

MEMO

DATE: June 1, 2006

TO: College of Medicine Department Heads
College of Medicine Center Directors
College of Medicine Department Administrators

FROM: Keith Joiner, MD, MPH
Dean College of Medicine

SUBJECT: Indirect Cost Waivers Policy in the College of Medicine

A waiver is an institutional agreement that the University will charge indirect costs at a lower rate than the rates published by the Sponsored Projects Office (<http://www.sps.arizona.edu>). Beginning 7/1/06, the published IDC rate for Research is 51% and the rate for Clinical Trials is 25%. Principal investigators can request waivers on a case-by-case basis.

Please be aware that a waiver is only granted in rare cases when the unique circumstances of a particular project dictate that indirect costs should not be charged at the published rate for that type of project. If a project does not collect full indirect costs, other projects are subsidizing it. Therefore there needs to be a compelling reason for the University to waive indirect costs. These reasons should be expressed in writing when submitting the waiver request. Reasons that will not justify a waiver include an unexpected budget cut by the sponsor, the possibility of not getting the grant without the waiver or the belief that the work is sufficiently important to warrant a waiver.

Requests for waivers must be approved by the Dean of the College of Medicine BEFORE the request is sent to the VPR office on main campus for approval. Please be aware that if a waiver is approved, the Department/Center/Unit will not receive credit in the indirect cost pool which is being used in part to both allocate space and to determine the indirect cost returns to each department.