Murray State University
Indirect Cost Formula for Awarded Grants
New Formula to Establish
Principal Investigator (P.I.) Benefit Fund

The P.I. Benefit Account will be administered by allowing the P.I. to have direct access to 12.5% of the indirect cost generated by the awarded grant. An account will be created for each P.I. by the Office of Accounting with funds placed on deposit quarterly (as is presently done with other accounts).

Approved usages of the P.I. Benefit Fund include:

**Faculty Members:**
- Cost share for a future grant
- Student worker, graduate assistant, or part-time (temp) administrative assistant (if sufficient funds are generated)
  *Note: If the administrative assistant is a current staff member, the employee cannot be paid for more than 2.5 hours per week at their normal hourly rate.
- Materials, technology, and supplies for scholarly research or grant development
- Travel related to scholarly research or grant development
- Release time for a course during the life of the grant (if sufficient funds are generated)

**Staff Members:**
- Cost share for a future grant
- Student worker, graduate assistant, or part-time (temp) administrative assistant (if sufficient funds are generated)
  *Note: If the administrative assistant is a current staff member, the employee cannot be paid for more than 2.5 hours per week at their normal hourly rate.
- Materials, technology, and supplies related specifically to current grant activities
- Travel related to the grant under management or for purposes of grant renewal or similar grant obtainment.

**Prohibited Uses of P.I. Benefit Funds for Faculty and Staff:**
- Sponsorships
- Food (except travel reimbursement)
- Professional liability annual dues
- Professional association dues
- Faculty salary stipends for any faculty member associated with the grant

*The fund usage will follow current MSU protocol of discretionary spending guidelines, travel regulations, purchasing card spending guidelines and other procurement policies and procedures. Each Vice President, Dean, and Chair must approve the usage of the funds, as is normally the case.

**Carry-forwards:**
Carry-forwards on the P.I. Benefit Accounts will be treated as automatic carry-forwards. This would allow the PI’s to have the access to their account funds between July 1 and when CF’s are released each year.