



## FACILITIES AND ADMINISTRATION COST REDISTRIBUTION

**Policy Title:** Facilities and Administration Cost Redistribution

**Policy Type:** Administrative Policy

**Policy Number:** 38-01 (2014)

**Approval Date:** 08/26/2014

**Responsible Office:** Sponsored Programs

**Responsible Executive:** Provost and Vice President for Academic Affairs

**Applies to:** University-wide

### POLICY STATEMENT

Facilities and Administration costs are provided by external funding agencies and 30 percent of the total amount of Facilities and Administration costs awarded goes directly to offset the university general operations expenses (space, utilities, etc.). The remaining 70 percent of Facilities and Administration costs are available for redistribution according to the university policy and priorities. Operational expenses for Sponsored Programs (OSP) and Grants and Contracts Accounting (GCA) are deducted from the 70 percent university share with the remaining funds available to the NSU Facilities and Administration Cost Redistribution Plan that targets four key areas: the Cost Sharing for Future Sponsored Programs Fund, the Faculty/Staff Research Initiation Program, the Project Director/Principal Investigator/Staff Incentive Awards, and the Unit Redistribution Incentive Awards.

This plan supports the Norfolk State University mission by giving special priority to projects that encourage student success and academic excellence. The Facilities and Administration Cost Redistribution Policy will strengthen the University's research infrastructure and increase faculty/staff participation in sponsored program activities.

| <b>TABLE OF CONTENTS</b>                               | <b>PAGE NUMBER</b> |
|--|--------------------|
| Definitions.....                                       | 2                  |
| Contacts.....  | 2                  |
| Stakeholder(s).....                                    | 2                  |
| Facilities and Administration Cost Redistribution..... | 2                  |
| Publication.....                                       | 6                  |
| Review Schedule.....                                   | 6                  |

Related Documents.....6  
Forms.....6

**DEFINITIONS**

**Facilities and Administrative Cost:** Facilities and administrative (F&A) costs, as defined by Office of Management and Budget (OMB) Code of Federal Regulation, means costs that are incurred for common or joint objectives and, therefore, cannot be identified readily and specifically with a particular sponsored project, an instructional activity, or any other institutional activity. F&A costs are synonymous with "indirect" costs. Examples of such costs include research facilities, utilities, administrative salaries, and general office expenses. Since it would be difficult or impossible to allocate such costs to each individual project, federal cost principles allow universities to negotiate an F&A rate with their cognizant federal agency. By charging this rate to each project, universities are able to recover the costs associated with these vital functions.

**CONTACTS**

Sponsored Programs officially interprets this policy. Sponsored Programs is responsible for obtaining approval for any revisions as required by BOV Policy # 01 (2014) *Creating and Maintaining Policies* <https://www.nsu.edu/Assets/websites/policy-library/policies/01/BOV-Policy-01-Creating-and-Maintaining-Policies.pdf> through the appropriate governance structures. Questions regarding this policy should be directed to the Sponsored Programs.

**STAKEHOLDERS**

For the purpose of this policy, stakeholders include but are not limited to the members of the University Community.

**COST REDISTRIBUTION CATEGORIES**

**Cost Sharing for Future Sponsored Programs**

Cost Sharing Awards will be used to provide a match for selected proposals. Written authorization for cost sharing funds must be obtained from Dean, School of Graduate Studies and Research before writing or submitting a proposal requiring a ‘matching’ commitment by the University. It is the responsibility of the director/principal investigator to initiate all application processes, secure University approvals, and make all necessary contacts to secure the cost sharing commitment.

The director/principal investigator and the department/center or administrative area to which the director/principal investigator is affiliated should have a strategy at the time the proposal is submitted for providing cost sharing funds. Additionally, from a financial management perspective, cost sharing funds are not factored into the budget when the grant or contract account is established until a formal notification of award is actually received from the sponsor.

