU's research enterprise. Recommended uses of these monies include the following:

- student research positions (*undergraduate and graduate*)
- research staff and postdoctoral positions
- general administrative and clerical positions that support research (*no extra compensation*)
- travel and other expenses incurred while performing research or disseminating outcomes
- research materials and supplies
- equipment purchases that support research
- bridge funding to continue a research project
- required cost sharing or matching on a grant-funded project (not voluntary committed)
- project development costs such as proposal writing, proposal workshops, etc.
- laboratory enhancements for research purposes
- faculty start-up/incentive packages for research programs

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

*IDC Distribution Rates Policy:*

- *Amended 7/1/2025 – updated distribution percentages*
- *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.*