General Information Concerning Contracts

- **All** contracts – meaning, the County or other entity wishes to use its own language or document – require CGA review/approval, regardless of amount.
- Grants and contracts are subject to overhead assessment. There are a number of rates, exemptions, etc. Please check with your Institute’s fiscal officer.
- **If Services Agreement is over $5,000**, CGA review/approval is necessary. (See Cost Recovery Process on the Business Office website for additional details. [http://od.msue.msu.edu/business_office/forms](http://od.msue.msu.edu/business_office/forms))

Source of funds Flow Chart

I. If funds are coming from the County – including if the County is acting as the pass-through of funds from another source – the MSUE District Coordinator is responsible for oversight and implementation.

II. If Michigan Exempt Organization, follow 1
   a. First verify that organization exists on AgBioResearch web site: [http://agbioresearch.msu.edu/indirectcosts.html](http://agbioresearch.msu.edu/indirectcosts.html)
   b. If the Organization does not exist on the AgBioResearch site, contact Dr. Lovejoy
   c. If the Organization exists, follow OSP eTransmittal: [https://www.osp.msu.edu/](https://www.osp.msu.edu/) (select Proposal from left-hand menu and select New eTransmittal)

III. If 4-H Council, follow 2

1. Michigan Exempt Organizations (see listing on AgBioResarch website – link above)
   a. Treated as a research/special project
   b. Must come in with project scope/responsibilities and budget
   c. Would be set up as a special research/project account within appropriate MSUE Institute
   d. Requires e-transmittal (link above)
   e. No Facilities and Administration (F&A) fee and no 2% administrative fee
   f. If the Michigan Exempt Organization’s funds are from another organization that is subject to F&A, MSU will expect the payment of F&A.
   g. If the Michigan Exempt Organization receives overhead on funds received from another organization, MSU will expect F&A from your grant/contract as indicated by MSU policy.

2. When money is available from a 4-H Council
   a. Non service fee, gift
   b. Cannot be for a specific deliverable
   c. Money will be in-and-out
   d. See template for the gift letter; gift letter includes a broad statement for the intent of the gift
   e. Money will come in and be placed a unique sub account under that county’s gift account, so that it can be charged accordingly for all fees (salary, fringe, operating, etc.)
   f. Appropriate Educator oversees expenses related to that gift, tracking balance and expenses
   g. An estimate of what the gift amount can cover (i.e. pay, fringe, etc.) will be used to determine the length of service, if it’s to cover an individual(s)

3. Services Agreements – see Cost Recovery Distribution/Service Agreements