

OSR Revised Infrastructure Charge Guideline Effective September 1, 2005

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This procedure supplements guidelines listed below:

Policy	Description
Guide Memo 37.3 Infrastructure Charges	General Guide
Implementing the Revised Infrastructure Charge Policy	Budget Office Implementation Guideline
Indirect Cost Waivers (RPH 3.10)	ISC/UC Waivers
Infrastructure Rates (Cost & Management Analysis)	Fiscal Rates

Stanford has significantly revised its infrastructure charge policy effective September 1, 2005. Some highlights are:

- The ISC rate has been increased to 8%.
- The revised ISC policy is applied by award/competitive segment.
- Sponsored awards/competitive segments may be subject to the prior or revised ISC policy.
- Government sponsored awards are waived from ISC under the revised policy.
- There is one new ISC burden schedule (ISC_TGP_P06) for awards subject to the revised ISC policy.
- There are new ISC (58915) and alternate ISC (58935) expenditure types for use by the revised ISC policy.
- Sponsored project awards are only assessed ISC on expenditures (exp type 5xxxx).
- The number of expenditure types subject to infrastructure has increased.
- The utility charge has been eliminated.
- Prior policy ISC waivers (such as off-campus, travel grant, Sloan awards, etc.) have been eliminated.
- New task attributes have been created to code awards.
- The alternate PTA process will continue. (operating budgets may be used as alternate PTAs).
- Cost sharing/overdraft awards continue to be waived from infrastructure.
- The institutional allowance on fellowships is waived from ISC.
- The SLAC National Accelerator Laboratory is waived from ISC.
- Org code NFFA is waived from infrastructure (effective September 1, 2010)

Definitions – Revised ISC Policy

Waiver: The sponsor, PI or department is not required to pay the infrastructure. The sponsored award is not assessed the infrastructure charge.

Exemption: The sponsor will not pay the infrastructure charge. The revised ISC policy or the Provost/CFO allow the PI/department to pay the infrastructure by offering an alternate PTA to accept the charge.

Pre-approved 0% IDC Waiver List: This is a list of sponsors/sponsor programs where the **F&A rate** has been waived by Stanford to 0% not the infrastructure charge.

OSR Revised Infrastructure Charge Guideline - continued

Burden Schedules for Use with the Revised ISC Policy

The following burden schedules are applied to awards subject to the revised infrastructure policy.

Burden Schedule	Replaces burden schedule	Description	Fringe (FB)	Vacation (VA)	Tuition Grant Program (TGP)	Infrastructure (ISC)	Veterinary Service Center (VSC)
ISC_TGP_P06	ISC_TGP	Non-Government awards Charges ISC and TGP	X	X	X	X	X
ISC_P06	ISC	Charges ISC and no TGP (1)	X	X		X	X
FB_VA	(existing)	Government awards No ISC charged	X	X			X
FB_VA_TGP	(existing)	Non-Government awards No ISC charged	X	X	X		X

(1) The burden schedule ISC_P06 is available for sponsored awards that are subject to the revised (8%) ISC policy where TGP may not be charged.

These burden schedules burden transactions with EIDs in FY98, FY99, FY00, etc..... through the current period. This means that transfers and adjustments of transactions prior to FY98 must be burdened manually.

Notes

Fringe (FB) = Regular Benefits Eligible, Post Doc, Contingent, Graduate Student RA/TA,
 Vacation (VA) = Vacation Accrual (and Disability Sick Leave)

Sponsored Project Infrastructure Setup Guideline

The setup accountant will verify if ISC is applicable at PTA setup/modification. Only sponsored project awards/competitive segments charged 0% F&A are subject to the infrastructure policy. Sponsored awards/competitive segments will fall into one of two general cases – they are subject to the prior ISC policy or to the revised ISC policy. **Appendix A documents how awards subject to the revised ISC policy are coded in Oracle.**

Note: If OSR teams set up competitive segments in the same award, you may have an award that is subject to the prior and revised ISC policies. Appropriate application of the two policies can be accomplished by setting up the competitive segment as a separate task/project and applying an override burden schedule to the task.

