

Distribution of Indirect Costs

Overhead, also known as indirect costs or facilities & administrative costs, are those costs incurred for common objectives of the University and therefore cannot be readily identified with a particular sponsored award. Overhead is usually applied as a percentage/rate against the direct costs of an award budget.

University policy requires that an appropriate overhead amount, currently 35%, is included in all budgets submitted to external sponsors for research, instruction and training, and other sponsored activities/agreements. Unless specifically prohibited or limited by the individual sponsor, the rate of 35% should be used for all proposals to all sponsors.

The proposed distribution of indirect cost internally is as follows or as the law requires:

- Office of Sponsored Research (OSR) (Note that the CTT will take over the OSR as soon as possible): 60%
 - Used to fund overhead costs which are not covered by government appropriations and to cover the operating expenses of the OSR/CTT etc.
- University: 10%
 - Used to provide support for student researchers, speaker series, start-up funds for new faculty, and to cover any other research-related programs sponsored by that office.
- VCRI: 10%
 - To be used to promote new research and sponsored projects activity, support current research activities (e.g., UBRCs), fund internal research grants and speaker series, etc.
- School (to be shared by the Deans with Departments Heads): 10%
 - To be used at the School's discretion for promoting new research and sponsored projects activity or supporting current activities (e.g., purchasing shared equipment, paying for travel to meetings and to sponsors headquarters, matching funds for new proposals, supplementing start-up packages, funding administrative support, etc.).
- PI (proportionally divided among multiple PI, as necessary): 10%
 - To be used to promote the PI's scholarly activities (e.g., paying for travel to professional meetings for self or students, purchase equipment, support student researcher and their projects, fund administrative support, provide bridge funding, etc.)