

UNIVERSITY OF NORTHERN IOWA

UNI INCENTIVE FUNDS PROGRAM GUIDELINES

The purpose of the UNI Office of Research and Sponsored Programs Incentive Funds Program is to encourage faculty/P&S staff, colleges, departments, and other administrative units to actively seek externally funded projects. The program provides financial support to those administrative units and Principal/Co-Investigators or Project Directors/Co-Directors (PIs/PDs) who successfully obtain sponsored project funding. These monies are distributed from a university general operating fund account and are based on the facilities and administrative (F&A) costs (indirect costs) awarded by the sponsor. Distributions are normally made in the month that the sponsored award is reported to the State Board of Regents. Office of Financial Aid administered grants are excluded from the incentive funds distribution program.

Distribution Formulas

1. Awards based on a Congressionally Directed Appropriation (Earmark) to the University

Distribution of the incentive funds will be as follows:

20% to the President's Office

10% to the Office of Research and Sponsored Programs

5% divided equally among Principal /Co-Investigators and Project Directors/Co-Directors

2. Awards NOT based on a Congressionally Directed Appropriation (Discretionary/Competitive awards from sponsoring agencies)

Distribution of incentive funds will be as follows:

14% to the Office of Research and Sponsored Programs

10.5% divided equally among Principal & Co-Investigators/Project Director & Co-Directors identified as such on the RSP Proposal Approval and Routing Form (PRAF)

5.25% to the Head of the Department(s) or Director of the organizational unit providing programmatic and financial oversight of the PI/PD

5.25% to the College Dean/Division VP of the PI/PD

If a College Dean or other College level faculty or staff member is designated as the Principal Investigator or lead Project Director, the College will receive the department distribution share. The Division Vice President will then receive the College share of the applicable distribution formula.

All eligible PIs/PDs and the administrative unit to which their grant or contract account is assigned will receive a unique account number from which expenditure of incentive fund allocations may be made. Unused incentive fund allocations may be carried-over from one fiscal year to the next. However, no negative account balances will be allowed without written prior approval of the Controller.

Adjustments will be made to distributed incentive funds if unrecovered F&A costs from the grant upon which the distributions are based are greater than \$1000.

APPROPRIATE Uses of Incentive Funds

These funds are to be expended to support the University's research and creative efforts past, present, or future. Such expenditures may include, but need not be limited to, the following:

- Conducting pre-grant literature review and feasibility studies
- Preparing competitive proposals for sponsored programs
- Travel expenses to seek out and meet with potential funding sources
- Providing carry-over funding for research and creative efforts to provide continuity between externally funded projects
- Purchasing equipment and supplies directly related to expanding the research and creative capability of the institution
- Paying for sponsored project costs that are unallowable as direct costs
- Supporting faculty summer salaries to position the investigator to attract additional sponsored program funding more effectively (research, building a collaborative team, and proposal writing) and to conduct funded sponsored projects
- Graduate Assistantship Tuition Scholarships for GAs performing work on grants.
- Cash cost-sharing contributions
- Over-expenditures or audit disallowances to a grant or contract account.
- Other reasonable and allocable expenditures related to sponsored project activity

UNALLOWABLE Uses of Incentive Funds

- PIs/PDs requesting special compensation (pay in excess of 1.0 FTE) for themselves during the academic year and summer session.
- Expenditures on items not reasonably related to research or creative activities past, present, or future.
- Expenditures that do not comply with University fiscal policies and procedures.

UNI Office of Research and Sponsored Programs Incentive Fund expenditures are initiated and managed directly by the named account holder (PIs/PDs, Department Head, College Dean) and are subject to departmental oversight. Unexpended funds will roll forward from one fiscal year to the next. Faculty/staff working together in areas of strategic strength or other multi-investigator research initiatives are encouraged to pool their individual shares and invest jointly in their efforts. When faculty and staff terminate their employment with the University, the unexpended balance in their incentive fund accounts will be transferred to their departmental incentive funds account.

Overview of Facilities and Administrative (F&A) Costs

F&A costs are costs paid by agencies that enter into grants or contracts with the University for research and creative activity. They may also be referred to as indirect costs or overhead charges, but formally should be described as facilities and administrative (F&A) costs. The most important thing to note about F&A costs is that they are provided to the University as a reimbursement for real historical costs incurred in maintaining the infrastructure for research and sponsored projects. **University policy is that F&A costs, along with direct costs, are to be included in sponsored program budgets and maximized at the full applicable and allowable rates.**

Program Oversight

The Assistant Provost of Research and Sponsored Programs will oversee the Incentive Funds Program. No co-signature of the Assistant Provost of Research and Sponsored Programs is needed on expenditure requests. However, he or she may conduct a periodic review of incentive funds accounts to confirm that program funds are being used for the purposes for which they are provided.