

Use of Indirect Costs

PURPOSE

In accordance with policies established by the California State University, the following policy applies to the use of indirect costs by the CSUS ASI. The sections noted below are from the CSU policy and meet all criteria identified in section 42500(a)(7) of Title V.

POLICY

Associated Students, Incorporated may have indirect costs, however reimbursements must abide by the following guidelines.

1.0 Definition of Indirect Costs

- 1.1 Costs that are not readily identifiable as a direct expense of a particular externally sponsored research, training, or educational project. Indirect cost rates are established in accordance with Office of Management and Budget (OMB) Circular A-21; however, indirect cost reimbursements are recovered through the application of the allowable indirect cost rate per project agreement.

This policy was voted on and approved by the ASI Senate on: 11/06/01.

The following signature by the ASI President, verifies the approval of the ASI Senate:

Andrew Johnson

Print Name



Signature

11/27/01

Date

** This policy may be amended by a two-thirds vote of the ASI Board of Directors.*

PROCEDURE

- 1.0 Indirect cost reimbursements received by campus foundations shall first be used for the following purposes:
 - 1.1 Expenses incurred in support of the foundation's externally funded projects (ref: Title 5, Section 42500(a)(7)). They include, but are not limited to, expenditures for general management and administration, facilities management and administration, and project cost sharing and support.
 - 1.2 Specific reserves that are established for the support of externally funded projects. These include, but are not limited to, reserves of the categories above which relate specifically to externally funded projects, as well as others unique to externally funded project operations such as reserves for disallowances or project development.
 - 1.3 Indirect cost reimbursements (pooled on an annual basis), which are not used to fund the annual activities and reserve requirements in Sections 1.1 and 1.2 above, shall be divided between the foundation and the campus. Such a division shall not occur if the governing board of the foundation determines that the division would adversely affect the fiscal viability of the foundation. In such an instance the annual report shall include a plan to provide a division of unused indirect cost revenue between the foundation and the campus in future years.