

## Institutional Overhead Cost Categories

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IC 01	<p><b><u>Executive Direction</u></b> – Includes costs normally associated with the highest level executive management (unless more appropriately associated with management of the other reporting categories). Examples of activities in this account are the Laboratory Director, President and other top level management and immediate staff (Secretary, Special Assistants, etc.), Science Advisors and Deputy Directors, Vice Presidents, etc. This category also includes institutional level strategic planning and the cost of contractor performance assurance. All other management/supervisor activities, including related incidental costs should be reported in the most appropriate cost category other than Executive Direction.</p>
IC 02	<p><b><u>Human Resources</u></b> – Includes costs associated with recruiting, salary administration, equal employment opportunity and diversity programs, benefits administration, employee concerns programs, central training development (job specific training development curriculum should be included in the specific category to which it applies), industrial relations, personnel records, employee concerns programs/hotline, educational programs, providing for undergraduate and graduate course work and other personnel related services.</p>
IC 03	<p><b><u>Chief Financial Officer</u></b> – Includes costs associated with activities of a financial nature, such as general accounting, payroll, travel accounting, funds control, WFO administration, cost accounting, accounts payable, internal control programs (including A-123), financial systems management and non-project/program specific budget coordination and control, indirect rate planning/budgeting, and similar financial related activities.</p>
IC 04	<p><b><u>Internal Audit</u></b> – Cost of the Internal Audit function, including production / execution of annual audit plan and tracking of correction actions until closed.</p>
IC 05	<p><b><u>Procurement / Acquisitions</u></b> – Includes costs associated with contracting for goods and services, purchasing, P-Card program, electronic buying (B2B), contract administration, procurement program management and conducting compliance and cost/price analysis activities.</p>
IC 06	<p><b><u>Legal</u></b> – Includes costs associated with legal counsel support and litigation support. Includes outside legal support and ethics functions. Legal settlements should be classified as Other.</p>
IC 07	<p><b><u>Central Administrative Support</u></b> – Includes costs associated with food service, printing and graphic support, records management, mail service including postage, subcontracted delivery services, and all library-related activities.</p>
IC 08	<p><b><u>Program / Project Planning &amp; Control</u></b> – Includes cost associated with support and execution of program / project budgeting, funding requests, baseline control and preparation, master scheduling, project management system administration, and baseline pricing and validation efforts.</p>
IC 09	<p><b><u>Technology Transfer</u></b> – Includes all cost associated with activities that encourage the further development of promising technologies, dissemination of information to appropriate researchers, organizations, industries, governmental bodies and other institutions; and other activities that assist in affecting the introduction of technologies in the marketplace.</p>
IC 10	<p><b><u>Outreach Activities</u></b> – Cost associated with media communication, public relations, educational programs, employee outreach program, stakeholder-related outreach, activities contributing to the development of the local/regional economy, and other information or outreach activities such as HBCU (Historically Black Colleges and Universities) and other University-related activities, including stakeholder agencies and Congressional Liaison activities.</p>

