RESEARCH FACILITIES AND ADMINISTRATIVE (F&A) COST RECOVERY AND REINVESTMENT
(aka: Overhead, Indirect Cost Distribution)

Effective Date: August 14, 2019
Authority: Dean

PURPOSE

Background. Grants and contracts have negotiated rates that can be charged to cover indirect costs. As a research university, faculty are encouraged to pursue funding opportunities that offer full indirect (e.g., currently 49%). However, some federal agencies and many community organizations and non-profits will cap indirect costs (i.e., 8%, 10%). Some foundations and other organizations prohibit any indirect cost recovery charges.

Context. At UCF, research F&A cost recovery is charged to external contracts and grants and collected by the Office of Research (OR, formerly ORC). Current university practice provides that OR subtract certain university expenses off the top (variable generally between 12% and 22%) and of the balance that remains, OR retains 55% and distributes 45% of the remaining funds to the college. Effective July 2017, F&A Cost Recovery funds are transmitted to units twice a year in January and July for award expenditures the previous six months.

POLICY STATEMENT AND PROCEDURES

At the founding of the College of Community Innovation and Education (CCIE) in July 2018, the college seeks an equitable merge of the two former colleges that had different philosophies and procedures for distributing F&A funds. Given the infrastructure costs associated with the new college start-up, and the imminent move of several units to the new downtown campus, the following F&A Cost Recovery distribution formula for 2019-2021 has been adopted.

To maintain consistency with UCF guidelines for centers and institutes, CCIE recognizes and accept the definitions provided in UCF Faculty Senate resolution 2017-2018-11. These definitions are also consistent with those found in BOG Reg. 10.015 and UCF Reg. 2.035.

F&A COST RECOVERY DISTRIBUTION (2018-2020)

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<thead>
<tr>
<th>Principal Investigator</th>
<th>Unit想不到</th>
<th>College</th>
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<tbody>
<tr>
<td>Award made to a faculty member within a department/school</td>
<td>15%</td>
<td>Department/School 15%</td>
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<tr>
<td>Award made through a department/school center</td>
<td>15%</td>
<td>*20% to the Department/School with an agreed upon split to the Center</td>
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<tr>
<td>Award made through a stand-alone* center</td>
<td>15%</td>
<td>Center 20%</td>
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* A stand-alone center or institute is a separate unit that falls under the college infrastructure, manages its own activities, and does not depend, to any extent, on a department/school within the college for personnel, services, process approvals and/or funding.
* For centers based under an academic department or associated directly or indirectly with it, a portion of the split may be returned to the department upon a mutual agreement between the department chair(s) and the director(s) of the center. The submission of a signed Memorandum of Understanding (MOU) to the Associate Dean of Research, explaining the conditions for the agreement, is required within the first 30 days of the announcement of the grant. Modifications to the original MOU must be communicated to the CCIE OR, at least 30 days before the next F&A recovery cost report is completed. In the case of failure to reach a mutual agreement, the CCIE OR will split the portion of the department/center overhead according to the F&A recovery split table below. If no university research, department or engagement center is involved, the department’s portion also goes to the college. Distribution may vary at the discretion of the Dean of the college.

**Department/Center F&A Recovery Split (6-months report total overhead)**

- (X/Y) Memorandum of Understanding (MOU)
- (50/50) \( \text{OH} < \$300,000 \)
- (40/60) \( \$300,000 \leq \text{OH} < \$400,000 \)
- (30/70) \( \$400,000 \leq \text{OH} < \$500,000 \)
- (20/80) \( \text{OH} \geq \$500,000 \)

\( X = \text{Department}, \ Y = \text{Center}, \ \text{OH} = \text{Overhead} \)

Reports will be distributed to units twice annually by the Research Administration Services Team (RAST) following the receipt of UCF OR allocations along with details on updated account balances. PIs, department chairs and directors of centers will have individual overhead accounts and will be responsible for the spending of their portions and accountable for their usage. RAST will provide a personalized training on how to use/spend these funds to all PIs with external funding, chairs and directors, before providing the corresponding overhead account numbers.

The CCIE Research Committee may make recommendations for modifications to this policy to the Dean.

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**Approved by:**

Pamela S. Carroll

Dean, College of Community Innovation and Education

08/13/2019