Contracts & Grants Office 2016-2017
Indirect Cost Basics
with Jamie Sprague (UCSB Office of Research)
## GGSE Q&A

### Conversations

<table>
<thead>
<tr>
<th>Presentation</th>
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<tr>
<td>IES</td>
<td>January 12</td>
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<td>Dowdy Furlong</td>
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<td>February 9</td>
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<td>Emily Doolittle IES Grant Officer</td>
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<td>NSF</td>
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<td>NIH</td>
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<td>Felix Kia-Keating</td>
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<td>Foundations</td>
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4108 (Board Room)
## GGSE Grant Development

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<tr>
<td>COS Pivot (Fastman, OR staff)</td>
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<td>IDC (On-Off campus, etc.)</td>
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<td>Budget Development</td>
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<td>Employment (including fee remission)</td>
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<td>Spending within scope of work (including No Cost Extensions)</td>
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<td>Reimbursements (travel, entertainment, reimbursements)</td>
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<td>Reading your Recaps</td>
<td>April 20</td>
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<td>Human Subjects and Incentives (Melissa Warren)</td>
<td>May 4</td>
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<td>Non-profits (Foundations) and Gifts</td>
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<td>So, you’re applying for a grant (aka “How I plan to spend my summer”)</td>
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* meeting in Computer Lab 4211, all others in 4108 (Board Rom)
CONTRACTS & GRANTS OFFICE

MISSION

The mission of the Contracts & Grants Office is to support and enhance faculty, researcher, and student research development, proposal preparation, award administration, and dissemination efforts; to promote awareness and observance of high standards for scientific, professional, and ethical practice in research; and to advance the visibility of research programs in the Gevirtz Graduate School of Education.

Reports from previous years:

2015 Fiscal Year End Report
2014 Fiscal Year End Report

CONTRACTS & GRANTS NEWS

Oct 4 2016
Researchers led by Maryam Kla-Kreiling obtain NIH grant to address trauma and violence for Latino youth

Aug 16 2016
Michael Furlong named Associate Dean of Research of the Gevirtz School

more news »

ANNOUNCEMENTS

TIMELINE FOR SUBMISSION
Research Roles and Responsibilities

Roles and Responsibilities of the Research Team

- FDA
- SPONSOR
- INVESTIGATIVE SITE
- IRB
- SMO / CRO
- SUBJECT
Principal Investigator

- Technical, programmatic, and budgetary design of the project
- Ensuring the proposal is consistent with UC policies and the regulations of sponsor and all required approvals are secured
- Accurately completing OR documentation and ensuring an electronic/hard copies final proposal to OR
- The technical, fiscal, and administrative management of the awarded project in compliance with terms & conditions of the resulting award
GGSE Dean

- Review proposals

- Approve (when necessary)
  - Eligibility to serve as PI
  - Appropriateness of time commitments
  - Availability of space and facilities for project
  - Appropriateness of departmental cost sharing, matching funds
  - Appropriateness of activities per UC regulations and mission

- Accountable for all funds administered

- Establishing procedures, process for managing accountability
Campus OR – Sponsored Projects Office (SPO)

- Reviews proposals for consistency and compliance with Federal, UC, and sponsor guidelines and policies
- Assists PIs and C&G with interpretation, implementation of sponsor guidelines, policies
- Coordinates approval of matching commitments, PI eligibility exceptions, IDC policy exceptions, etc.
- Approves, signs, and submits all sponsored project proposals on behalf of Regents of the University of California.
- Negotiates with extramural funders and executes award agreements on behalf of the Regents of the University of California.
Campus OR – Sponsored Projects Office (SPO)

SPO Team for the Graduate School of Education

Jamie Sprague
Sponsored Projects Officer
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Clay Greaney
Sponsored Projects Analyst
805-893-5687
greanley@research.ucsb.edu
Indirect Costs (IDC)

a.k.a.: Facilities and Administrative (F&A) Costs, Overhead Costs
Indirect Costs

- OMB Uniform Guidance (200.56) Definition of Indirect (facilities & administrative (F&A)) costs:

  “Indirect (F&A) costs means those costs incurred for a common or join purpose benefitting more than one cost objective, and not readily assignable to the cost objectives specifically benefitted, without effort disproportionate to the results achieved. …”
Indirect Costs

- Facilities and administrative (F&A) costs are the indirect costs that cannot be easily attributed to a specific sponsored project.

- Costs that cannot be specifically identified with a particular sponsored project or other direct activity such as instruction or research.

