

Wittenberg University

Sponsored-Projects Fiscal Management Guidelines

Distribution of Indirect Costs from Grants

These procedures are intended to distribute indirect costs generated from sponsored projects. Indirect costs are the general support expenses related to the University's operations that cannot be specifically identified to a project. Indirect costs represent overhead expenses incurred during the normal implementation of grant-funded projects. Direct costs are faculty salaries and stipends, supplies, equipment, or travel expenses, etc.

When a funder allows indirect costs to be claimed, indirect costs must be included in the associated budget proposal for the grant application. The negotiated indirect cost rate for Federal grants is 40% of modified total direct costs.

PROCEDURES

"Indirect cost" funding recovered from faculty grants will be distributed as follows:

	<u>% of Indirect</u>
General Fund	65%
Provost's Office	15%
Principal Investigator's Home Department	10%
Principal Investigator	10%

In the event that the full amount of indirect costs are not claimed, the first call for distribution of the remaining funds will be to the General Fund. The funds will be distributed as indicated above according to the following procedures:

General Fund: Funds allocated to the general fund will help defray overhead expenses including utilities, custodial services, equipment/building depreciation, and business office expenses.

Provost's Office: Funds allocated to the provost's office will be used to support external grant-seeking, may be used to provide grant writing support, or to fund professional development activities and travel for grant seeking and grant writing training.

Principal Investigator's Home Department: Funds allocated to the principal investigator's home department will be used at the discretion of the department to support administrative duties, equipment maintenance, and student research.

Principal Investigator: Funds allocated to the principal investigator will be used at the discretion of the investigator for such items as travel, student stipends, and broken equipment repair or replacement.

Distribution: The funds will be distributed when the indirect cost funds are received by the University from the funder, according to the specific grant agreement. Typically, this occurs on a quarterly basis and/or at the end of the grant period.

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