

Grants Incentive (Indirect Cost Distribution)

ACADEMIC AFFAIRS

Academic

Policy Owner: Provost and Vice President for Academic Affairs

Effective date: November 12, 2023

Approval date: November 12, 2023

Schedule for Review: Spring 2030

Policy Summary:

This policy outlines how Indirect Cost Recoveries (IDC) will be distributed and how those distributions can be used.

Policy Statement:

A. All indirect Cost monies from grants, contracts, and agreements will be deposited into the College's General Fund to help defray additional costs that accrue to the College due to the activities required by the grant or contract.

B. The indirect cost distribution schedule set forth below applies only to grants that are associated with an academic entity for research, curricular development, and programmatic needs or centers. For other grant-funded programs that are not associated with an academic department and are institutional in nature (e.g. TRIO programs) all the indirect costs will remain in the general fund.

C. The College will provide funds to the appropriate academic schools and departments through a percentage distribution:

1.

- 50% General Fund
- 15% Dean/Chair
- 15% Principal Investigator
- 20% OSPR

D. In situations where grant funded projects may involve collaboration between multiple principle investigators from more than one department or school, arrangements can be made for distributions to be split among collaborating entities, not to exceed the amounts specified in Section I.C. Any such arrangement must be reviewed and approved by the Office of Sponsored Programs and Research to ensure proper set up of grant budgets and IDC distributions prior to expending funds.

E. Centers are eligible to receive a 50% distribution of any indirect costs associated with their grants or contracts.

F. Some examples of how this money may be utilized are for items such as travel, supplies, and matching funds for grant proposals if allowed by the sponsor. These funds cannot be utilized for faculty or Principal Investigator salary or stipends.

G. This policy will be reviewed annually for fiscal compatibility with the institution.

Reason for Policy

To clarify how indirect cost recovery funds will be disbursed and to establish a grants incentive to encourage Fort Lewis College faculty and staff to engage in sponsored research activities.

Responsibilities:

For oversight of the policy: President

For procedures for implementing policy: Senior Accountant in the Controller's Office, Director of Sponsored Programs and Research, Associate VP for Finance and Administration

For enforcement of the policy: Office of Sponsored Research and Federal Relations, Associate Vice President for Finance and Administration, Deans, Provost & VP Academic Affairs

For following the policy: All Principal Investigators/ Project Directors, Budget Office, Office of Sponsored Programs and Research

Definitions:

Centers: Units or enterprises affiliated with the College engaged in academic research and/or community enrichment/development activities that are deemed responsible for raising their own operating funds.

Indirect Costs: Also known as overhead, F & A, facilities and administration costs. Indirect costs are a percentage of the total proposed direct costs of a grant budget or a percentage of salaries and benefits of a grant budget used to reimburse the institution for costs it incurs in running and housing the grant program. Indirect costs are those not directly associated with the grant proposal, such as the cost of facilities and utilities (heat, electricity, office space), audit, legal, accounting, and other institutional costs that are needed to successfully conduct the grant program. Indirect costs are incurred for common or joint objectives and cannot be easily and specifically identified with a particular sponsored project, an instructional activity, or any institutional activity.

Principal Investigator (PI): The primary individual responsible for the preparation, conduct, and administration of a research grant, cooperative agreement, training or public service project, contract, or other Sponsored Project in compliance with applicable laws and regulations and institutional policy governing the conduct of sponsored research.

Cross-Referenced Policies:

2 CFR 200 https://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl, sponsor specific regulations,

12-1: Grant Application Process,

12-2: Sponsored Grants & Contracts Budgeting/Accounting/Reporting,

12-5: Cost Sharing Requirements (Cash or In-Kind Matching) for Sponsored Research Projects

Consequences of Non-Compliance:

Loss of IDC returns.

Review and Revision History: