Indirect Cost Recovery (ICR) Distribution Policy

Responsible College Officer: Dean
Policy Contact: CDes Finance Director

POLICY STATEMENT
Principal Investigators (PI) are responsible for including Facilities and Administrative (F&A or indirect) costs in proposals for sponsored projects funded by external entities unless an exception has been approved in advance. Indirect Cost Recovery (ICR) generated by F&A rates applied to external funds is shared by the College of Design with the unit(s) contributing to the work of the sponsored project. Units may then decide whether any proportion of the ICR they receive will be shared with the PI(s).

REASON FOR POLICY
To provide an incentive for unit heads/directors to encourage faculty and research staff to apply for sponsored project funding that allows for maximum F&A rates.

PROCEDURES
As ICR is generated by sponsored project activities, ICR is transferred to the College of Design on a quarterly basis. The College of Design will then forward 50% of the ICR to the collegiate unit in which the ICR is generated. It is the responsibility of the unit head/director to establish their unit’s policy for sharing or not sharing a proportion of their 50% ICR with PIs in their units and communicating their policy to the CDes Director of Finance.

FORMS/INSTRUCTIONS
There is no form for this College of Design policy.

DEFINITIONS
Collegiate unit
College of Design academic school or department, research and/or outreach center.

RELATED INFORMATION
- UM Policy for Charging of Facilities and Administrative/Indirect Costs to Sponsored Projects
  http://policy.umn.edu/research/cost

HISTORY
Summer 2010 – College of Design Policy for ICR was adopted.
September 2015 – The College policy was reviewed and revised.