

## Indirect Costs (F&A) Procedure, College of Science, Engineering and Technology

### Principles for the use of Recovered Facilities and Administrative costs:

Current Minnesota State University Mankato [policy](#) returns between 40-50% of recovered Facilities and Administrative costs (F&A), informally called “indirects” or “indirect costs,” to the college that generates the F&A. Of the portion of F&A not returned to colleges, the University supports:

- Research and Sponsored Programs (RASP) pre-award and post-award functions and staffing;
- Library Services for research support and resources;
- Finance and Administration for post-award support.

This distribution formula and policy is further explained on the RASP office [Indirect Costs webpage](#). The College of Science, Engineering and Technology’s goal and purpose of recovering F&A funds is to reinvest in the college’s research environment and enhance our research capabilities. The College therefore further distributes its portion of F&A as follows (see “Use of Funds” section of university [policy](#) for allowable expenditures for such funds):

- 40% to the Principal Investigator/Project Director (PI/PD) of the project generating the funds.
- 60% of the funds will be available at the Dean's discretion with the following priority areas:
  - Incentive funds to encourage development of proposals for external funding.
  - Matching funds for proposals/awards that generate F&A.
  - Faculty and student travel for dissemination of research results.
  - Collaborative interdisciplinary research efforts that advance the CSET research priorities and student research opportunities.
  - Equipment repair and other unexpected costs associated with research activities.
  - Software costs associated with research and in support of enhancing our capabilities.
  - Reimbursement to units for approved communications and supply costs directly related to awards that generated F&A.

In most cases, and whenever possible, PIs requesting use of funds from the college portion of F&A should do so in the planning stages of the grant and prior to submitting the [CAEFP](#). Experienced researchers should plan, as permitted by the funding agency, to fund any release time for grant activities within the grant budget or using the PI portion of indirects. Additionally, PIs seeking a variance or waiver to the university’s indirect rates should observe [policy](#) (see “Policy on Variances or Waiver of F&A Costs” section) and [procedures](#) (see “Scenarios” section) outlined at the RASP website and consult with the Dean prior to submission of the [CAEFP](#).

The Director of College Operations, College of Science, Engineering and Technology, will work with awardees on the allocation, monitoring, use and reporting of their portion of the distribution of F&A funds<sup>1</sup>. For more information or questions, please contact the Dean’s Office.

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<sup>1</sup> In general, F&A funds do not carry forward and therefore must be used in the fiscal year in which they are awarded.