F&A (Indirect Cost) Distribution Percentage Allocations for Departments and Centers

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Applies to:
Basic science departments, clinical departments, and centers

Reason for Policy:
This policy clarifies how indirect costs will be distributed based on a faculty member’s physical location in either department or center space.

Policy Statement:

Faculty Members with Primary Appointments in Basic Science Departments

For basic science department faculty members located in basic science department space, the department receives the rate for “SOM - Non-clinical Departments” published on the F&A distribution website (see “Related Resource”). This is done automatically as the result of the department placing the department’s org number in the “Project Owning Org” field on the UVA Proposal Approval Form (goldenrod) when the proposal is submitted. It is assumed that the department is providing the administrative support that is intended to be covered by this distribution.

For basic science department faculty members located in center space, the center receives the rate for “SOM - Non-clinical Departments” published on the F&A distribution website. This is done automatically as the result of the department or center placing the center’s org number in the “Project Owning Org” field on the UVA Proposal Approval Form (goldenrod) when the proposal is submitted.
submitted. It is assumed that the center is providing the administrative support that is intended to be covered by this distribution.

This is the default distribution methodology. If a department chair and a center director come to a mutual agreement that alters the default distribution, then the two of them may work out an alternative arrangement and the associated details. If they are not able to come to a mutual agreement, then the default methodology prevails.

Faculty Members with Primary Appointments in Clinical Departments:

For clinical department faculty members located in clinical department space, the department receives the rate for “SOM - Clinical Departments” published on the F&A distribution website (see “Related Resource”). This is done automatically as the result of the department placing the department’s org number in the “Project Owning Org” field on the UVA Proposal Approval Form (goldenrod) when the proposal is submitted. It is assumed that the department is providing the administrative support that is intended to be covered by this distribution.

For clinical department faculty members located in center space, the department receives the rate for “SOM - Clinical Departments” and then the department makes available to the center the rate for “SOM - Non-clinical Departments.” The distribution of the “SOM - Clinical Departments” rate is done automatically as the result of the department or center placing the department’s org number in the “Project Owning Org” field on the UVA Proposal Approval Form (goldenrod) when the proposal is submitted.

The clinical department and the center administrators need to coordinate making the “SOM - Non-clinical Departments” distribution available to the center. The default mechanism for accomplishing this is for the clinical department to fund a project in the center for an amount that is equal to the published “SOM - Non-clinical Departments” distribution rate. The clinical department chair and the center director may work out an alternative method to address the transfer of these funds. The net recovery to the clinical department is then the difference between the two rates. It is assumed that the center is providing the administrative support that is intended to be covered by this distribution.

This is the default distribution methodology. If a department chair and a center director come to a mutual agreement that alters the default distribution, then the two of them may work out an alternative arrangement and the associated details. If they are not able to come to a mutual agreement, then the default methodology prevails.
Related Resource:
UVA F&A distribution website
http://www.virginia.edu/finance/finanalysis/Distribution_Percents.html

Next Scheduled Review: March 2016

Revision History: Implemented July 1, 2004. Revised 5/1/09, 8/28/09, 3/18/13

Approved:

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Date