- These costs are generally related to departmental operations and administrative activities that support sponsored projects and other institutional activities.

- When seeking the reimbursement of indirect costs on a sponsored project, the University is recovering for costs already spent to support these activities.
Indirect Costs

- General department administration
-Contracts and grant administration
- Development of proposals
-Personnel activities
-Accounting and budget activities
-Routine filing, typing, mailing
-Processing vouchers and payments
-Routine travel planning
-Routine data entry
-Routine telephone answering reception
-Newsletter/brochure prep
-Preparing, processing, and tracking routine purchases
-Maintaining administrative databases
Indirect Cost Rate & Base

Indirect Costs Base \times \text{Indirect Cost Rate} = \text{Total IDC}

- IDC Base: The portion of direct costs that the IDC rate is applied to.
- IDC Rate: Percentage applied to IDC base. The rate is based upon the type of project.
Research... includes

- All research and development activities that are sponsored by Federal and non-Federal agencies and organizations.

- Includes activities involving the training of individuals in research techniques (commonly called research training) where such activities utilize the same facilities as other research and development activities and where such activities are not included in the instruction function.
Instruction... includes

- The teaching and training activities of an institution.
- Can be for credit or non-credit courses.
- Includes continuing education (ex: UCSB Extension) and summer session. Expenditures for sponsored training and research performed as part of regular instruction programs are included in this activity.
COLLEGES AND UNIVERSITIES RATE AGREEMENT

EIN:  
ORGANIZATION:  
University of California (UCSB) Santa Barbara Campus  

Santa Barbara, CA  

The rates approved in this agreement are for use on grants, contracts and other agreements with the Federal Government, subject to the conditions in Section III.

SECTION I: INDIRECT COST RATES

<table>
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<tr>
<th>RATE TYPES:</th>
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http://www.research.ucsb.edu/media/20858/idc%20rate%20agreement%202012.pdf
UCSB’s Federally Negotiated Rate Agreement

• The rate and base UCSB’s Federally Negotiated IDC Rate Agreement (a.k.a. F&A Rate Agreement) **must** be used for **all** proposal budgets.

• UC Office of the President (UCOP) Office of Research Policy Analysis and Coordination (RPAC) – Contract & Grant Manual, Chapter 8: Indirect Costs
  
8-120 Duties of Principal Investigators and Administrators to Seek Full Cost Recovery

- Full cost recovery is necessary to support the University’s physical and administrative capacity to perform research.

- When indirect costs are not fully recovered, maintaining the University’s research capabilities and infrastructure is compromised.

- All sponsored agreements should share the burden of the cost of research.

- APM-020, “a charge [to the extramural sponsor] shall be made sufficient to cover all expenses, both direct and indirect” (emphasis added).

- Principal Investigators and Administrators have a duty to ensure that sponsored projects are performed on a full cost recovery basis.

- Principal Investigators and Administrators are obligated to seek full recovery of indirect costs from all sponsors when applying for an extramural award.
Sponsor Imposed Restrictions

• Some Sponsors may impose an IDC rate or base that is different than our Federally Negotiated F&A Agreement.

Example: Simons Foundation
• Rate = 20%
• Base = Total Directs Costs less Equipment, Tuition Reimbursement (but not GSHIP), and 100% of all subagreements.

**UC policy prohibits the application of a sponsor imposed IDC restriction unless a policy exception has been approved by UCOP prior to proposal submission.**

Options for IDC Budgeting in Proposals

1. UCSB’s Federally Negotiated F&A Rate Agreement

2. UCOP approved exception to UC IDC policy to utilize a sponsor imposed indirect cost rate and/or base

3. VCR & UCOP approved exception to UC IDC policy to utilize a rate and/or base that is less than the UCSB’s Federally Negotiated F&A Rate Agreement based upon vital interest to the University (these are rare!)

Remember: All IDC policy exceptions must be approved by UCOP prior to the submission of the proposal to the sponsor. If you think that an IDC policy exception may be needed, contact the GGSE Contract & Grant staff immediately.
Discussion

Further Questions
Comments
Suggestions
Questions for Jamie

• What is the role of the PI in determining the IDC?

• How is an IDC less than 53.5% received, reviewed, and acceptance determined by UC?

• Optimally, if not 53.5% IDC, how would the process proceed? How can the PI facilitate the process (what do? what not do?)
Thursday, January 19, 1200
COS PIVOT (Room 4211)