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IC 11	<p><b><u>Business Development / Client Liaison</u></b> – Cost of activities associated with familiarizing current or possible clients with capabilities offered and/or opportunities to fund work, assessment and planning for potential new business areas, client relationship management and liaison with clients.</p>
IC 12	<p><b><u>Information Management</u></b> – Cost associated with office automation (desktop software, video conferencing, collaboration, email, access management), network services (groups of computers that communicate with each other, share peripherals and access remote hosts or other networks), telecommunications (communication by electronic submission of impulses over telephone / optic lines including cell phones and voice over internet protocol), application and data hosting (providing central computer facilities, data backup and restore, data processing, and network file and printer services), and general business information system technology not specific to a single system. This category includes systems analysts/programmers; however, specific systems management and administrative costs for various business and scientific systems should be included in their respective cost categories. (Note: Dedicated scientific activities, experiments analysis, etc., should be included in the appropriate category.)</p>
IC 13	<p><b><u>Environmental</u></b> – Includes costs associated with the development, implementation and maintenance of Laboratory systems for the compliant management of radioactive and hazardous waste; safe packaging and transportation of hazardous materials (non-waste); effluent controls and monitoring and surveillance; permitting; auditing and evaluation to assure compliance and pollution prevention. These activities, performed on a routine basis, are necessary to maintain compliance with Federal, State and local regulations, as well as applicable DOE Orders and directives. This category does not include third party treatment or disposal costs which are charged direct to a project; it also does not include cleanup activities.</p>
IC 14	<p><b><u>Safety and Health</u></b> – Costs associated with safety and health programs, such as integrated safety management, emergency preparedness, fire protection, industrial hygiene, industrial safety, occupational medical services, nuclear safety, work smart programs, radiation protection, transportation safety (does not include traffic management functions – include this item in logistics) and related management oversight. These activities, performed on a routine basis are necessary to maintain compliance with Federal, state, and local regulations, as well as applicable DOE Orders and directives.</p>
IC 15	<p><b><u>Facilities Management &amp; Operations</u></b> – Cost associated with providing facilities and equipment including facility related services required in performance of the contract. Facilities management activities add to existing property, plant and equipment or extend the life of existing property, plant and equipment. This is distinct from maintenance activities which are reported in separate categories. Maintenance activities sustain existing property, plant and equipment in a usable condition and do not result in increasing capabilities of existing property, plant or equipment. Examples of activities in this category are: facilities remodeling, facilities utilization analysis, modification and upgrade analysis, facilities planning and condition determinations, and lease and rental of real property. Rents and leases of other than real property are included in the appropriate category. Facilities Management includes engineering activities such as HVAC systems, electrical mechanical activities, and repair and maintenance analysis if they extend the current useful life or result in improvements beyond existing capabilities. Major functions also included in this category are the cost of janitorial services, pest control and other services to keep these facilities usable.</p>

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IC 16	<p><b><u>Maintenance – General</u></b> – Includes costs to perform activities that sustain or continue existing functionality of all other property and equipment not included in facilities maintenance. These are not activities that increase functionality or extend useful life. Costs that increase functionality or that extends useful life are treated in accordance with the capital assets accounting requirements. Examples of functions included in this category are: maintenance on production and process equipment/machines; maintenance of roads and grounds; maintenance of utilities; calibration, care, repair and storage of equipment used in monitoring, or the actual performance of maintenance work; and planning and scheduling, and storage and staging of material and supplies required for maintenance activities.</p>
IC 17	<p><b><u>Maintenance – Facilities</u></b> – Includes costs to perform activities that sustain or continue existing functionality of real property. These are not activities that increase functionality or extend useful life. Costs that increase functionality or that extends useful life are treated in accordance with the capital assets accounting requirements. Maintenance functions include supervision, planning and scheduling, and storage and staging of materials and supplies required for maintenance activities. All phases of maintenance are included: preventive, predictive and corrective maintenance.</p>
IC 18	<p><b><u>Utilities</u></b> – Costs include utility-related engineering, operating utility (heat, electrical, water, etc.) plants and equipment, contract services for fuel, water treatment chemicals, or support needed to provide electric power, heat, steam, chilled water, potable water, process gases and sanitary waste disposal to support business and research. This element includes all costs associated with contract services in support of utilities, such as fuel, water treatment chemicals and control systems (also include energy management related activities).</p>
IC 19	<p><b><u>Safeguards &amp; Security</u></b> – Includes all overhead funded costs of a central program associated with the development and implementation of a Safeguards and Security Program to protect nuclear materials, nuclear weapons, classified information and government property from theft, sabotage, espionage, or other acts that may cause adverse impacts on national security or to the safety of the public and employees. Excludes requirements which are funded by the S&amp;S direct program and overhead cost that is embedded in other functional categories such as organizational management. Also excludes the allocable share of direct funded site S&amp;S expenses funded from the tax applied to WFO and reported in the <u>WFO Funded Safeguards and Security</u> category. Cost excludes Cyber Security which is reported separately. Note that this category will be eliminated in FY 12 when all S&amp;S cost must be charged direct.</p>
IC20	<p><b><u>WFO Funded Safeguards and Security</u></b> – Includes the allocable share of direct funded site S&amp;S expenses recovered through taxes applied to WFO orders in accordance with FY 2012 budget guidance. This does not include any marginal S&amp;S costs incurred to support the projects of individual WFO customers – these are reported as a direct WFO cost.</p>
IC 21	<p><b><u>Cyber Security</u></b> – Cost charged to overhead for core Cyber related program activities, including: operation of unclassified networks, establishing and maintaining institutional level controls to prevent unauthorized access; purchasing and maintaining institution wide software for protection against malware, viruses and the like; and routine monitoring of network traffic to identify and isolate threats including cyber analytics. Additionally, based on the manner that the system or process is being charged, costs could include implementing corrective actions, activities conducted by line personnel, and operation of unclassified networks. Excludes overhead cost that is embedded in other functional categories such as organizational management.</p>

