



## **NORTH CAROLINA AGRICULTURAL AND TECHNICAL STATE UNIVERSITY**

SEC. V – Sponsored Research 1.0

### **ALLOCATION OF FACILITY AND ADMINISTRATIVE (F&A) RECEIPTS**

#### **UNIVERSITY POLICY**

##### **I. PURPOSE**

The growth in the University's research productivity, along with the expansion of graduate programs has driven increases in facility and administrative (F&A) receipts. To further encourage and reward Principal Investigators, Co-Investigators, Project Directors, Departments, Centers/Institutes, and Schools/Colleges and Administrative Units, the University tracks the contributions of all investigators that contribute significantly to completion of sponsored programs. The contributions of all significant investigators shall be used to determine allocation of F&A receipts. When personnel from different units make a substantial scholarly contribution to a funded project, the contributing investigators and their academic units shall be rewarded with F&A funding reflective of their effort. Use of these F&A funds must relate directly to stimulating increases in sponsored programs and must be consistent with the expenditure rules and regulations of the State Budget Manual.

##### **II. SCOPE OF POLICY**

- A. This policy provides a systematic and equitable set of procedures to allocate

F&A receipts to Principal Investigators/Project Directors, Co-Investigators, Centers/Institutes, Departments, Schools/Colleges and Administrative Units as a financial incentive for increased research productivity and increased multidisciplinary and interdisciplinary collaboration. The allocation will be based on total receipts for the prior fiscal year (July 1 - June 30).

- B. Eligible Entities:** F&A receipts will be allocated to any Principal Investigator (PI) or Project Director, Co-Investigator (Co-I) and/or their respective affiliated Department, Center/Institute, School/College, and Administrative Unit for projects that generated funds into the F&A Receipts Budget.

### **III. F&A RECEIPTS**

**A. Distribution of F&A Receipts:**

1. Eighty percent (80%) of F&A receipts will be allocated to administrative units as designated by the Vice Chancellor for Research and Economic Development and the Vice Chancellor for Business and Finance. Within that allocation a fund will be created to support research project initiation and startup funds to be administered by the Vice Chancellor for Research. This fund shall equal two percent (2%) of the total F&A receipts.
2. The remaining funds, as monitored by the Budget Office, will be allocated to PIs, Co-Is, Colleges/Schools, Departments, Centers/Institutes and Administrative Units. This amount will equal twenty percent (20%) and is hereafter referred to as the residual funds. The Vice Chancellor for Research and Economic Development is responsible for monitoring this allocation.
3. Fifty percent (50%) of the residual funds will be allocated to the Colleges/Schools associated with the PIs and Co-Is.
4. For sponsored program activities generated by PIs and Co-Is through participation in a Center or Institute twenty five percent (25%) of the residual funds will be allocated to the University-approved Center or Institute and twenty five percent (25%) to the PIs and Co-Is
5. In cases where the PIs and Co-Is are not participating in a Center or Institute, twenty five percent (25%) will go to the PIs and twenty five percent (25%) will go to the Department.

**B. Criteria for Sharing F&A for Collaborative Research:**

1. If either of the following criteria is met then F&A distribution will be made to each applicable unit represented by the PIs and Co-Is:
  - Award has more than one PI

- Award has a PI and at least one Co-I who will contribute at least 10% effort to execution of the award.
2. At the time of proposal submission, the PIs and Co-Is will determine the level of their participation that aligns closely with the expected 10% or greater effort in RAMSeS. The total percentage of effort must be equal to 100%.
  3. In cases where the participants or scope changes substantially between proposal submittal and award the listed PIs and Co-Is and their level of effort shall be updated to match the approved productivity. Similarly, substantial changes during the execution of sponsored programs shall result in updates to the roster of investigators and their levels of effort.
  4. Each PI and Co-I(s) and their respective Colleges/Schools, Departments, Centers/Institutes, or Administrative units will receive a percentage of allocated F&A equal to the percentage of their project contribution as defined by the Distribution Formula.
- C. Allowable Expenditures:** Expenditures will be governed by the policies and procedures of the Office of State Budget, UNC System Office and the University.
- D. Permanent Research Support Positions:** Permanent research support positions may be established by Departments, Centers/Institutes, Schools/Colleges and Administrative Units that have generated at least \$250,000 of F&A receipts annually over a consecutive five-year period. The same revenue level must be maintained to justify continued funding for the position from F&A receipts. Schools/Colleges and administrative units are allowed to share research support positions or create part-time positions if the revenue level does not justify creation of full-time support positions.

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Approved by the Board of Trustees

Date Revision is Effective: Upon approval

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