

Submitted: August 22, 2007

Approved: September 19, 2007

Recommendation #21: Utilizing current Scholastic Enhancement Award (SEA) distribution data for existing awarded grants and phasing out the current annual SEA distribution.

Issues number: I-01, I-12

Background

The Resource Management Model (RMM) provides a formulaic means for distributing IDC revenue. Of the IDC revenue collected, 15% is distributed to principal investigator's incentive accounts (as long as the award yields the maximum allowable indirect cost rate) and 20% is distributed to the Overhead Use of Facilities Fund. Also, 10% will be distributed to the Office of the Vice President for Research and Economic Development (VPRED) to support interdisciplinary research, 10% to the Resource Responsibility Center that is administering the grant and 45% to the Resource Responsibility Center(s) in which the principal investigator is affiliated.

The implementation work group has discussed options for applying the RMM IDC revenue distribution methodology to existing awarded grants so that it can be implemented by July 1, 2008. The primary issue is how to capture the necessary data needed to distribute the 45% portion that is distributed to the RRCs. One option would be to have each unit determine the percentage split between RRCs for each grant. The work group believes that because of the number of existing awarded grants, this task would be administratively burdensome for virtually every administrative office on campus.

Another option would be to use the current Scholastic Enhancement Award (SEA) distribution data that currently is used by the VPRED for distributing its allotted IDC revenue to colleges, research centers, and administrative units. A description of this distribution methodology is as follows:

A portion of the General Fund IDC revenue is distributed to the VPRED. The VPRED, in turn, distributes this funding to the colleges, research centers, and administrative units on an annual basis known as the Scholastic Enhancement Award (SEA) distribution. The data needed for the SEA distribution is stored in a database within the Office of Sponsored Program Administration (OSPA). The source of this data comes from a section of the "Goldsheet" form. This section of the form is completed by unit administrators and/or fiscal officers. Essentially, the units involved with the grant agree to a percentage split of the SEA. The method of determining what the percentage will be for each unit varies across the university. Some units use budgeted salary of each principal investigator. Some units analyze and estimate the percent of effort for each principal investigator. Some units simply negotiate a percentage.

Recommendation

The RMM IDC Revenue implementation work group believes that the current process for distributing the SEA is essentially the same process that will be used for distributing the 45% portion as prescribed by the Resource Management Model. In both cases, the administrators and/or fiscal officers are determining an appropriate split of IDC revenue generated. The only real difference is that the "new" IDC revenue distribution is splitting a larger pool of dollars.

Therefore, the work group recommends that for existing awarded grants, the data that has historically been captured for the purpose of the SEA distribution be used as a basis for distributing the 45% portion of IDC revenue distributed to RRCs. This would be a one-time project and would apply to all existing awarded grants through September 30th, 2007. Effective October 1, 2007 a new distribution worksheet that has been created will be used as supporting documentation to the IDC revenue distribution data that is entered into the Goldsheet.