



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 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

- 1. 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 EAFVM (Strategic Initiative)
43% EAFVM 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%

This policy has been superseded

- 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

Projects with collaboration among multiple departments (excluding centers and institutes) will split their portion of the F&A for the “Generating Unit” based on the credit split identified on the Internal Approval Sheet (IAS). If a collaboration establishes child accounts, the F&A will follow the distribution for that unit.

It is recognized that costs associated with conducting research vary by discipline, department, and even the project. It is expected that PIs/Co-PIs receive a minimum of 5% F&A return unless otherwise agreed upon within the department. It is also recommended that consideration be given to the costs incurred in respective Dean offices.

2. Projects funded through a center or institute as the generating unit.

The generating unit share of the facilities and administrative 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(s) (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.
- 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.

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.

This policy has been superseded

**REVIEWED BY:**

/s/ Keith Coble  
Vice President, Agriculture, Forestry and Veterinary Medicine

3/27/2023  
Date

/s/ Julie Jordan  
Vice President for Research and Economic Development

4/11/2023  
Date

/s/ Tracey N. Baham  
Associate Vice President, Institutional Strategy & Effectiveness

5/8/2023  
Date

/s/ Joan Lucas  
General Counsel

5/10/2023  
Date

**APPROVED:**

/s/ Mark E. Keenum  
President

5/22/2023  
Date

**This policy has been superseded**