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IC 22	<b>Logistics Support</b> – Costs associated with shipping, receiving, transportation (excluding maintenance which is included in the Maintenance category), warehousing, motor pools, office equipment pools, property management and excessing activities; routine inventory write-offs and other logistic support activities.
IC 23	<b>Quality Assurance</b> – Costs associated with all quality assurance, reliability and regulatory activities associated with nuclear, construction, research, management, and software functions. Included in this category are costs associated with PAAA/DRCP compliance, quality engineering and inspection services, quality assurance audits, occurrence reporting (such as the Occurrence Reporting and Processing System), development of quality program plans, operational readiness review coordination and other activities related to ensuring the quality assurance of site operations and facilities. This does not include costs incurred for weapons stockpile certification.
IC 24	<b>Management /Award / Incentive Fee</b> – The based and/or incentive fee that is paid to a contractor and charged as cost to the contract. Such fees are often in whole or in part based on performance under the contract and to include shared savings incentive payments (tied to achieving cost reductions).
IC 25	<b>Taxes</b> – Includes State and municipal taxes, as well as “payments in lieu of taxes.” Does NOT include taxes that are payroll related.
IC 26	<b>LDRD</b> – LDRD portion reflects costs incurred in accordance with DOE Order 413.2A for the purpose of pursuing new and innovative scientific concepts of benefit to the DOE. Excludes allocation of overhead other than organizational burdens. This would include PDRD and SDRD reflecting costs incurred in accordance with the legislative authority for these activities.
IC 27	<b>IGPP / IGPE</b> – Institutional General Plant Projects (IGPP) / Institutional General Purpose Equipment (IGPE); IGPP projects are overhead funded minor new construction projects of a general nature, the total cost of which may not exceed the congressionally established line item limit. This category should include all capital construction that is not direct funded. Institutional General Purpose Equipment (IGPE) is overhead funded capital equipment that is required for Laboratory wide needs. IGPE is administrative in nature, i.e. not research equipment of a general use or institutional nature that benefits multiple cost objectives. Each contractor should report cost following their DOE approved policies for IGPP/IGPE.
IC 28	<b>Organizational Management / Other</b> – Report all other overhead cost which is not identified in another cost category. This includes general organizational management activities (e.g., organizational burden pools). The amount reported in this category washes out recycled overhead (e.g., overhead cost allocated to another overhead pool). Generally the amount reported in this category will be determined by total overhead cost (based on all allocations to final cost objectives that are from overhead cost pools) less the amounts reported in all other cost categories. The resultant amount should be evaluated for reasonableness by comparing the calculated amount to organizational burden allocated to final cost objectives plus other miscellaneous overheads cost minus recycled overhead (overhead allocated to other overhead pools). Provide details of cost reported in this category if amount is greater than 25% of the Total Overhead Cost.