
MEMORANDUM

TO: UNC Charlotte Research Community

FROM: Dr. Rick Tankersley, Vice Chancellor for Research and Economic Development

SUBJECT: Updates to Facilities & Administration Receipts (F&A) Distribution

DATE: 9/9/2021

Over the summer, Vice Chancellor Kelley and I have been working with Chancellor Gaber to revisit the University's position on sharing Facilities and Administration (F&A) receipts (indirect costs) collected on sponsored awards and contracts. The current policy calls for distributing 10% of F&A to departments and administrative units and up to 10% to individual faculty members based on their contribution to a sponsored award or contract.

I am pleased to announce that Chancellor Gaber has approved the attached updated distribution guidelines, which include for the first time sharing of additional F&A with colleges and centers to help support strategic research initiatives.

Starting with FY2022 (July 1 2021-June 30, 2022) receipts, **4%** of the generated F&A will be returned to the investigator's college. If the project is also affiliated with a center or institute, these funds will be split evenly (50/50) between the college and the center/institute. Chancellor Gaber has signaled that this is a "starting point". Over the next several years, we plan to gradually increase the allocation to make it on par with the 10% provided to faculty/staff and departments.

The distribution to departments remains unchanged, but the new guidelines include two important updates to the distribution to faculty and staff beginning in FY2022.

1. For a given year, an individual faculty/staff member may receive a **maximum of \$20,000** (an increase from \$5,000).
2. F&A distributed to faculty and colleges/centers will be limited to projects that carry the full federally negotiated F&A rate. This limitation will not apply to funds distributed to departments.

We anticipate distributing last year's (FY2021) F&A funds to eligible faculty and staff in October as a single lump sum. We understand that this annual bulk distribution limits timely access to the funds and prevents them from being available to support research throughout the year. Therefore, Vice Chancellor Kelley and I will be working with our respective teams this fall to establish new processes for distributing funds on a quarterly basis as they are generated.

cc: Dr. Sharon Gaber, Chancellor
Dr. Joan F. Lorden, Provost and Vice Chancellor for Academic Affairs