

INDIRECT COST RECOVERY DISTRIBUTION POLICY (FINAL 10/26/2015)

GOALS OF INDIRECT COST RECOVERY POLICY

INDIRECT COST RECOVERY FUNDS DISTRIBUTION

APPROPRIATE USE OF INDIRECT COST RECOVERY FUNDS

The University of Wisconsin-La Crosse Strongly encourages its faculty and staff to engage in sponsored projects to undertake research, scholarly and creative activities as well as educational and curriculum innovations. The purpose of the Indirect Cost Recovery Distribution Policy is to establish guidelines for the use and distribution of the recovered indirect cost funds from sponsored grants, contracts, and programs.

GOALS OF INDIRECT COST RECOVERY POLICY

1. Establish guidelines for the use and distribution of indirect cost recovery funds that are consistent with fiscal policies for Facilities and Administrative (Indirect) costs.
2. Ensure the proper accounting treatment for indirect cost recovery funds to match institutional expenditures with the source of funds and reimburse the university for costs incurred with sponsored research.
3. Provide a source of funding to the College/School/Unit/Division and Department to support activities for sponsored research and expenses for research administration.
4. Develop financial incentives for Principal Investigators and provide financial support for continued sponsored research and grant activity.

INDIRECT COST RECOVERY FUNDS DISTRIBUTION

	Federal	Non-Federal
General Administration ¹	85%	85%
College/Unit	5%	5%
Department	5%	5%
Principal Investigator	5%	5%

¹ The allocation of indirect cost recovery funds for General Administration are allocated to known needs associated with grant/contract related activities including the Office of Research and Sponsored Programs (including IRB protocols and animal protection), Information Technology, and Grant Accounting. In addition, the PVC and VC of A&F will jointly determine other funding priorities.

Previous versions of the policy (2010-2011) are archived through the Faculty Senate website.

APPROPRIATE USE OF INDIRECT COST RECOVERY FUNDS

- Conducting pre-grant literature review and feasibility studies
- Preparing competitive proposals for sponsored programs
- Travel expenses to seek out and meet with potential extramural funding sources for sponsored projects
- Providing carryover funding for research and creative efforts to provide continuity between externally funded projects
- Purchasing equipment and supplies directly related to expanding research and creative capability of the institution
- Paying for sponsored project costs that are unallowable as direct costs
- Supporting faculty summer salaries for research and proposal writing to assist the investigator in developing additional sponsored projects and extramural funding
- Graduate assistantships for performing work on sponsored grants
- Match or cost-sharing contributions
- Over-expenditures or audit disallowances to a grant or contract account
- Other reasonable and allocable expenditures related to faculty research and scholarship.

UNALLOWABLE USES OF INDIRECT COST RECOVERY FUNDS

- Expenditures on items not reasonably related to research or sponsored project activities
- Special compensation for pay in excess of the full-time salary base for principal investigators during the academic year
- Expenditures that do not comply with granting agency, federal, state, or university fiscal policies and procedures