

FROM: Phil Romig, Jr**DATE:** 7 March 2011**TO:** Department Heads and Division Directors (DHDDs)**COPY:** Provost, Senior VP for Finance & Administration, Dean of Faculty, Director of ORA,
Dean of Graduate Studies**SUBJ:** Institutional support for research**ENCL:** Guidelines for DHDD Approval of Cost Sharing on Research Proposals
Guidelines for DHDD Approval of Reduced F&A Cost Rates on Research Proposals
Guidelines for requests for Research Initiation Support

Dr. Poate's memo last November delegated authority and responsibility for cost sharing and reduced F&A Cost rates to DHDDs. It also restricted his research initiation budget to major new initiatives. Those changes are intended to enable DHDDs to take a more active role in planning and executing departmental research strategies, streamline approval processes, and stimulate creative ideas for increasing funded research. Following is a brief summary of each:

- A. Cost Sharing** - When required by sponsors, DHDDs are authorized to approve cost sharing such as teaching relief, F&A Cost return and in-kind contributions subject to published guidelines. Faculty and DHDDs should not submit cost-sharing requests to the VPRTT.
- B. Reduced F&A Cost Rate** - When required by sponsors, DHDDs are authorized to approve reduced F&A Cost rates subject to published guidelines. Reduced F&A Cost rates are tangible contributions from the General Fund and will be documented (for internal purposes) as a form of cost sharing.
- C. Research Initiation** - The VPRTT budget for research initiation will support major new initiatives that address institutional goals. It may be used to assist with planning and proposal preparation as well as selected post-award expenditures.

We all share the desire to maintain strong, productive research programs in spite of projected cuts in state and federal funding. Research-initiation expenditures must be carefully targeted; cost sharing must be done creatively without general-fund expenditures, and F&A Cost rate reductions must be justified by a high probability of return on investment. Cost-sharing and F&A Cost rate decisions also must comply with state and federal regulations.

Attached are guidelines for each area. These guidelines have been in use for two years and have proven effective in meeting sponsors' requirements while limiting the cost to the institution. They will be posted on the ORA web site and will be updated periodically as we gain experience and generate new ideas.

Please feel free to contact me at any time if you have questions or want to suggest changes.