California State University SAN MARCOS | CSUSM Corporation

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SPONSORED PROJECTS ADMINISTRATIVE COSTS PROCEDURE

PURPOSE:
Indirect costs (IDC) are expenses incurred for common or joint objectives, not readily identifiable with a specific project. Some sponsors have policies that limit or prohibit the recovery of IDC. In these cases, CSUSM Corporation seeks to recover the costs associated with administering and ensuring compliance for sponsored projects.

I. GENERAL INFORMATION

A. Sponsored Project Administrative Costs do not include salary and benefits associated with CSUSM Corporation central administration personnel. These costs are recovered through CSUSM Corporation's federal negotiated rate. See the corporation Allocation and Distribution of Facilities and Administrative Costs (Indirect Costs) Policy for more information.

B. Sponsored Project Administrative Costs are costs associated with providing services to sponsored projects and include, but are not limited to:

i. Review proposal budgets
ii. Acceptance, negotiation, and execution of contracts
iii. Set up project in financial system
iv. Provide budget-to-actual reports from the financial system: monthly and as requested
v. Meet with the Principal Investigator/Project Director (PI/PD) and support staff when there are questions about the budget and award terms and conditions
vi. Prepare and submit financial reports to the sponsor
vii. Review all expenditures for compliance, allowability, and ensure funds are available
viii. Cash management/billing
ix. Respond to audit inquiries
x. Human Resources
xi. Purchasing
xii. Provide new PI/PD orientation
xiii. Non-financial post-award activities (e.g. project extensions, rebudgeting, change of PI/PD, award transfers, etc.)
xiv. Work with the PI/PD to submit closeout requirements

II. SPONSOR REQUIREMENTS

A. When a sponsor does not allow IDC or provides for an IDC rate lower than CSUSM Corporation's federal negotiated rate, the Grants and Contracts in the Office of Graduate Studies and Research may include a Sponsored Projects Administrative Cost in the proposal budget, as allowed by

sponsor policies.

B. Sponsored Projects Administrative Costs cannot be budgeted in the Personnel budget category. These costs may be included in the Other budget category.

III. SPONSORED PROJECTS ADMINISTRATION COST CALCULATION

A. The Sponsored Projects Administration cost can be calculated by using CSUSM Corporation's Effective Rate from prior year, and may be applied to the total or modified direct cost of the award, depending on sponsor terms and conditions. The "effective rate" is sponsored projects administrative (Corp and other units) costs divided by modified total direct cost expenditures of the prior fiscal year.

B. The Sponsored Projects Administration cost may be limited by sponsor budget limitations, and therefore, can also be calculated as a flat fee distributed over the life of the award.