



Facilities & Administration Distribution Policy

Facilities & Administration (F&A) costs are often recovered from funding agencies to help offset the University's real costs of conducting research or doing the contracted work. Although the F&A recovery does not fully cover the University's investment in research infrastructure, we recognized the value of returning some F&A collected back to the Units/PIs that generated such revenue. The Provost's Office and a subgroup of the Council of Deans worked together to develop this F&A distribution plan, to allow us to reinvest in success and reward those individuals who contributed to the sum-total of F&A dollars recovered by Loyola University Chicago.

The F&A distribution will be based on the following methodology (this distribution policy applies to all Schools, except the Stritch School of Medicine (SSOM):

Loyola University Chicago sets a threshold of minimum F&A dollars to be recovered for the University to help defray the cost of maintaining its infrastructure. F&A distribution to faculty and their Schools requires that total institutional F&A exceeds this threshold. While in year's past, Loyola University's total F&A recovery did not exceed this threshold by very much, if at all, the more recent success in extramural funding for research has resulted in F&A recovery that significantly exceeds this threshold. Accordingly, this success translates to the availability of funds that we now plan to distribute back to the faculty and further support the infrastructure needed to stay in step with our success.

Establishing the Amount Available for F&A Return

At the end of each fiscal year, the amount of F&A recovered that exceeds the University-set threshold will be distributed in the following way:

- Research Administration (Office of the Vice Provost for Research): 40%
- Unit (Department or School): 60%

Research Administration Allocation

The 40% allocated to Research Administration will fund programming and initiatives that may include faculty research awards (e.g., pilot grants), set aside funds for research and scholarship in the Arts and Humanities, additional staff in the Office of Research Services (ORS) and Sponsored Program Administration (SPA), and research-related software that support multiple disciplines. The return on investment (ROI) for such programming/initiatives will be evaluated by the Office of the Vice Provost for Research regularly.

Unit Allocation

The 60% referenced above will be distributed to Schools, Colleges, and Independent Centers or Institutes (i.e., those not reporting to an existing School or College) in proportion to their contributions to the overall F&A distribution in the prior fiscal year. For example, if the College of Arts & Sciences (CAS) generated 20% of the non-SSOM F&A recovery for FY 2023-24 fiscal year, it would receive 20% of the 60% distributed by the end of September of FY 2024-25. Funds will be allocated according to the primary academic home of PIs/Co-PIs. Should co-PIs be from different Units, the Units share will be divided evenly between the co-PI's units.



Receiving units may use these funds to support broadly defined research infrastructure and research needs, including personnel. Units must adhere to the following guidelines:

PIs: Schools, Colleges, and Independent Institutes/Centers must distribute at least 50% of recovered F&A for their units directly to the PIs who generated the funds.

Centers/Institutes: School and Colleges must distribute at least 10% of recovered F&A to any Center or Institute located in the College/School as the sponsoring unit in the initial grant proposal. If more than one unit served as the sponsoring Unit, the 10% will be split equally between them.

Setting up F&A Accounts

Any administrative unit or PI receiving an annual F&A return greater than \$1,000 will have a separate spending account unit established.

Can the dollars in my F&A account roll over from one fiscal year to the next?

Funds in these accounts will roll over for three consecutive years and must be spent within this period. Units with a valid reason may request up to 2 years extension (to be approved by the VPR). Any unspent funds at the end of the three (or extended) year period will be returned to the VPR's office. PIs who leave the University before expending these funds will return the balance to the departing PI's home unit. For PIs with an annual F&A return of less than \$1000, funds will be tracked and approved via the PIs home unit. ORS will send annual notifications to the PI's regarding their available funds.