

GPAC – December 11, 2013

#### Final Decision on Indirect Cost Rates to Charge on Patient Care Pass-through Costs to other Health Centers

- Officially for federal sponsors only – any other sponsor application questions, call the Grants Office.
- Applies to contracted services (e.g. per patient costs for clinical trial sites)
  - As part of contracting other sites, we are not passing down Federal terms
  - Sites could be interchangeable
- History - Initially handled financially as a subcontract, but changed to contracted service and not excluded from indirect cost calculation
- Feedback that charging full IDC on these services affected the bottom-line request amount, made UM non-competitive, and might be an outlier to how other institutions financially treat
- Final policy is posted to the web --- financially treat these patient reimbursements pass-through costs as subcontracts:
  - Charge full IDC on first \$25k for each site, Exclude from IDC recovery beyond that amount
  - Still a contracted service and still will be executed under a hybrid PO
- Even though these sites are being handled financially as subcontracts, they are contracted services. Do not need the full subcontract paperwork in pre-award.
- For submitted projects:
  - If you were given IDC on these costs for an active project, you still need to recover
  - Talk to Heather, Grants Office, if you have a submitted proposal with these costs included and are asked to re-budget at time of award