



# New York Medical College Policy and Procedure Manual

<b>Section:</b> RESTRICTED FUNDS ACCOUNTING DEPT.	<b>No.:</b> CO.604
	<b>Date:</b> Feb. 3, 1997
<b>Subject:</b> APPLICATION OF INDIRECT COST RECOVERY RATES	<b>Page</b> 1 <i>of</i> 2
	<b>Supersedes:</b> New

## I. Purpose

To establish guidelines for the application of Indirect Cost Recovery (ICR) rates on restricted funds.

## II. Scope

This policy applies to all restricted fund accounts such as grants, contracts, faculty practice and/or designated purpose accounts established under the auspices of the College.

## III. Definition

- A. Sponsored Projects - Research, training or other projects funded by external sources with a defined protocol and budget.
- B. Designated Purpose (DP) Funds - Accounts established with restricted contributions from external sources and expended for a specified purpose other than research.
- C. Faculty Practice funds - Accounts established with funds from the College faculty's professional practices (PCs) for the payment of salaries.

## IV. Policy

It is the policy of New York Medical College to apply its ICR rates on restricted fund accounts in accordance with the sponsor's, donor's or chairman's agreement and stipulations.

<b>Issued By:</b>	<b>Approved By:</b>
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**V. Procedures**

- A.** Grants and contracts with a budgeted ICR rate will be charged the negotiated rate agreed upon between the sponsors or donors and the College.
- B.** Designated Purpose Funds
  - 1. Subject to a 10% ICR rate based on expenditures.
  - 2. Student financial support - full exemption.
  - 3. Equipment and associated installation expense and/or renovations exclusively for research - full exemption.
  - 4. Equipment and renovation funds for the exclusive use of the basic sciences departments shall be presumed, initially, to be for research and/or educational purposes - full exemption.
  - 5. The foregoing ICR rates and exemptions do not apply to funds in DP accounts which, by their governing terms:
    - a.** Provide for an ICR rate greater than the ICR rate specified, or
    - b.** Allow ICR on expenditures that would otherwise be fully or partially exempt.

**VI. Responsibility**

- A.** Principal Investigator/ Account Signatories
  - 1. Monitor their restricted funds to ensure compliance with this policy.
- B.** Restricted Funds Accounting Department
  - 1. Implement and charge restricted fund accounts ICR rates in accordance with this policy.
  - 2. Provide advice and guidance with respect to the interpretation and administration of this policy.

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