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Policy on Distribution of Indirect Cost Recovery Funds and the Operation of Centers

(Approved by SOS Chairs Council on June 26, 2013; Effective Date: July 1, 2013; Updated: March 12, 2019)

At the closing of each quarter during the fiscal year, the school's fiscal officer shall provide a report on indirect cost recovery or F & A funds returned to the School of Science (SOS). These funds, referred to hereafter as "ICR", will be distributed as follows:

Payouts to Principal Investigators and Centers

- Ten percent (10%) of the ICR from each grant that is returned to the School will be distributed directly to the principal investigator (PI)/co-PI to provide additional support for the PI's/co-PI's research. In the case of a PI/co-PI whose grants provide less than two months of summer salary support each year, these funds may also be used to supplement the PI's/co-PI's summer salary up to a level equivalent to 20% of the PI's/co-PI's annual academic salary for the duration of that grant.
- In the event that the ICR is generated by a "Center grant", 10% of the ICR will be returned directly to the Center to provide additional support for the center's activities. A "Center grant" is defined as either a grant/contract awarded to a group of investigators who, at the time of proposal submission, were acting collectively to further the goals of a campus- or Dean-sanctioned Research Center or Institute, such as a Signature Center, or a grant/contract that supports Center infrastructure or programs. Designation of a proposal as a Center grant must occur at the time of submission and must be approved by the Dean's office.
- ICR payouts to PIs and centers will be disbursed *in arrear* quarterly.

Splitting of ICR between departments and schools

- For grant proposals involving faculty housed in multiple schools or departments, campus policy states that ICR should flow with research expenditures. It is essential that proper documentation of proposed ICR sharing occur at the time of proposal submission. It is the responsibility of the investigators to agree on direct and indirect cost sharing at the proposal stage via email, which will be added to the Notes section of the proposal routing document. This should occur whether the SOS participant is PI, co-PI, co-investigator, or key personnel on the proposal.



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- Similarly, the desired ICR distribution between faculty collaborators within a department should be defined at the time of proposal submission.
- For proposals where the SOS investigator is not the PI, the SOS Research Office adds the following note on the proposal route sheet: *“The School of Science expects indirect costs from all direct cost expenses associated with our part of this project. In the event that an award is made, the School of Science requests a separate account to track direct and indirect costs”*. The agreed upon ICR split should also be indicated on the effort split page of the routing document.
- The person preparing the route sheet also needs to add non-PI participants to the Key Person tab on the route sheet and also add those person’s department(s) to the Proposal tab. This action ensures the SOS home department has the opportunity to review and approve the routing sheet before the application is submitted to the funding agency.

Payouts to SOS Dean’s Account and Departments

- An amount equivalent to 70% of the ICR generated by a department grant (60% for a “Center grant”) will be held by the SOS. These funds will be invested in the overall research enterprise in the School.
- The remaining 20% of grant ICR will be returned to the department(s) where the grant originated and where the work was done. This distribution must be defined at the time of submission if investigators from more than one department are involved. In cases where the work proposed on a “Center grant” would be done in non-department space and would not utilize other department resources, the 10% Center - 20% department split may be renegotiated prior to submission.
- ICR payouts to departments will be disbursed *in arrear* semi-annually.

Departmental and Center Use of ICR

- ICR returned to the department and the Center may be carried forward from year to year, but may not be used to pay faculty salary at any time. Each department and Center shall develop its own policy for the use of its share of ICR. Permitted departmental use of ICR includes:
 - Funding for post-docs, graduate students, and research support staff;
 - Additional research support for faculty with external funding;
 - Repair or replacement of core research equipment critical to external funding;
 - Funding of pilot projects intended to lead to external grant applications;
 - Bridge research funding to prepare for competitive grant renewals;
 - Funding to change or expand instructional or research direction that will lead to external grant applications;



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- The maintenance of “Center” equipment, which may require the pooling of ICR resources from two or more departments or centers.

Centers and Center Grants

The Dean of the School will make the final determination as to whether a group of faculty constitute a Center.

The Dean of the School will also determine whether a grant proposal is an individual (department) grant or a “Center grant” – this determination will be made before submission of the proposal. The Associate Dean for Research & Graduate Education must first review all grants submitted through a Center.

Center Budgeting

The primary income sources for Center use are lines in grant and contract budgets identified for Center use and ICR generated from Center grants/contracts. Additional resources may come from campus entities and the School.

The routine operation of a Center budget will be the responsibility of the Center Director and will be overseen by the Associate Dean for Research & Graduate Education. The Director will prepare an Annual Budget report.

Center Directors may include in “Center grants” up to 32.5% of 10-month academic year base salary for summer pay, and funds to support an administrative supplement of up to 20% of the 10-month academic year salary.