

CSU EXTENSION INDIRECT COST SHARING POLICY

ALL INDIRECT COSTS RETURNED TO EXTENSION FROM CSU CENTRAL

In an effort to promote grant funded activities and both invest in and incentivize Principle Investigators, Extension will return the portion of indirect funding that comes back to the unit after funding pre-award (grant proposal preparation) activities. These pre-award activities include a portion of salary & benefits for 2 pre-award support staff who assist Extension with all grant submission. The Vice President for Engagement's Office does not retain any portion of these funds.

Please note: Indirect cost dollars returned to PI's DO carryover from year to year and are not swept.

Method:

- A projection of pre-award funding support required will be done spring each year during the budget preparation period = TOTAL PRE-AWARD FUNDS REQUIRED.
- A projection of anticipated indirect costs will be made based on prior year's funding and knowledge of ongoing grants = TOTAL ANTICIPATED INDIRECT COSTS.
- Total anticipated indirect costs will be divided by the total pre-award funds required. This will be the % of withholding by Extension to fund pre-award support.
- The remainder of the indirect dollars returned to Ext. will be available to each PI to spend.

EXAMPLE ONLY:

Pre-Award Coverage Withholding:

TOTAL ANTICIPATED INDIRECT COSTS: Total est. grant indirect return to Ext. (based on prior years and knowledge of current grants)

\$175,000 – est. return. Divided by the total est. pre-award costs (\$26,500) = 15%

PI Return Calculation:

Grant Indirect Charges on PI's grants for the prior year – \$25,000

% Returned to Ext. = $\$25,000 \times .325$ (32.5% current percentage returned from VPR Office) = \$8,125

Less % withholding to fund pre-award = $\$8,125 \times .15$ (15%) = \$1,218.75

EXAMPLE Return to PI = \$6,906.25