

September 30, 2009

TO: Arts & Sciences Chairs and Directors

FROM: David Manderscheid, Dean *David Manderscheid*

SUBJECT: New College Facilities and Administrative (F&A) Return Allocation Policy

The College of Arts & Sciences has reviewed its policy for allocating F&A return to units. The goal of this review was to identify how the College could more strategically align its current F&A funded activities with the F&A return allocations to units. The College utilizes F&A return to support start-up for new faculty, as cash match for grants, and to support and incentivize research growth within the College.

Our review included evaluating: 1) the types of items the College and units are spending F&A return on, 2) year-end balances in F&A accounts over the past 2 years, 3) the amount of F&A allocated to units over the past two years, and 4) listings of commitments from units with large F&A balances. As a result of this analysis, the College will change its current F&A allocation from 2/3 returned to units, 1/3 held at the College to a 50/50 split. The attached policy formalizes this change.

We recognize that several of you forecast your anticipated F&A return based on your grant funds received last fiscal year, and may have outstanding commitments based upon these forecasts. The Dean's office will be sensitive to your needs to meet your commitments during our transition to the new formula, and will consider requests for assistance from you during this transition. Our hope is that this change will enable us to meet the strategic priorities of the College while continuing to assist units in pursuit of their research agendas. We encourage units' continued efforts in identifying and responding to external funding opportunities. With this new policy the College will be greater able to help strategically in these endeavors.

Attachments: CAS F&A Policy (updated September 2009)

College of Arts and Sciences F & A (Indirect Cost) Return Policy (updated September 2009)

The College of Arts and Sciences encourages faculty to obtain funding to support their research, educational or service activities from sources outside of the University. The College typically recovers roughly thirty percent of the Facilities and Administrative (F&A) costs generated by sponsored projects from the Vice Chancellor for Research. The College of Arts and Sciences shares with units the recovery of F&A returned to the College. Distributions of F&A are allocated into separate accounts relative to the grant funds received by those units. The following formula will be used when determining allocations:

- Units will receive 50% of the amount recovered by the College that is directly attributed to their PIs' sponsored projects that earmark F&A return to the College of Arts and Sciences.
- The College of Arts and Sciences will retain the remaining 50% of F&A return. The College intends to use its retained portion to address research initiatives and priorities throughout the College. Examples include: start-up for new hires, incentivizing new research collaborations, required cost share for external funding proposals, enhancing research facilities, and development opportunities for research faculty.