**Piedmont University**

**Indirect Funds Distribution Policies and Procedures**

POLICY

Purpose

When awarded a grant in support of research and other activities, Piedmont University receives both Direct and Indirect costs. Direct costs will be distributed according to the specifications of the individual grant and Piedmont’s Federal Grants Management Policies. The funds awarded for Indirect costs may be distributed according to University policies and needs. The intention of Piedmont is to use these funds to help to defray expenses of grant activities, both in the implementation phases as well as future grant proposal development, that are not covered in the grant. These funds are intended to support participants in developing competitive applications and in securing and managing grants. Examples include operating and maintaining facilities, phone service, office supplies, and accounting and legal services. Indirect cost funds are intended to incentivize faculty and staff to apply for grants. The maximum allowable amount of indirect costs should be requested in the grant proposal budget.

Allocation

The allocation policy is developed by the Grants and Sponsored Research (GSR) Director and President/Cabinet and approved by the Vice President for Academic Affairs (VPAA) and Vice President for Administrative and Financial Services (VPAF). Funding allocations will be reviewed annually by the Faculty Senate which will make any recommendations for alterations which will be approved by the President/Cabinet and GSR Director. Indirect funds will be made available according to the schedule as indicated by the funder in the grant proposal. Allocations will be made as follows:

* 50% to the University: for general and operating costs; spending will be directed by the VPAF
* 15% to the College or Division of the PI (Principal Investigator); spending will be directed by the Dean or VP. Grants awarded to multiple PIs in differing Colleges or Divisions will be split equally between the College or Division.
* 10% to the Department of the PI; spending will be directed by the Chair in consultation with the Associate Dean as appropriate. In the event the College or Division does not have departments, these funds will go to the PI(s).
* 15% to the PI(s); spending will be directed by the PI in consultation with the supervisor as appropriate.
* 10% to the Center for Teaching and Learning (CTL); spending will be directed by the CTL Director in consultation with the CTL Advisory Committee, but used primarily for providing research and professional development for faculty and staff across the university.

Uses

Indirect cost funds may be used by the designated recipients for a variety of costs not covered by the grant, including but not limited to:

* Seed money for developing programs
* Travel and Conference fees for faculty, staff, and students
* Travel or other expenses in the development of collaborations with other professionals for future projects
* Professional membership fees, journal subscriptions, or publication-related fees
* Equipment purchases, maintenance, or repairs
* Supplies and materials either for the grant activities not covered by the grant or other activities appropriate to the department
* Support for research activity

Unless specifically negotiated with the GSR Director and VPAF, Indirect costs may not be used for course releases, student housing, or stipends. Indirect costs will never be used for personal expenses or as a substitute for faculty salaries. Indirect costs shall not take the place of normal budget allocations; they should always be a supplement to what the department or division would normally receive.

Indirect costs must be spent according to all university policies. Once a grant expires, the remaining indirect funds must be spent within the next fiscal year after the grant’s end date or will revert to university operating funds.

PROCEDURES

With the notification that the grant has been awarded, the GSR Director will meet with the Grants and Contracts Administrator to review the funding institutions distribution mechanisms and schedule.

The GSR Director will notify recipients of them amount of indirect cost available to them and will give instructions for requesting or reporting the usage of those funds.

In the event that a PI retires, resigns, or is dismissed, accumulated and subsequent funds will be transferred to the department. These funds could also be transferred to the next PI if they have been involved in the grant since the award. All requests for these changes should be submitted to the GSR Director and will be approved by the VPAA and VPAF.