

3356-10-13.2 Payment of indirect costs on external grants and contracts.

- (A) Policy statement. Externally sponsored grants and contracts typically pay for both direct costs and indirect costs. All funding organizations must pay indirect costs at the prevailing authorized rate for Youngstown state university (“university”) based on the federally-negotiated rate. In case of waiver or reduction, indirect costs shall be included as part of institutional match on the grant project.
- (B) Parameter. Sponsored programs and grant projects have budgets depicting the actual costs, including both direct and indirect costs. Indirect costs, or facilities and administrative (“F&A”) costs, have been deemed as real and allowable in federally sponsored programs and are paid at a federally negotiated rate with the U.S. department of health and human services. In some cases, the allowable percentage of indirect costs is reduced by the federal, state or local agency.
- (C) Procedures.
- (1) As part of the formal grant submission process at the university (see university policy 3356-10-13, “Research, grants, and sponsored programs”), waiver or reduction of indirect costs on grant proposals submitted to external sponsors requires prior approval by department chairs, college deans, and the director of grants and sponsored programs research services, the associate provost for research, and provost or the authorized institutional official.
 - (2) The author of the grant proposal is expected to develop a budget for the proposal that accounts for the full payment of indirect costs, unless specifically disallowed by a funding organization. Exceptions may be requested only when directed by the solicitation. No general exemption of payment of indirect costs is provided to for-profit companies.
 - (3) University faculty and staff who intend to submit a grant proposal to an external funding agency must provide a written justification for reduced indirect costs. If indirect costs are waived or reduced, indirect costs shown in the budget shall be included as part of the institutional match.

- (4) Prior to proposal submission externally, the written justification for waived or reduced indirect costs must be submitted to and approved by the director of grants and sponsored programs and approved by the associate vice president for research, research services and approved by the provost or the authorized institutional official. This process will be included in university grant submission procedures.

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CERTIFIED ELECTRONICALLY

Certification

10/16/2020

Date

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