

HSU SPF Indirect Revenue Distribution Policy

Issued: May 2011

Updated: 3/8/2016

POLICY BACKGROUND

The Humboldt State University Sponsored Programs Foundation (HSUSPF) receives revenue by including an indirect rate percent on each proposal that is submitted through this office. This is the main source of revenue that is received through HSUSPF and is to be used in the following manner in the priority order listed:

- 1) Operating Expenses of HSUSPF
- 2) Maintain Cash Reserve as approved by Board of Directors
- 3) Budgeted University Use Funds
- 4) Distribute any remaining revenue back to the University SPF trusts. The amount of revenue to be distributed is to be approved by the SPF Board of Directors.

After the end of each fiscal year has been closed out an analysis will be done to determine the amount of remaining indirect revenue to be distributed. The analysis will be as follows:

Once items one and two above have been achieved, then the IDC revenue will be distributed as follows:

- First, 5% will be given to HSU President's Trust
- Second, of the remaining balance; 15% will be given to the Dean of Research office
- Third, of the remaining balance it will be distributed as follows
 - o The base will be all qualifying grants and the amount of spending processed by those grants in the fiscal year. A qualifying grant is any grant/contract that had an effective indirect rate of at least 15%. Effective indirect rate is defined as total indirect budget divided by total direct budgeted expenses.
 - o Once the base has been determined for that fiscal year, then the distribution will be as follows
 - 50% to the College that the respective grant was under
 - 20% to the Department that the respective grant was under (in the event a grant was affiliated with an Institute/Center, then this will be evenly divided between Department and Institute/Center).
 - 30% to the PI's trust fund

Note that these percentages will be applied to a prorated value of the indirect dollars earned for the fiscal year.

All distributions of IDC revenue remain the property of HSUSPF (not the individual person) and are to be managed by the respective groups to facilitate additional research opportunities within their areas. A brief annual update of how the funds were spent will be expected from the President's Office, the Colleges, and Dean for Research.