




2521 ELWOOD DRIVE, SUITE 124
AMES, IOWA 50010-8229
iec@energy.iastate.edu

PHONE: 515-294-8819
FAX: 515-294-9912
www.energy.iastate.edu

MEMORANDUM

To: Current and Prospective Grant Recipients Date: July 1, 2004
From: Floyd E. Barwig, Director 
Subject: Indirect Cost Policy for Iowa Energy Center Grant Programs

The Iowa Energy Center was created by the Iowa General Assembly and signed into law by Governor Terry Branstad in 1990 (§ 266.39C Code of Iowa). The Energy Center is supported by an annual assessment on the intrastate gross operating revenues of all gas and electric utilities in Iowa. Assessment funds are used primarily to support research, education and demonstration projects awarded through competitive grants. Organizations eligible to receive Iowa Energy Center grants are Iowa's private nonprofit organizations, foundations and educational institutions. The Energy Center is administered by Iowa State University.

Through policy that has been in effect since 1990, the Energy Center does not pay indirect costs on grants made by the Center when the funding for those grants is derived from the annual utility assessment. If a project has multiple sponsors, the Energy Center policy applies only to those funds provided by the Energy Center. Grant recipients are required to flow down the terms of the Energy Center indirect cost policy, as embodied in the recipient's Grant Agreement, to all sub-recipients.

In general, the Energy Center will recognize unrecovered indirect costs as cost share contributions toward Energy Center grants.