1.0 BACKGROUND AND PURPOSE

This policy uses the term “IDC”, or indirect cost, to refer to “F&A Cost”, or the facilities and administration costs that are negotiated by our cognizant agency, Office of Naval Research (ONR). The IDC portion of the research budget is the means to recover the indirect costs that are incurred by the university in order to operate the research mission; research administration (accounting, management, etc.), research facilities, and other infrastructure and operational costs.

In order to encourage growth in the research enterprise, Mines returns the Department Administration (DA), Equipment Depreciation and other portions of IDC (referred to as ICR) for research projects that collect the full IDC rate (fed or industry rate) in effect at the time the proposal was submitted. The IDC Return Policy is formulated to provide consistency in the percentage distribution of the IDC to the operating units.

2.0 POLICY

The ICR on all fully over-headed projects is distributed as follows:

- For non-center projects: 14.69% of IDC on government projects/16.29% on non-government projects will be split (50%/50%) between the Principal Investigators and Department Head

- To qualified ICR Center projects: (please see the Center Policy for information on how to quality as an ICR Center): 14.69% of IDC on government projects/16.29% on non-government projects will be returned to the Center Director to be distributed according to Center policies

- 4% of IDC will be returned to the College Dean for research support and development

- For all awards: 5.53% of IDC for government projects/4.64% of IDC for non-government will be returned to the VPRTT for major research instrumentation

- For all awards: 4% of IDC will be returned to the VPRTT for development of research initiatives

The ICR percentages above for Center/Department and Equipment Depreciation return will change when a new ONR analysis is done.

The ICR that is distributed to a Center Director or Department Head cannot be transferred to a faculty member's Professional Development account.