1. The sponsored project award is subject to the prior ISC policy.

All sponsored projects awards with award start dates prior to 9/01/05 and awards made in response to previously-submitted (prior to 9/01/05) sponsored projects proposals will continue to be subject to the prior ISC policy until the end of the award or competitive segment. The prior ISC implementation guide can be found at [Implementing the Infrastructure Charge \(ISC\) Policy](#) dated May 11, 1998. OSR Guidelines are at [Implementing the Infrastructure Policy Prior to September 1, 2005](#) on the OSR desktop procedure webpage. At the time these projects are renewed, funding must be requested using the revised ISC guidelines.

Effective September 1, 2005, if a sponsor/program is not waived or exempted under the rules listed below, the PI/administering department must include the infrastructure charge in their proposal/budget request to the sponsor. Institutional officials are responsible for reviewing proposals to make sure that the charge has been included, prior to endorsing the proposal on behalf of Stanford, or that an approved “exemption” (see below) is on file.

2. If the sponsored project award is not subject to the prior ISC policy, the award is subject to the revised infrastructure policy as follows: (See the Sponsored Award Infrastructure Coding Matrix at Appendix A)
 - a. The award is waived and therefore not subject to infrastructure. The revised ISC policy waives infrastructure on:
 - i. All U.S. government - funded sponsored project awards. This includes awards directly funded by a federal, state or local governmental agency and awards that are funded on a “flow-through” basis using government monies. Awards funded by foreign governments are not waived.

OSR Revised Infrastructure Charge Guideline - continued

- ii. All awards owned by the SLAC National Accelerator Laboratory are waived from ISC (parent org code AHYA and all child org codes that roll up into org code AHYA).
- iii. Org code NFFA (effective September 1, 2010).

Note: In those rare occasions where a task may be owned by SLAC but the award is owned by a school/department other than SLAC, the task is waived from infrastructure.

Please note that all prior policy ISC exclusions – travel grant, off campus task, Sloan Fellowship, NSF REU, NARSAD awards, etc. are no longer applicable. An IDC waiver from the Dean of Research does not exclude an award from ISC.

Additional waivers will rarely be granted. However, departments requesting waivers should contact Dana Shelly in the Budget Office at dshelley@stanford.edu.

- b. The award is charged infrastructure.
If the sponsored project award is not waived, it is chargeable. However, if the sponsor will not pay the infrastructure, the award may be “exempted” from ISC. See (c) below. Infrastructure is charged to the award in expenditure type 58915.

As noted below, the institutional allowance on fellowships is waived from infrastructure. Therefore on sponsored awards charged ISC the institutional allowance should be charged to a separate task with a burden schedule override of FB_VA_TGP.

- c. The award is exempt from the infrastructure charge. This means the PI/department pays for the infrastructure charge generated by the award by providing an alternate PTA to accept the charge as follows:
 - i. The revised infrastructure policy automatically exempts sponsored project awards from the infrastructure charge (e.g., an alternate PTA is provided by the PI/department to pay the ISC charge) on all non-government sponsored project awards where the sponsor has a written policy stating that it does not pay indirect costs, and the sponsor/program is on the Office of Sponsored Research’s (OSR’s) [pre-approved 0% IDC Waiver List](#).
 - ii. If a sponsor/program is not automatically exempted, the PI/department must request to pay the infrastructure via an alternate PTA by submitting a [“Request for Exemption”](#) form to the Provost/CFO.

The infrastructure is charged to the award in expenditure type 58915. It is then transferred via journal to the alternate PTA and appears in expenditure type 58935. Designated, endowment income or expendable funds may be used as alternate PTAs. Operating budgets may be used as alternate PTAs. Sponsored projects may not be used as alternate PTAs. The school/department may use the same alternate PTA for multiple awards.

Appendix B documents how to set up an exempt sponsored award.

Fixed Price Awards and Unobligated funds

Unobligated funds remaining at the expiration of a fixed price sponsored project that are transferred to a departmental PTA on or after September 1, 1999, are not subject to the infrastructure charge provided the funds were assessed an F&A rate of 8% or greater (or 6% or greater if the sponsored award is subject to the prior policy). These funds are transferred to a departmental PTA, less the facilities and administrative costs (formerly referred to as indirect costs) that would have been assessed on additional project expenditures.

