

A Proposal to Modify F&A Recovery Distribution

The following individuals were asked to review the original proposal to change the allocation of Facilities & Administrative (F&A) cost recoveries from sponsored programs:

- ❖ Dr. Pamela Ashmore, Professor & Dept. Head, Sociology, Anthropology & Geography
- ❖ Dr. Ahmed Eltom, Professor & Department Head, Electrical Engineering
- ❖ Tyler Forrest, Director of Budget & Finance, Business & Financial Affairs
- ❖ Deborah Hyde, Director of Business Operations, Academic Affairs
- ❖ Dr. Christine Smith, Associate Professor & Department Head, Nursing
- ❖ Dr. John Tucker, Professor & Department Head, Biology & Environmental Science

This team recommends the following phased-in redistribution of the F&A cost recoveries with the primary goal of stimulating additional research activity on campus:

Area	Current Distribution	Average over 5 years	Year 1 Change	Impact of Year 1 Change	Year 2 Change	Impact of Year 2 Change	Year 3 Change	Impact of Year 3 Change
Institution	50%	\$ 484,018	45%	\$ 410,382	40%	\$ 364,784	35%	\$ 319,186
Departments	40%	\$ 367,223	35%	\$ 319,186	30%	\$ 273,588	30%	\$ 273,588
Colleges	5%	\$ 28,737	5%	\$ 45,598	10%	\$ 91,196	15%	\$ 136,794
OPSP	5%	\$ 31,982	15%	\$ 136,794	20%	\$ 182,392	20%	\$ 182,392
Total	100%	\$911,960	100%	\$911,960	100%	\$ 911,960	100%	\$ 911,960

The team recommends that this distribution begin July 1st, 2015 and be applied to all new grants awarded on or after this date. The percentage distributions will change on July 1st, 2016 and July 1st, 2017 as outlined in the chart above. Grants funded prior to July 1, 2015 would have F&A distributed according to our current model noted above.”

The team also recommends the following guidelines for the use of these distributed funds:

- Of the amount returned to the departments, 85% should be made available for use by the PI(s) generating the F&A with 15% available for use by the department.
- The funds distributed to the colleges should be used to directly support research activities, including but not limited to research GAs, equipment, computer hardware and software, conference support, new faculty start-up funding and the like.
- F&A funds unspent at the end of the year are available for carry-over into the next fiscal year. PI(s) should submit plans to their dept. head requesting carry-over of these funds for defined research support activities. Unused funds lacking an approved plan will be carried over to the college.

While this proposal changes the way F&As are distributed to the general fund and to departments and colleges, these changes will support strategic reinvestments in building the capacity to successfully attract external funding. As awards to the institution (and thus F&A recoveries) increase over time, the entire institution will benefit.