



**OP 80.12: DISTRIBUTION OF RECOVERED
FACILITIES AND ADMINISTRATIVE COSTS**

PURPOSE

The purpose of this policy is to define the method of distribution of facilities and administrative (F&A) costs (formerly indirect costs) recovered from grants and contracts in the Division of Research and Division of Agriculture, Forestry, and Veterinary Medicine at Mississippi State University.

POLICY

Distribution of facilities and administrative costs for grants and contracts with performance dates beginning July 1, 2023 and after until this policy should change:

Awards excluding DOD contracts/subcontracts:

- Division of Research
 - 35% Central University E&G Cost Recovery
 - 16% Central ORED Cost Recovery
 - 7% ORED (Strategic Initiative)
 - 42% Generating Unit (department, college, center, institute)
 - 100%

- Division of Agriculture, Forestry, and Veterinary Medicine
 - 4% Central University E&G Cost Recovery
 - 4% Central ORED Cost Recovery
 - 7% VP DAFVM (Strategic Initiative)
 - 43% DAFVM Dean/Director
 - 42% Generating Unit (department, college, center, institute)
 - 100%

DOD contracts/subcontracts utilizing the on-campus research rate (48%):

- Division of Research
 - 33.91% Central University E&G Cost Recovery
 - 15.50% Central ORED Cost Recovery
 - 6.78% ORED (Strategic Initiative)
 - 40.69% Generating Unit (department, college, center, institute)
 - 3.12% Research/IT Compliance & Security
 - 100.00%

- Division of Agriculture, Forestry, and Veterinary Medicine
 - 3.88% Central University E&G Cost Recovery
 - 3.88% Central ORED Cost Recovery
 - 6.78% VP DAVFM Strategic Initiative
 - 41.65% DAVFM Dean/Director
 - 40.69% Generating Unit (department, college, center, institute)
 - 3.12% Research/IT Compliance & Security
 - 100.00%

DOD contracts/subcontracts utilizing the off-campus research rate (27.5%):

- Division of Research
 - 33.09% Central University E&G Cost Recovery
 - 15.12% Central ORED Cost Recovery
 - 6.62% ORED (Strategic Initiative)
 - 39.71% Generating Unit (department, college, center, institute)
 - 5.46% Research/IT Compliance & Security
 - 100.00%
- Division of Agriculture, Forestry, and Veterinary Medicine
 - 3.78% Central University E&G Cost Recovery
 - 3.78% Central ORED Cost Recovery
 - 6.62% VP DAVFM Strategic Initiative
 - 40.65% DAVFM Dean/Director
 - 39.71% Generating Unit (department, college, center, institute)
 - 5.46% Research/IT Compliance & Security
 - 100.00%

Other Provisions

If an award involves collaboration among multiple departments justifying child accounts, the F&A for each fund will follow the distribution for the Org assigned to that fund.

It is recognized that costs associated with conducting research vary by discipline, department, and even the project. It is expected that Principal Investigators (PIs)/ receive a minimum of 5% F&A return. Deviations from this expectation must be approved by the Department Head or Director with awareness to the appropriate Dean and Vice President. It is also recommended that consideration be given to the costs incurred in respective Dean offices.

Projects Funded Through a Center or Institute as the Generating Unit

The Generating Unit share of the F&A costs shall be distributed to the center or institute. For a tenured (or tenure-track) faculty member receiving grant or contract funding

through a center or institute, the following shall apply:

- Three-fourths of the overhead returned to the generating unit (department, college, center, institute) will be retained by the lead generating unit to compensate for infrastructure and administrative costs. The remainder of the returned overhead will be distributed to the collaborating units evenly. If child funds are awarded outside the center or institute, F&A will follow the distribution for the Org assigned to the child fund and the 75/25 split no longer applies.
- In some cases units are given extraordinary overhead recovery due to special circumstances associated with that unit (e.g., computing infrastructure at the High Performance Computing Collaboratory). For a unit to merit such consideration it must have approval by the appropriate Director(s), Dean(s), and Vice President(s). In these cases, the extraordinary recovery will be collected prior to determining the final overhead distributions. This also applies to any child funds outside the center or institute.

For purposes of this policy, a tenured (or tenure-track) faculty member serving in an administrative position in a center or institute (as director, e.g.) shall be treated as an employee of the center or institute so that the departmental share of the overhead on his/her salary remains with the center or institute.

REVIEW

This policy and procedure will be reviewed every four years or as needed by the Vice President for Research and Economic Development and Vice President for Agriculture, Forestry, and Veterinary Medicine.

REVIEWED BY:

/s/ Keith Coble 8/28/2023
Vice President, Agriculture, Forestry and Veterinary Medicine Date

/s/ Julie Jordan 8/28/2023
Vice President for Research and Economic Development Date

/s/ Tracey N. Baham 8/28/2023
Associate Vice President, Institutional Strategy & Effectiveness Date

/s/ Joan Lucas 8/28/2023
General Counsel Date

APPROVED:

/s/ Mark E. Keenum 8/28/2023
President Date