The selection process will begin with the submission of an Internal Approval Form (IAF). Pertinent information related to the grant or contract request will be summarized on the request form. In addition, a one-page abstract describing the project's significant need and expected impact will be required. Although applicants need not satisfy all listed priorities, consideration will be given to programs and projects that promote the following outcomes:

1. Support to areas of teaching, research, and service consistent with the Norfolk State University mission;
2. Strong support from the respective department and school;
3. Involvement of students in the conduct and dissemination of new knowledge at national, regional, and local conferences and the enhancement of student success;
4. Permanent impact that can be sustained by the institution once funding ends.

The F & A Award Committee (FAAC) will be comprised of one faculty member of the five academic schools selected by the Academic Dean, one Graduate Council member, the Director of Faculty Development and the Dean of Graduate Studies and Research. The FAAC will convene to review applications for cost sharing funds that exceed the threshold amount administered by Sponsored Programs. Depending on the aggregate Facilities and Administration costs generated at the University level, the amount available for this category will be 20 percent of the net total Facilities and Administration funds received.

#### **Faculty/Staff Research Initiation Awards**

The Faculty/Staff Research Initiation Awards program encourages and supports scholarly research and other creative activity at Norfolk State University. This program is intended to help full-time faculty/staff meet the costs associated with research and sponsored program activities. Priority is given to new and promising research and special project efforts with the number of awards contingent upon total facilities and administration annual funding. When activated, the F & A Award Committee (FAAC) will coordinate competitions whereby faculty will be required to submit applications and white papers for the following "Special Funding Opportunities." Competition frequency will be determined and announced by the FAAC on an annual basis when activated. A final report is due to the F & A Award Committee no later than thirty days after the end of all awards. Depending on the aggregate Facilities and Administration costs generated at the University level, the amount available for this category will be 20 percent of the net total Facilities and Administration funds received.

- **Faculty/Staff Mentoring Awards**

Faculty/Staff Mentoring Awards are designed to encourage and support the development of the faculty/staff as externally funded scholars. When activated, the program links junior and/or new

faculty/staff mentees that have not yet established a research or other sponsored program agenda with experienced and successful mentors. It provides an informal seminar for mentees to cover the basic components of proposal preparation, among other things. Senior faculty members can only apply as mentors of junior faculty and are not eligible to be mentees. Applications and white papers are accepted and evaluated by an evaluation committee of the F & A Award Committee.

- **Instructional Improvement Program Awards**

Instructional Improvement Program Awards encourage and support instructional development activities. Instructional Improvement Program Awards seek to enhance individual faculty and/or departmental efforts to develop and implement creative approaches to teaching at Norfolk State University. When activated, applications and white papers are accepted and evaluated by an evaluation committee of the F & A Award Committee (FAAC).

- **Research/Sponsored Program Team Awards**

Research/Sponsored Program Team Awards foster collaboration among two or more faculty/staff members at Norfolk State University for the initiation of research and other sponsored programs, in the preparation of proposals for external funds. Teams of faculty members from different departments/units are encouraged to apply. Campus-wide competitions will be held each fiscal year with the F & A Award Committee (FAAC).

- **Faculty/Staff Research and Development Awards**

Faculty/Staff Research and Development Awards are available for untenured, tenure-track faculty/staff. When activated, funds may be requested for the following activities: Course Release (one per academic year); Graduate Research Assistance (one graduate student per semester each fiscal year); Travel related to research agenda, publishing costs, equipment and materials. An evaluation committee of the F & A Award Committee (FAAC) will review applications and white papers for the selection of awardees.

- **Travel Awards**

Travel Awards are to facilitate the acquisition of extramural support for new projects, to present papers and/or other findings and for travel to professional meetings in pursuit of the same. An evaluation committee of the F & A Award Committee accepts applications and white papers throughout the year for funding consideration.

### **Project Director/Principal Investigator/Staff Incentive Awards**

This policy anticipates that the funds will be used in strategic and innovative ways to enhance sponsored program activity in serving university, school, and departmental priorities. The funds covered under this policy cannot be used for paying oneself. However, they can be used to pay, in accordance with university guidelines, for activities that will enhance research activities of the

award recipient. This may include supplies, materials, travel, contractual services, furniture/equipment, stipends for student involved in research, release time, etc. Salaries or wages may be paid only upon prior approval by the Dean of the School of Graduate Studies and Research, and to the extent that doing so does not violate University and/or State policies.

