

**SUMMARY TABLE OF UPDATES TO THE ASU-ASUF CHARITABLE GRANT GUIDELINES**

<b>Guideline Area</b>	<b>Prior to Spring 2022</b>	<b>On or After May 9, 2022</b>
<b>Indirect Cost (IDC) Rate*</b>	11% Total Direct Costs (TDC).	11% TDC (no change from prior rate).
<b>IDC Rate Base</b>	The rate base for reduced rates should always have been Total Direct Costs (TDC), unless the sponsor's published policy dictates otherwise. However, in practice, we have not been consistent in applying the TDC rate base.	For all charitable grants, <b>IDC should be calculated and applied on a Total Direct Cost basis (TDC)</b> and not modified direct costs (MTDC), unless use of the MTDC base is mandated by the sponsor. In other words, there should be no exclusions and the maximum allowable indirect cost rate should be applied to ALL costs.
<b>Documentation of Donor Organization IDC Rate Limit</b>	ASU has historically accepted letters from authorized individuals at the donor/sponsor organization, in lieu of a published policy. ASUF has typically only accepted a published policy in order to accept a rate lower than ASUF's 5% fee.	<b>ASU will no longer accept letters from sponsors/donors as documentation of a limited IDC rate for charitable grants.</b> ASUF will also continue to require a published policy in order to reduce their fee.
<b>Direct Charging Administrative Costs</b>	Over the years, there have been instances where ASU has included administrative costs as direct charges on charitable grant budgets. Awareness of this option has not been consistent, and the practice has been primarily employed on large and complex projects with extensive administrative burden.	<ol style="list-style-type: none"> <li>1. Charitable grant budgets should now consistently <b>include departmental/unit administrative costs as direct charges</b> whenever possible.</li> <li>2. <b>Charitable grant proposals with a total budget of \$1M or more will include a budget line for the sponsored research office</b>, unless prohibited by sponsor policy.</li> </ol>

*\*Although the IDC rate remains at 11% TDC, the rate has been included in this summary table for clarity and visibility.*