



**Policy – Distribution of Facilities and Administrative Costs  
FINAL – March 15, 2018**

**Overview:** In an effort to increase the base of sponsored programs received by Barry University, the University has chosen to follow the proactive practice of redistributing collected *Facilities and Administrative (F&A) costs* to academic units. This policy will describe the guidelines to follow to determine the distribution and the use of these funds.

**Purpose:** *Each year the **Office of the Vice President for Business and Finance** will distribute a portion of the Facilities and Administrative (F&A) costs earned on sponsored programs to Principal Investigators (PIs) / Project Directors (PD's), Deans and Provost to invest in and support programs and initiatives that exhibit the greatest potential to bolster the University's efforts to gain additional sponsored programs.*

**Definition:** Facilities and Administrative (F&A) costs, also known as indirect costs, are costs associated with sponsored projects incurred by the University that cannot be readily identified nor specifically attributed to a particular project but which support sponsored program endeavors.

**How Is F&A Distributed?**

The return of F&A generally occurs in Fall (late September - October) of each year and is based upon the Facilities and Administrative costs collected and shown in the audited financials of the preceding fiscal year (July 1-June 30). The F&A distribution formula is as follows:

**Dean: 30% (Includes 25% for Dean's Funds and PI/PD 5%)**

**Office of the Provost: 35%**

*Note: 35% remains with the University to cover normal F&A costs, i.e., heat, light, power, insurance, IT, Finance, Human Resources, etc.*

Distribution of the Dean's allocations are according to the PI/PD's home department regardless of who manages the grant and includes the 5% designated to the PI/PD.

F&A returns are deposited into an unrestricted accounts in Workday and should be utilized in a reasonable time-period, i.e., approximately 12 months.

- Annually each July, the Deans will receive an estimate of the amount of F&A's. This estimate will include a breakdown of the PI/PD portion. Funds will be allocated in late Fall after the Audit.
- Deans should plan in July-Sept how they will utilize the funds and submit a plan to the GSP Director by Sept 30<sup>th</sup> for Provost review. Colleges/Schools must track expenditures & assure that they fall in one of the approved categories listed below.

### **How Can F&A Be Used?**

In order for BU to maximize its success in meeting its sponsored program goals, distributed F&A's need to support BU's strategic initiatives for sponsored programs in accordance with existing University policies and procedures. Common uses of these monies include the following:

- Funding for student tuition/stipends, travel and other expenses incurred by students while involved in sponsored programs;
- Funding for postdoctoral researchers;
- Research supply/equipment purchases;
- Faculty (who are non 12 month contracts) summer stipends;
- Travel to meet with program directors, present papers, give invited talks, etc.;
- Books, journals, papers and other similar expenses related to scholarship and research;
- Project development costs such as attendance at proposal workshops or proposal writing seminars,, etc.;
- General administrative and clerical costs (including office supplies) in support of research;
- Research related participant recruitment costs;
- Laboratory enhancements for research purposes; and
- Faculty start-up packages for research programs.

*Each College/School budget office must track expenditures. PI/PD's expenses will go through the Dean's account and require approval. As stated above, distributed F&A's should be used in the fiscal year given or at the latest, within 18 months, any exceptions need prior approval of the Provost.*

### **Questions**

For additional information on this procedure, please contact the Director, Grants and Sponsored Programs - [grants@barry.edu](mailto:grants@barry.edu) with F&A Distribution on subject field.