**THE UNIVERSITY OF ALABAMA IN HUNTSVILLE**

**FACULTY SENATE**

**FACULTY SENATE RESOLUTION 17/18-10:**

**Modification of Indirect Cost Recovery**

History: Bill 417 was submitted to FSEC for first reading on 11/09/2017

 Bill 417 passed first reading on FSEC on 11/09/2017

 Bill 417 passed second reading in Faculty Senate on 1/18/2018

Bill 417 passed third reading in Faculty Senate on February 15, 2018

**Whereas** Indirect Cost Recovery (ICR) is one of the primary mechanisms for support and

 reinvestment in university research and scholarly activities; and

**Whereas** ICR can, and should, provide an important incentive to researchers and their academic and/or research units to explore, enhance, and expand university research and scholarly activities; and

**Whereas** The existing ICR distribution scheme differs from that employed at other institutions within the University of Alabama System and other peer institutions; and

**Whereas** The existing ICR distribution scheme is 47% to General Fund, 23% to Office of the Vice President for Research and Economic Development (OVPRED), 11% to Office of Academic Affairs (AA), 15% to a researcher’s College or Research Center, 0% to a researcher’s department, and 4% to the researcher’s “PI account”; and

**Whereas** The existing ICR distribution scheme may not represent the most effective or productive use of funds supporting or stimulating university research and scholarly activities, including the education and training of students, investments facilitating the development of expertise, timely investments that facilitate flexibility and creativity, or costs associated with research competitiveness and productivity; and

**Whereas** The existing ICR distribution scheme may not balance, and in fact may increase the disparity between, the academic and research goals of the University as represented by the AA and the OVPRED, respectively; and

**Whereas** A reevaluation of the ICR distribution scheme and its effectiveness in facilitating research and scholarly activities has not been performed for at least 20 years; and

**Whereas** A modified ICR distribution scheme may empower academic units to serve their faculty, students, and staff more effectively, while simultaneously enhancing the success and productivity of researchers/scholars and their associated activities; and

**Therefore**, **be it resolved**

That the Faculty Senate, on behalf of the faculty of the University of Alabama in Huntsville, requests a review of the existing ICR distribution scheme by the relevant officer(s) of the University of Alabama in Huntsville including, but not limited to, the Office of the President, Office of Academic Affairs, Office of the Vice President for Research and Economic Development, and the Office of Finance and Administration (“Administration”), and

**Be it further resolved**

That as part of this review, the Administration works directly with the Finance Committee of the Faculty Senate to evaluate the current ICR distribution scheme with the goals being to define any real or perceived imbalances of cost share distributions as viewed across academic and center-directed research units and to propose effective and realizable modifications as needed to address such imbalances in positive ways for both units.

**Be it further resolved**

That a report summarizing the findings of this review be submitted to the Faculty Senate no later than 3 months following passage of this bill, to include one or more of the following: a) a plan, including schedule, to implement the Proposed Distribution; b) a proposal for another ICR distribution scheme consistent with the approach employed at UA (Tuscaloosa) and its corresponding percentage distributions to college/center, department, and PI; or c) an explanation as to why a change should not be implemented, including an analysis of the effectiveness of the existing ICR distribution.