

MEMORANDUM

To: USC Rossier Faculty and Research Center Staff

From: Lawrence Picus, Associate Dean for Research and Faculty Affairs

RE: 15% IDC Costs on Service Agreements

Date: June 27, 2018

Due to the growth of the school and the increasing number of service agreements drafted, negotiated, and executed each year, the Rossier School of Education will require that faculty include 15% indirect costs in budgets for all new service agreements (those using 53 or 54 account numbers). Those managed in a 22 account are already subject to the 15% IDC. The purpose of this requirement is to accommodate the administrative support required for processing service agreements and other grants in a timely and efficient manner, and to ensure that all agreements, regardless of account, are treated fairly and uniformly, including indirect costs.

Previously, service agreements, using a 5x account, did not include indirect costs. The number of service agreements has grown dramatically in recent years placing a substantial burden on our Business and Research Office staff. By requiring a 15% indirect cost on all faculty and center budgeting in all future service contracts, we will be able to better manage the needs and details of these agreements and continue to provide a high level of service to all of our Centers and faculty.

This policy will go into effect for all service agreements & contracts beginning July 1, 2018. Please contact me with questions and concerns about this new policy.