

SAP 21.01.03.T0.01 Indirect Cost Allocation



Approved: September 1, 1996
Revised: September 1, 2002
Revised: September 1, 2009
Revised: March 1, 2010
Revised: February 4, 2013
Revised: September 15, 2021
Next Review: September 15, 2026

Procedure Summary

This Standard Administrative Procedure (SAP) outlines the distribution and expenditure of net receipts of indirect costs generated by external funding agreements and is necessary to provide a basis for indirect cost allocation at Tarleton (Tarleton or university).

Procedures and Responsibilities

1. The distribution of indirect costs from external sources shall be as follows:
 - 1.1 100% of indirect cost recoveries will be recorded as designated fund revenue in accordance with state guidelines. The funds received for each grant shall be allocated as follows:
 - 1.1.1 60% of individual project indirect cost recoveries will be reallocated to the Office of the Vice President for Research, Innovation, and Economic Development (VPRIED) to provide a source for university research support, serve as stimulus for new research efforts, and to provide for administration support (i.e. – grant administration software costs and post-award administration salaries).
 - 1.1.2 40% of individual project indirect cost recoveries will be reallocated to the principal investigator (PI) and the PI's dean, or vice president for support of related programs, research and/or activities. The reallocation shall be as follows:
 - Academic Teaching Departments:
 - 50% - PI
 - 50% - appropriate dean
 - Academic Non-Teaching Departments and Non-Academic Departments:
 - 50% - PI
 - 50% - appropriate vice president

2. The funds shall be expended in compliance with [Texas Education Code, 145.001 - Grants and Research Expenses](#).
 3. In unique circumstances, a modified allocation may be negotiated and approved, in writing, by all impacted IDC recipients. This should only occur when the benefit of doing so exceeds the additional administrative burden.
 4. The Office of Business Services will facilitate the distribution of indirect cost funds.
-

Related Statutes, Policies, or Requirements

[System Policy 15.01, Research Agreements](#)

[System Regulation 15.01.01, Administration of Sponsored Agreements-Research and Other](#)

[System Regulation 21.01.03, Disbursement of Funds](#)

[Texas Education Code, 145.001 - Grants and Research Expenses](#)

Contact Office

Vice President for Research, Innovation, and Economic Development
254.459.5448

Vice President for Finance and Administration/Chief Financial Officer
254.968.9877