**Distribution of Indirect Costs Process**

Beginning with the 2018-19 fiscal year, a process was implemented for the distribution of indirect cost funds. OSPR Policy RE001.1, Indirect Cost Return and Use Policy (<https://webservices.ulm.edu/policies/unit-policies/RE>), was updated effective July 1, 2019. There was a change in the percentage of distribution to include the Graduate School receiving 1% of indirect cost and reducing the general fund percentage to 49%. The following process is currently being followed for the distribution of indirect cost funds.

1. Grants and Contracts emails the Vice President for Academic Affairs (VPAA) the indirect cost report (Excel document) for the quarter.
2. VPAA reviews and distributes the funds to

* general fund (GF) - 49%
* principle investigator (PI) - 33%
* School – 6%
* College – 6%
* Graduate School – 1%
* Office of Sponsored Programs and Research (OSPR) – 5%

1. VPAA Office sends distribution report to Vice President for Business Affairs (VPBA) for approval.
2. VPBA reviews and if approves the distribution report, forwards the report to the Budget Office and provides copy to the VPAA Office.
3. Budget Office emails approved distribution report to Grants and Contracts for distribution into the indirect cost funds accounts and copies VPAA Office.
4. Budget Office emails VPAA Office when funds have been transferred to indirect cost funds accounts.
5. VPAA Office emails Dean of each College and Graduate School Dean the final approved distribution report and copies Budget Office (Gail Parker), Grants and Contracts (Ann Cox), OSPR (John Sutherlin & LaWanna Gilbert-Bell), and college business manager (CAES – Sabrina McClain; CBSS – Peggy Lane; CHS - TBE; CPY – Brittany Coleman) on the email.
6. Dean of each college informs PI the amount of indirect cost funds for the quarter.
7. PI and responsible financial person for the school and for the college completes “Indirect Cost Budget” form, submits the form to the Budget Office, and sends a copy to OSPR & Grants and Contracts. The Graduate School and OSPR also completes the “Indirect Cost Budget” form, submits the form to the Budget Office, and sends a copy to Grants and Contracts.