



POLICIES AND PROCEDURES

CORPORATE POLICY

Subject: Indirect Cost Funds

Policy No.: 103

Last Revision Date: 05/24/07

Orig. Date: 01/24/74

Revision:

A. Policy

B. Procedure

A. Policy

It is the policy of Cal Poly Pomona Foundation, Inc. to distribute the indirect cost recovery funds received from grants and contracts in excess of the Foundation's administrative fee to the University's designated Foundation account(s).

B. Procedure

The following procedure shall be used to determine any surplus indirect cost recovered to be distributed to the University designated Foundation account(s):

- A. Allocate to the Foundation's general fund an amount to defray the cost of administering grants and contracts for each fiscal year per agreement with the University.
- B. Allocate an amount per the Board's approved annual budget to fund a portion of the expenses of the Office of Research and Sponsored Programs.
- C. Allocate 0.50 percent (50 basis points) of the total funds expended on all sponsored projects for the last three years and any unexpended funds on all current sponsored projects to a reserve for the "Allowance for Disallowed Sponsored Program Expenditures." This reserve fund is to be reviewed annually to determine if it is appropriately based on the level of grant and contract activity.
- D. Distribute 100 percent of the remaining balance after A, B, and C above to the University's designated Foundation account(s) on a quarterly basis.