



15.1 Indirect Cost Recovery (including carryforward rules and procedures)

Policy Statement

It is the policy of the University to provide for the full recovery of facilities and administrative costs in all proposals submitted to prospective sponsors. In order to comply with Board of Regents accounting requirements, indirect cost recovery funds must be budgeted and expended in a unique operation within the existing university account structure.

Reason for policy

This policy provides guidance for the establishment of budgets for indirect cost accounts.

Procedures

In order to satisfy accounting requirements developed by the Board of Regents in response to Senate Bill 73, indirect cost recovery funds must be budgeted and expended in a unique operation within the existing UGA account structure. **Funds 15XXX have been established for** indirect cost recovery accounts, with program codes 11110, 11320, 12110, 12120, 12220, 13110, 13120, and 13210 for cost-sharing accounts.

1. Allocation of indirect cost recovery to originating units – Resident Instruction.

Each unit receiving an allocation for indirect cost return (IDC) will receive an allocation in their original budget for the amount generated in the prior calendar year. Units will then budget the expense side of this budget within their unit for it to equal to this allocation amount. At the change of calendar year in January, units will have a true-up process to update their amended budget to the prior calendar year again so they have full access to their IDC generated budgets.

Forms/Instructions

There are no forms associated with this policy.

Additional contacts

Policy Contact: University Budget Office

Phone Number: 706-542-2802

Email: budgets@uga.edu

Policy definitions

Indirect costs: Indirect costs, or facilities and administrative costs are institutional costs which are not readily identifiable with a particular project or activity but which are necessary to the general operation of the institution and to the conduct of each of the activities performed. Facilities and administrative cost rates are determined in accordance with cost principles promulgated by the federal government.

Responsibilities

Responsible University Senior Administrator: Vice President for Finance & Administration

Responsible University Administrator: Senior Associate Vice President - Finance Division

Policy Owner: Budget Division

Policy Contact: University Budget Office

Phone Number: 706-542-2802

Email: budgets@uga.edu

Record Retention

Description: This series includes: operating budget expense by categories and functions report; estimated gifts, grants, contracts and clearing account summary report; student fee income and application of funds report; statewide public service source and application of funds; other reports specified by the Chancellor's Office; and institutional budget preparation instructions.

Retention: Annual operating budget: PERMANENT; All other records: 7 years.

Policy Appendices

There are no appendices associated with this policy.

FAQs

There are no FAQs associated with this policy.

Related information

There is no related information for Indirect Cost Recovery.

[◀ Revenues Allocated and Budgeted](#) | [Student Technology Fees](#) ▶

Policy Dates

Effective Date:

Date Last Updated: 04/20/2021

Date of Last Review:

Date of Approval:

Previous Version of Policy: