

SUBJECT: Grant Indirect Cost Fund Retention
Number: 613
Issued by: Vice Chancellor for Finance
Date: January 1, 2004

Policy:

It is USC and State of South Carolina policy that all budgets for contracts and grant proposals for sponsored projects be submitted using the federally negotiated indirect cost rate for USC Beaufort. Proposals may only be submitted with a lesser rate upon approval of the System Sponsored Programs and Research Office. All indirect cost revenues for projects which are determined by SPAR to be other than research must be remitted to the State of South Carolina. USC is entitled to retain the indirect cost funds for all research projects. Of the total indirect costs retained on USCB projects by USC, USC Columbia keeps 20% and 80% is returned to USCB.

Procedures:

1. The central USCB indirect cost recovery account (17220 E150) receives revenues on a monthly basis, based on the expenditures during the previous month from all research accounts generating IDC. This transaction is completed by the Columbia office of Contract and Grant Accounting.
2. The USCB Vice Chancellor for Finance will monitor the cost recovery account collections and report to the Chancellor.
3. Indirect cost revenues will be retained to cover the grants office and provide support for the Business Office for accounting of grant funds.