

UNIVERSITY SENATE  
UNIVERSITY AT ALBANY STATE UNIVERSITY OF NEW YORK  
**RESOLUTION: REVISING DISTRIBUTION OF INDIRECT COSTS RECOVERED**

Introduced by: Council on Research  
Date: May 20, 2019

**WHEREAS** in 1996, the Council on Research submitted a proposal to President Hitchcock that indirect costs recovered (ICR) from grants and contracts be returned to the units that generated them with 2% going to Deans (or Schools) and 8% to Departments; and further that this initial rate of 10% be increased to 20% as soon as was possible (Appendix 1). President Hitchcock implemented the initial 10% distribution of ICR in AY 1997/1998.

**WHEREAS** in 2005, the issue was revisited and a new proposal was submitted to President Hall, recommending an increase in the proportion of ICR distributed to Deans, Departments and Principal Investigators (PIs) by providing a share directly to PIs (see Appendix B). With President Hall's sudden death followed by the financial crisis, the topic of ICR distribution was not pursued further.

**WHEREAS** reforming the current practices will encourage PIs to be personally invested in increasing the ICR rate that their research support generates. This was the intention of the 2005 proposal (see Appendix B) but was never instituted. The current proposal of 5% to PIs is more modest and the calculation of distribution amounts simpler than in the earlier proposal.

**WHEREAS** reforming the current practices will allow each PI, Department Chair and Dean to easily track the ICR that their grants and contracts generate. Simplicity and transparency will go a long way toward convincing faculty that increased ICR "lifts all boats."

**WHEREAS** this proposal to revisit the topic of ICR distribution is the third iteration of an ongoing conversation between faculty and administration and is submitted in the spirit of shared governance.

**BE IT RESOLVED** that the University Senate supports and endorses the proposal by the Council on Research to revisit the ICR distribution model and calls on the University Administration to implement the following recommendations as soon as possible:

1. Increase the ICR from the current 10% to 15% with the additional 5% going to the PI to be spent on research costs that contribute to their future research efforts.
2. Distribute the current 2% of ICR to Deans/Schools and 8% to Department in a simple manner based on the previous year's actual spending. If, for example, \$10,000 in ICR was spent from a grant, then the following year \$200 would be returned to the PI's Dean and \$800 to her Department. If recommendation 1 is adopted, then \$500 (5%) would be returned to the PI who generated it.

3. Provide annual accounting, broken down by individual PI, of: a) total Research Foundation (RF) dollars spent each year, (b) total dollars of ICR recovered, (c) the ICR rate, and (d) total dollars returned to units; and require Deans and Department Chairs to account annually for how ICR dollars were spent to promote research.
4. Distributed ICR to units in the form of RF funds and, when State Funds are substituted for these, provide the rationale for such substitutions each year.