Indirect Cost Recovery Policy- Plymouth State University

Indirect costs are funds collected by the university from grants and contracts to recover costs associated with operation and management that are not directly charged to the outside agency. The university negotiates an indirect rate with the federal government that is currently 56.7% of all salaries and wages. Some grants and contracts will not allow the full IDC rate to be used; however, the policy of the institution is to maximize the amount of IDC recovered. These recoveries help fund the true costs of conducting externally-funded programs, including physical costs such as space, equipment and utilities, as well as services required such as administrative support and the operation of the Office of Research Administration, which helps prepare and submit all grants and contracts and provides much of the accounting support and management oversight once grant funding has been received.

Indirect Cost Waiver

Any reduction in indirect costs from PSU’s federally negotiated indirect cost rate, including sponsor stipulated limits, must be approved during the Internal Review Approval Process. Voluntary (elective) reduction in indirect costs is typically not allowed, and any request must be approved by the Provost and/or Vice President for Finance and Administration.

DeMinimus Indirect Cost Rate for NH-based non-profit organizations

Proposals funded by New Hampshire based non-profit organizations, excluding state and municipal agencies, and hospitals, will be afforded either PSU’s federally negotiated indirect cost rate, or 10% of Modified Total Direct Costs (MTDC), or whichever results in lessor indirect costs charged.