Institutional Allowance

Institutional allowances associated with fellowships are exempt from infrastructure. Best practices recommend the institutional allowance should be spent on the sponsored award. However, the schools and departments may transfer the allowance to an existing PTA where the expenditure will not be assessed infrastructure. Best practice recommends these awards should be set up with an award type of “DES_INSTIT_ALLOW”.

Expenditure Types Subject to the Revised Infrastructure Policy

The list of expenditure types subject to the revised infrastructure policy are documented on the [Stanford Rates](#) web page at the Burden Expenditure Type Mapping spreadsheet.

Adjustments to Infrastructure

Refer to the Burdening Adjustments Guidelines on the OSR Desktop procedures page for guidance about how to adjust infrastructure. The burden schedule on an award may be changed at any time. Transactions will be burdened using the new schedule immediately. However, any retroactive adjustments must be done manually.

Questions

For questions related to infrastructure and sponsored projects please contact your managing senior accountant. For questions about infrastructure charge policy, exemptions or waivers, contact [Dana Shelley](#). For non-sponsored inquiries, please call your Fund Accounting representative or [Jean DeMartini](#), Manager Fund Accounting at (650) 723-3013 in the Controller's Office.

Revision History

March 9, 2009 – References to billing transaction controls removed. We will no longer use these transaction controls as transaction controls treat burdening transactions and ijournal transactions differently.

August 6, 2009 – Revised guidelines to clarify budget office policy regarding operating budgets used as alternate PTAs. Operating budgets are permitted to be used as alternate PTAs.

September 28, 2010 – Changed reference to SLAC org codes to SLAC parent org AHYA and all child org codes that roll up into org code AHYA. We formally waived AHYA, AHZA, AHZH, AHZO which was confusing.

November 18, 2010 – Budget Office waives ISC on org code NFFA effective September 1, 2010.

APPENDIX A

SPONSORED AWARD REVISED 8% INFRASTRUCTURE POLICY CODING MATRIX

The revised infrastructure policy assesses infrastructure by award. If the award is subject to infrastructure then all of the tasks that can be charged by that award are subject to infrastructure as well. This means that you cannot charge different awards using the **same task** if the awards are treated differently by infrastructure.

DESCRIPTION	The award is waived from ISC by policy or the Provost/ CFO. (see 2a above)	The award is charged ISC. (see 2b above)	Award is exempted from ISC by policy or by the Provost Office/CFO. (Department supplies an alternate PTA) (see 2c above)	New competitive segment subject to ISC under the revised policy is added to an existing award subject to the prior policy (Note A)	Cost sharing tasks on the award (Note B)
On the AWARD:					
BURDEN SCHEDULE	FB_VA FB_VA_TGP	ISC_TGP_P06 ISC_P06	ISC_TGP_P06 ISC_P06	N/A (do not change)	N/A (do not change)
BURDEN SCHEDULE OVERRIDE	N/A	Apply a burden schedule override on institutional allowance task of FB_VA_TGP FB_VA	Apply a burden schedule override on institutional allowance task of FB_VA_TGP FB_VA	ISC_TGP_P06 ISC_P06 (1) Apply a burden schedule override on institutional allowance task of FB_VA_TGP	N/A
On the TASK (flexfields):				(new task)	
SP_ISC Pick list is: ISC_Chargeable ISC_POLICY_EXEMPTION ISC_PROVOST_CFO_EXEMPTION ISC_PROVOST_CFO_WAIVER ISC_POLICY_WAIVER	ISC_POLICY_WAIVER ISC_PROVOST_CFO_WAIVER	ISC_Chargeable ISC_POLICY_WAIVER on Institutional Allowance task.	ISC_POLICY_EXEMPTION ISC_PROVOST_CFO_EXEMPTION ISC_POLICY_WAIVER on Institutional Allowance task.	ISC_Chargeable ISC_POLICY_WAIVER on Institutional Allowance task.	ISC_POLICY_WAIVER
Alternate PTA SP_ISC_ALT_PROJECT SP_ISC_ALT_TASK SP_ISC_ALT_AWARD	<blank> <blank> <blank>	<blank> <blank> <blank>	<alt project> <alt task> <alt award> (See Appendix B)	<blank> <blank> <blank>	<blank> <blank> <blank>

(A) Example of a new competitive segment on an existing award subject to the prior 6% ISC policy. The new competitive segment is charged the revised 8% ISC. A new task is required to correctly burden expenditures because a burden schedule override is required. If the competitive segment is exempt from ISC, choose ISC_POLICY_EXEMPTION or ISC_PROVOST_CFO_EXEMPTION and enter the alternate project, task and award on the task. If the competitive segment is waived from ISC, the burden schedule override is FB_VA or FB_VA_TGP and choose ISC_POLICY_WAIVER or ISC_PROVOST_CFO_WAIVER.

