Lyman Briggs College Policy on Indirect Cost Return (IDC)
Effective June 18, 2009
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In order to accommodate changes in the way MSU is handling indirect costs (IDC) on research grants and in order to simplify the process here in the college, here is how Lyman Briggs College will be handling new overhead-bearing grants from now on.

Background:
Roughly speaking, the university keeps 80% of IDC and splits 10% among participating colleges and 10% among participating departments. A small fraction of IDC is given to the single department that handles the bookkeeping for the grant. Departments often split a share of their IDC return with faculty; colleges usually do not. Since LBC is a non-departmentally organized college, LBC receives a 10% share as a college [MAU code 28] and another 10% share as a department [CUC code 28546]. LBC splits both of these pieces with the PI's in order to support faculty research participation. Details of the IDC split, bookkeeping assignment, and any cost-sharing are on the grant's transmittal sheet, kept electronically at Contracts & Grants Administration (CGA; http://www.cga.msu.edu/)

LBC Process
For each overhead-bearing grant **awarded on or after April 1, 2009**, the IDC funds returned to LBC by the university will be apportioned as follows:

1. Any IDC funds provided to LBC specifically for bookkeeping remain with the college to cover pre-award and post-award accounting costs.
2. For the majority of grants that requires no cost-sharing, the remaining IDC funds coming to LBC, whether at the 'department' or 'college' level will be divided into two equal shares. One share goes to LBC to support the research program of the college. The other share is put into an account to support the research of the grant's PI's and coPI's who are members of LBC; the sub-split among these individuals shall be determined jointly by them.
3. For the few grants that require cost-sharing from LBC, the amount to be split between the college and PI's as in item 2 above will be the difference between the (non-bookkeeping) IDC coming to LBC from the university and the cost-share required for that grant. For example, suppose that LBC agrees to provide $8k/year of matching funds for a grant-funded project, the same grant brings LBC $11k/year of IDC funds, and another unit is doing the bookkeeping; LBC will split the residual $3k/year into two equal shares, one for the college and one for the PIs.