



June 12, 2023

Memorandum for UCCS Faculty and Staff

FROM: Venkat Reddy, Chancellor

SUBJECT: Executive Directive for Distribution of Facilities and Administrative (F&A) Recovery from Externally Sponsored Programs

INTRODUCTION: Per authority derived from UCCS Policy 100-001 Campus Policy Process, para. II.I, this executive directive provides the campus community with an interim policy for distribution of facilities and administrative (F&A) recovery from externally sponsored programs to align with the transition away from the budget allocation model (BAM) to the new redesigned budget. An [FAQ](#) about this executive directive is available on the Office of the Provost's website.

EXECUTIVE DIRECTIVE:

The F&A rate at UCCS is the mechanism used to reimburse the university for the infrastructure support costs associated with sponsored research and other sponsored projects. It is calculated as a percentage of overhead associated with, and allocable to, sponsored research and other activities. F&A cost recovery is a reimbursement to the university for past expenditures.

This directive shall remain effective until rescinded by the chancellor and/or replaced by a superseding campus policy. This executive directive was developed in consultation with the provost, the associate vice chancellor for research, the deans of the colleges and library, the vice chancellor for administration and finance, the budget office, and the UCCS legal office.

I. Purpose

The primary purpose of *F&A* recoveries is to invest in the development and maintenance of an infrastructure for research and sponsored programs including, but not limited to:

- A. Operational costs in the Office of Research and the Offices of Sponsored Programs and Research Integrity.
- B. Adequate personnel in support of sponsored research and other sponsored projects, including financial, administrative, technical, security, maintenance, and janitorial staff.
- C. Library and research facilities.
- D. Utilities - ventilation, heat, air conditioning, water, and lighting.
- E. Secure data storage, telecommunications, and high-speed internet.
- F. Costs of regulatory compliance, such as human subject review boards and export controls.
- G. Technology transfer and patent costs.
- H. Funding required for cost sharing associated with participation in some federal programs.
- I. Funding to support faculty and student engagement in research, and otherwise support the university research mission.
- J. Resources for performing sponsored activities and attracting sponsored awards.

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II. Principles

- A. *F&A* recovery funds are not restricted funds and, therefore, are allocated at the discretion of the campus to support research activities.
- B. All funds must be expended in conformance with state and federal law, the laws and policies of the Board of Regents, and university administrative policies.
- C. Unless there are special circumstances, receiving *F&A* recovery funds should not justify a reduction or elimination of other resources normally allocated to the unit.

III. Standard F&A Recovery Funds Distribution

- A. 55% of the total *F&A* recovered will be distributed to the college, school, center, or institute that attracted the sponsored award and performed the work. The college, school, center, or institute assumes 20% of technology transfer costs and 100% of any cost-share matching requirements.
 - 1. A grant submission which crosses school, college, center, or institute boundaries requires a pre-negotiated distribution.
 - 2. Each school, college, center, and institute is responsible for having a written statement outlining its internal percent distribution of its allocation. This statement must be on file in the Office of Sponsored Programs. The statement will be consistent with the infrastructure objectives noted in the introduction. In the absence of a written statement, the *F&A* recovered will be distributed to the executive vice chancellor for academic affairs
- B. 10% of the total *F&A* recovered will be distributed to the VCAF's organization. The VCAF assumes 80% of technology transfer costs.
- C. 4% of the total *F&A* recovered will be distributed to the executive vice chancellor for academic affairs.
- D. 17% of the total *F&A* recovered will be distributed to the Office of Research.
- E. 6% of the total *F&A* recovered will be distributed to the Graduate School.
- F. 8% of the total *F&A* recovered will be distributed to the Library.

IV. Exceptions

Exceptions to the standard distribution of *F&A* recovery may occur in the following situations:

- A. To be consistent with the approved charter of a center or institute.
- B. If the campus is not in a sound fiscal position, the funds must first be available to provide a balanced campus performance in a given fiscal year.
- C. When agreements have been negotiated and approved in writing by all affected parties, prior to the submission of a proposal for external funding.
- D. When a reduction in the *F&A* rate was approved and the *F&A* distribution to the generating unit was reduced (see UCCS [policy 900-002](#)).
- E. For small centers or new centers that were not expecting any "cost allocation" under BAM in FY 23 to help pay for support services normally covered by *F&A* (i.e., OSPRI, Office of Research, Library, and Graduate School) and therefore were submitting proposals in

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FY 23 under the assumption that they would receive 100% of the F&A with no other costs allocations assumed. For these entities any proposals submitted in FY 23 that are funded will, for FY 24 only, still receive the 100%. This exception only applies to centers that recover \$10,000 or less in F&A in FY 23.

V. Reporting

Recipients of F&A funds may be asked to provide a report to the associate vice chancellor for research on the actual and planned use of funds.

VI. Resources

- A. APS 1012 Sponsored Research Projects, November 2013 <http://www.cu.edu/ope/aps/1012>
- B. APS 1005 Sponsored Project Revenues <http://www.cu.edu/ope/aps/1005>
- C. APS 1007 Misconduct in Research, Scholarship, and Creative Activities <http://www.cu.edu/ope/aps/1007>
- D. APS 1013 Intellectual Property Policy on Discoveries and Patents for their Protection and Commercialization <http://www.cu.edu/ope/aps/1013>
- E. APS 1023 Restricted, Proprietary and Classified Research <http://www.cu.edu/ope/aps/1023>
- F. APS 2006 Retention of University Records: <http://www.cu.edu/ope/aps/2006>
- G. APS 4014 Fiscal Roles and Responsibilities <http://www.cu.edu/ope/aps/4014>
- H. [UCCS 900-002 Facilities and Administrative Rate Reduction and Waiver](https://www.uccs.edu/rmd/sites/rmd/files/inline-files/900-002.pdf)
<https://www.uccs.edu/rmd/sites/rmd/files/inline-files/900-002.pdf>
- I. [UCCS 900-006 Principal Investigator Eligibility on Sponsored Programs](https://www.uccs.edu/vcaf/sites/vcaf/files/inline-files/900-006.pdf)
<https://www.uccs.edu/vcaf/sites/vcaf/files/inline-files/900-006.pdf>
- J. [UCCS 900-001 Roles and Responsibilities for Sponsored Programs Administration](https://www.uccs.edu/vcaf/sites/vcaf/files/inline-files/2017_JUN_27_%20900-001-Roles-and-Responsibilities-for-Sponsored-Programs-A...pdf)
https://www.uccs.edu/vcaf/sites/vcaf/files/inline-files/2017_JUN_27_%20900-001-Roles-and-Responsibilities-for-Sponsored-Programs-A...pdf
- K. Proposal routing form: <https://osp.uccs.edu/resources/forms>
- L. Budget Redesign Task Force: <https://provost.uccs.edu/budget-redesign-task-force>

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