(B) Cost sharing task on a sponsored award Oracle project should be coded "ISC_POLICY_WAIVER" on the task flexfield.

APPENDIX B

Coding an Exempted Sponsored Award in Oracle

The award is UAATS, a non-government award with one project (1099420) and task (100). The sponsor has a written policy of not paying indirects and is on the OSR Pre-Approved IDC Waiver List so no exemption request is required. The award is subject to the revised ISC (8%) policy. The alternate PTA is 1004316-100-EAGOD.

1. Assign the burden schedule to the award by referring to Appendix A.

The burden schedule is ISC_TGP_P06.

The screenshot displays the Oracle Award Management interface. At the top, the window title is "Award Management". The main area contains a form with the following fields:

Number	UAATS	<input type="checkbox"/> Template	Funding Source Name	PHRMA FOUNDATION
Short Name	35000		Funding Source Award Number	35000
Full Name	Temporal knowledge discovery		Pre-Award Date	
Start Date	01-JAN-2006		End Date	31-DEC-2007
Close Date	31-DEC-2010		Award Type	SPO_NGOVT_GRANT
Purpose	INR_RES_RSCH		Status	Active
Organization	WYLS		Funded Amount	30000.00
Award Amount	30000.00	<input checked="" type="checkbox"/> Hard Limit		

Below the main form is a navigation bar with buttons: Install..., Terms..., Budge..., Fundi..., Contacts, Perso..., Compl..., Reports, Refere..., Credit ..., Tax an... A "Funding Summary" button is also present.

The "Cost" section contains:

- Indirect Cost Schedule: ISC_TGP_P06
- Indirect Cost Rate Fixed Date: [] ...
- Allowed Cost Schedule: ACS_NON_FEDERAL

The "Rules" section contains:

- Billing Distribution Rule: Event
- Revenue Distribution Rule: Cost

The "Billing" section contains:

- Billing Cycle: Monthly
- Terms: 30 NET
- First Billing Offset Days: 0

Buttons for "Events" and "Billing Format" are located at the bottom of the Billing section.

OSR Revised Infrastructure Charge Guideline - continued

2. Code all tasks on the award to document the policy exemption and enter the alternate PTA.
 - a. Go to "Projects". Find the project number, click on tasks and find the tasks on the sponsored award.
 - b. Go to the task flex field. Click on the field to the right under the brackets [] on the task. This will bring up the task flex field, .
 - c. Select ISC_POLICY_EXEMPTION in the SP_ISC field.
 - d. Enter the alternate PTA in the SP ISC ALT PROJECT, TASK and AWARD fields.
 - e. Click on "OK" and <save>.

Note: Be aware there may be cost sharing tasks on the project. These tasks are coded separately. See Appendix A.

The screenshot displays the Oracle Applications - UAT interface. At the top, there is a menu bar (File, Edit, View, Folder, Tools, Window, Help) and a toolbar. Below this is a window titled "Tasks (SU_OPERATING_UNIT) - 1099420" containing a table with columns: Task Number, Task Name, Description, Trans Start Date, Trans Finish Date, and a flex field icon. The first row is highlighted in yellow and contains the values: 100, 100, Temporal knowledge, 01-JAN-2006, and AL. An arrow points from a box labeled "Shortcut to flex field" to the flex field icon in this row.

Below the table is a "Tasks" form window. It contains several fields with the following values: SP ISC: ISC_POLICY_EXEMPTION; SP ISC ALT PROJECT: 1004316; SP ISC ALT TASK: 100; SP ISC ALT AWARD: EAGOD; PRINCIPAL OWNER: Das, Amarendra Kumar. An arrow points from a box labeled "Task flex field" to the SP ISC field.

At the bottom of the form are buttons for OK, Cancel, Clear, and Help.

3. YOU ARE FINISHED!