



Effective: 6/1/2019
Last Revised: 4/29/2019

Responsible University Office:
Office of Sponsored Programs and Office of Financial Accounting

Responsible University Administrator:
Assistant Vice Chancellor for Research

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Facilities and Administration (F&A) Distribution, Expenditure, and Exemption Policy

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Scope

All faculty, staff, and administrators in receipt of Facilities and Administrative (F&A) funds via grants and contracts, as well as all parties submitting external request for funds.

Policy Statement

This policy regulates the distribution model of all earned facilities and administration funds, the spending of these funds, and the allowable exemptions for reducing the F&A rate charged.

Reason for Policy

1. Clear guidance for F&A distribution is needed so that Colleges, Departments, and PIs are aware of how funds are divided among associated entities from applicable contracts and grants.
2. Clear guidance for allowable expenditures from F&A funds to ensure compliance with federal, state, and university regulations.
3. Clear guidance for when it is allowable to waive or reduce the F&A rate charged on external funding requests.

Procedures

Distribution Procedures: Prior to submission of requests for external support, the PI(s) must complete a researchportal OSP form for a new project. Within this form, they must declare the personnel allocation of F&A as a percentage (total 100%) on page 2 of the form. This form will be used in the F&A distribution if awarded.

At the end of each fiscal year, the Office of Finance calculates the total F&A funds expended by the university. Within a quarter, these funds are distributed according to the following model:

- First \$20,000 of all F&A to the Vice Chancellor of Business and Finance
- 50% of the remainder to the Assistant Vice Chancellor for Research
- In Academic Units, the first 16.6% to the Academic Dean based on the proportional allocations established in the researchportal.
- In Academic Units, remaining 33.3% to the listed PI(s) based on the proportional allocations established in the researchportal.
- In non-academic Units, remaining 50% to the listed PI(s) based on the proportional allocations established in the researchportal.

Departments and Centers have the authority to establish a distribution model for the PI(s) share.

Expenditure Procedures: All funds must be expended in accordance with all university policies and procedures. Furthermore, expended funds from the PI share must be used for research (or creative activity) development purposes. Each unit and PI in receipt of F&A funds must establish a WBS number with an IDC (indirect cost) distinction with the Office of Finance and Accounting.

Unallowable expenditures for the PI share: Faculty salary support, entertainment costs, or any expenditures not related to research (or creative activity) development.

Allowable expenditure for PI share include: Laboratory supplies, conference and collaboration travel, research assistants, equipment, and other research development expenditures.

Exemption Procedures: All external grant applications and awards must include UNK’s federally negotiated indirect rate unless the agency and/or request of applications includes specific language restricted or not allowing such funds. If an organization does not have such language publically available, written documentation of such a policy must be provided and uploaded into the researchportal via the OSP form for the project on page 4.

Definitions

Facilities and Administration: Also known as, indirect costs and overhead costs, are the expenses associated with the normal operations of the university and/or laboratory that are not charged as line items in an external funding request. Per Office of Management and Budget (OMB) policies, a federally approved rate is charged to all external requests for funds to recoup these expenses.

Additional Contacts

Subject	Contact	Phone	Email
Distribution timing and amounts	Debbie Tvrdy	308-865-8880	tvrdyds@unk.edu

Forms

WBS form for new F&A accounts:

Sponsored Program Submission Form: <https://researchportal.unk.edu>

Related Information

Federally negotiated approved F&A Rate: https://www.unk.edu/academics/sponsored-programs/_files/Indirect%20letter%20July%202026,%202017.pdf

History

First formal policy.