

LOUISIANA STATE UNIVERSITY AGRICULTURAL CENTER

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Facilities and Administrative Cost Funds

Purpose

To establish a policy on the distribution of Facilities and Administrative Costs (F&A formally known as indirect costs) recovered from restricted accounts (sponsored agreements).

1. F&A Funds and Purpose

In the submittal of budgets for grants, included are the costs for anticipated direct costs including faculty and staff efforts, research/graduate assistant costs, supplies, travel, and other known costs tied directly to the completion in the requirements of the sponsored agreement.

In addition to these costs, there are supplementary costs that while flexible or unknown, are incurred by the institution, researcher, and corresponding team. These costs include utilities, building/lab services and maintenance, equipment service and maintenance, computing services and security, Sponsored Programs, and administrative functions for management of personnel and the grant(s) and other operating costs.

The allowance to collect F&A on each project provides a mechanism for the AgCenter to recover a closer representation of the actual costs of an individual sponsored project, taking all aspects and functions into consideration.

2. Expenditure and Use of Fund Balances by Departments, Region or Faculty

Funds distributed from sponsored agreements for F&A to Faculty, Departments and/or Regions are intended to be used for general expenditures allowable with public funds and in accordance with University policies and procedure. The intention is to support or stimulate research and/or extension activities and support these functions. This includes but is not limited to the purchase of computers, scientific equipment, specialty software, subscriptions to services, maintenance or repairs of facilities and equipment, upgrades of technology for connectivity, salary support (contractual employees) and other operating costs.

3. Availability of Funds

Fund balances are updated and available through unit administrators.

4. General Policy

The F&A recovered for each grant will be distributed in accordance with the following formula.

Distribution Formula:

- 25% to the PI's account
- 25% to the PI's Department or Region account
- 50% to a "Pool" account to be used and distributed at the discretion of the Vice President for Agriculture

These amounts will be transferred into restricted accounts within the PI's Unit.

Procedure

1. The rebate given in September of each year will be based on the appropriate percentage times the actual F&A charged to restricted accounts during the previous fiscal year. For example, the amount rebated in September of any given year will be based on the F&A recovered during the period of July 1 through June 30 of the previous fiscal year.
2. These rebates must be used to support or stimulate the research and/or extension activities of the PI (Principal Investigator) and Unit.
3. Pooled funds will be distributed at the discretion of the Vice President for Agriculture and possible uses will be internal grant programs, special initiatives, equipment grants, travel, etc. These funds must be used in accordance with university policies and procedures. Any unspent funds will carry forward each year.