

## UMKC Facilities and Administration (F&A) Policy and Procedures

**Effective Date:** July 1, 2022

### **Policy Rationale:**

To grow and support the present UMKC research enterprise, we must reinvest indirect cost recovery (i.e., F&A funds) for maximum return while maintaining a strong adherence to our multi-faceted mission. Towards this end, the F&A policy aims to balance a redistribution of funds to support existing and new faculty through a dedicated startup pool and support functions, from core facilities to travel to enhanced proposal preparation and execution support.

### **Policy Statement:**

Beginning July 1, 2022 (start of FY23), within the RIM budget framework, 4%/yr of recovered F&A will be included in the Chancellor's strategic investment fund (SIF) to support one-time research investments. Of the remaining F&A, 75% (72% of total) will go into the general revenue pool (GRP), along with state support and tuition revenue. *It will be strategically used for building and sustaining centrally funded research infrastructure.* 25% (24% of total) will be returned to the originating unit(s). Of the 25% returned to the originating unit(s), 10% (9.6% of total) will be returned to the PI<sup>1</sup> and 15% (14.4% of total) will remain at the discretion of the dean (or equivalent unit leader).

Unit is defined as an academic unit, academic support unit (e.g., academic affairs, faculty affairs, student affairs, libraries), or institute/center. When a faculty member (T/TT/NTT) submits a proposal through an institute/center, the institute will split the unit F&A return with the faculty member's academic unit. When multiple units submit a joint proposal, with or without the involvement of an institute/center, the units will negotiate the distribution of the unit F&A return in advance of the grant submission, using percent effort contribution as a guide. In cases where the units cannot agree on an F&A distribution for the unit portion of the F&A return, the Vice Chancellor for Research will make a determination.

Should the RIM budget model change or should F&A be removed from the general revenue pool, the overall structure of the F&A distribution would remain the same (i.e., 75% returned to central administration, 25% returned to unit/PI), but the off-the-top strategic investment funding would be adjusted and/or rolled into the total prior to distribution.

Central research infrastructure, including administrative units in ORS (e.g., compliance, pre/post-Award, export control, technology transfer) and research growth initiatives (e.g., travel grant funding) will generally operate with a fixed budget, meaning GRA will be the same year-over-year. In years when there is F&A growth/decline, the Chancellor will strategically determine further infrastructure investments (reductions) within the 75% of F&A that is being returned to central administration to support campus-wide research infrastructure. Units/Pis will budget annually based on F&A growth/decline (i.e., budgets need not be fixed, but will vary with research performance and investment priorities).

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<sup>1</sup> Only PIs with full time faculty titles are eligible for the PI portion of F&A return. PIs in part-time or staff titles will not be eligible for F&A return, and that portion of F&A will be distributed to the originating unit(s).

### F&A Implementation Procedures

1. This F&A policy will be implemented beginning FY23 (July 1, 2022). All currently funded grants that generate F&A will be subject to the F&A policy in effect at the time of their submission and will remain consistent with the previous policy for the duration of the grant award period. Any new grants submitted July 1, 2022 and after will be subject to the new F&A policy.
2. All F&A funds currently in reserve in unit/PI accounts will remain with those units/Pis. There is no intent to “sweep” accounts, although all deans/chairs/Pis should be aware that any future, unforeseen state of financial distress could result in the use of those University funds for other allowable purposes and/or the temporary prevention of expenditure of those accounts to achieve acceptable overall financial performance, as established by the UM Board of Curators.
3. In FY23, all F&A will be included in the general revenue pool and be included in GRA, consistent with the RIM budget framework. As such, all currently funded central research infrastructure will continue to be funded at FY22 levels, with the opportunity for additional strategic investment based on new F&A generation.
4. After the full transition to this new policy, the portion of F&A that is shifting from units (deans/departments/Pis) to central administration is estimated to be approximately \$1.8M (using FY22 actuals as a baseline). The anticipated investments and oversight plan include:
  - a. Travel grants, core facilities and equipment pool, central personnel bridge pool: Funds will be managed by the Vice Chancellor for Research with input from the Research Advisory Council
  - b. Central startup pool: The funds will be managed by the Provost with input from the Council of Deans.
5. Grandfathering of Faculty with F&A return included in contracts: A small number of faculty have additional F&A distribution included in their contracts, along with a clause that their F&A distribution will be modified in the future, if the university F&A policy changes. In these instances, faculty will be granted an extension of their current F&A agreement through FY 25. Beginning in FY 26, F&A from any new grants will be distributed according to campus policy. If no clause exists, their F&A agreement will not be modified at this time.
6. UMKC Forward Investments: The table below shows the UMKC Forward investments approved by the Chancellor from non-F&A sources of strategic investment funding. This can be considered bridge funding, and as F&A grows, it is expected that the central F&A return will absorb these costs.

| <b>**Additional Approved UMKC Forward spending from separate fund; strategic bridge funding until F&amp;A growth catches up, then moved to GRA:</b> |         |  |
|---|---------|--|
| FY22  | 240,163 | 1 pre-award; 1 post award; 1 compliance; students; fellows; seed grants (3 FTES total) |
| FY23  | 405,230 | Line above plus 1 tech transfer; 1 proposal developer; software (adds 2 FTES)          |
| FY24  | 602,030 | Line above plus 1 pre-award; 1 post-award and 1 compliance (adds 3 more FTES)          |
| FY25  | 611,226 | Nothing new added  |

7. Unit funded pre and post-award grant staff: To ensure consistency across academic units, unit funded pre and post-award grant staff will have a dotted line report to the Vice Chancellor for Research.