

Policy on Return of Facilities & Administrative Costs to Colleges and Divisions

PURPOSE

The purpose of this policy is to describe the return of Facilities & Administrative (F&A) costs (formerly known as “indirect costs” or “overhead costs”) to colleges/divisions.

POLICY

The Office of Research will allocate F&A return to various Campus Units based proportionately on their F&A costs recovered in the previous fiscal year:

- i. For most individual or multi-investigator grants, the funds will be distributed to the appropriate College/Division as indicated on the *New Proposal Form* in ([NUgrant](#)). The dean/director’s office will, at its discretion, provide the departments and/or centers a percentage of those funds. It is anticipated that these funds will be used strategically for research initiatives, faculty start-ups, bridge funding, required cost share, and also to provide the necessary administrative support for research projects and compliance.
- ii. For those individual or multi-investigator grants proposed through a designated UNL Center or Initiative (as approved in writing by the Vice Chancellor for Research), sixty (60) percent of the funds will be distributed to the College/Division, twenty (20) percent to the Center/Initiative, and twenty (20) percent to the Department. This is effective for proposals submitted after January 1, 2002.
- iii. For “Large Research Initiatives” (fully-competitive, full F&A-bearing grants, often referred to by agencies as Center or Major Program grants), seventy (70) percent of the funds will be distributed to the Center and thirty (30) percent will be distributed to the College/Division. These initiatives must be approved in advance by the Vice Chancellor for Research prior to proposal submission and usually include projects for three or more years with budgets in excess of \$1 million/year.

In an effort to encourage investigators and investigative teams to propose large projects, the Chancellor and Vice Chancellor for Research will return an additional five percent (in total) of the recovered F&A costs to investigators for those competitive, full F&A-bearing grants with total costs of \$1,000,000 or more per year. The five percent incentive will be based on the net distribution of F&A return.

This policy will be reviewed periodically by the Office of Research to determine its continuing effectiveness in strengthening the growth of research at UNL. Questions about this policy should be directed to the Office of the Vice Chancellor for Research (402-472-0735 or UNLresearch@unl.edu).