Facilities and Administration funds generated by the schools, departments, centers of excellence, and directors, principal investigators or staff will be allocated according to policy guidelines.

Amounts earned in this category will be distributed during the year following receipt of the Facilities and Administration funds charged to the respective grant or contract. These funds are for the purpose of enhancing the originator's capacity to exceed project goals and to generate additional external awards. Depending on the aggregate Facilities and Administration costs generated at the university level, the amount redistributed to the Project Directors, Principal Investigators and staff will be 20 percent of the net total Facilities and Administration funds received.

### **Unit Redistribution Incentive Awards**

This policy anticipates that the funds will be used in strategic and innovative ways to enhance sponsored program activity in serving university, school, and departmental priorities. When activated, the funds covered under this policy may be used for any purpose deemed appropriate by the unit head in accordance with general university guidelines.

Amounts earned in this category will be distributed during the year following receipt of the Facilities and Administration funds charged to the respective grant or contract. These funds are for the purpose of enhancing school or unit capacities to pursue sponsored programs. Depending on the aggregate Facilities and Administration costs generated at the University level, the amount distributed to the school or unit will be 30 percent of the net total Facilities and Administration funds received.

### **Reserve**

When activated, up to 10 percent of the net total Facilities and Administration funds received will be reserved to offset any unforeseen grant/contract related costs incurred by the University, and will be managed by the Dean of Graduate Studies and Research, or their designee.

### **Terms and Conditions**

Decisions made by the F & A Award Committee (FAAC) may be appealed to the Dean, School of Graduate Studies and Research whose ruling on the appeal will be final.

The application of this policy is subject to the availability of funds. Applicable forms and additional guidelines are available on the Sponsored Programs web site at

<https://www.nsu.edu/Academics/Faculty-and-Academic-Divisions/Schools-and-Colleges/School-of-Graduate-Studies-and-Research/Sponsored-Programs/Forms>.

## **PUBLICATION**

As required by BOV Policy # 01 (2014) *Creating and Maintaining Policies*, <https://www.nsu.edu/Assets/websites/policy-library/policies/01/BOV-Policy-01-Creating-and-Maintaining-Policies.pdf> to assure timely publication and distribution thereof, Sponsored Programs will make every effort to:

1. Communicate the policy in writing, electrically or otherwise, to the University community with 14 days of approval;
2. Submit the policy to the President's Office for inclusion in the online Policy Library within 14 days of approval;
3. Post the policy on the Divisions SharePoint Site and/or Website; and
4. Educate and train all stakeholders and appropriate audiences on the policy's content, as necessary.

Failure to meet the publication requirements does not invalidate this policy.

## **REVIEW SCHEDULE**

- Next Scheduled Review: 04/26/2021
- Approval by, date: President, 08/26/2014
- Revision History: 10/07/1998; 09/17/2003; 07/24/2014; 04/26/2018
- Supersedes: 65.001: Facilities and Administration Cost Redistribution

## **RELATED DOCUMENTS**

1. Code of Federal Regulation <https://www.ecfr.gov/>

## **FORMS**

1. Internal Approval Form <https://www.nsu.edu/Academics/Faculty-and-Academic-Divisions/Schools-and-Colleges/School-of-Graduate-Studies-and-Research/Sponsored-Programs/Forms>
2. Project Director/Principal Investigator/Staff Initiative Award (PD/PI/S IA) Application <https://www.nsu.edu/Academics/Faculty-and-Academic-Divisions/Schools-and-Colleges/School-of-Graduate-Studies-and-Research/Sponsored-Programs/Forms>
3. Faculty/Staff Research Initiative Award Evaluation Form <https://www.nsu.edu/Academics/Faculty-and-Academic-Divisions/Schools-and-Colleges/School-of-Graduate-Studies-and-Research/Sponsored-Programs/Forms>