



TEXAS SOUTHERN UNIVERSITY
MANUAL OF ADMINISTRATIVE POLICIES AND PROCEDURES

SECTION: Academic Affairs
AREA: Research

Policy 06.02.01

SUBJECT: Policy on the Distribution of Recovered Facilities and Administrative Cost
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I. PURPOSE AND SCOPE

It is the policy of Texas Southern University that all research and other academic and service programs, grants and contracts between the university and external sponsors are subject to facilities and administrative (FA) costs associated with the contract or grant activities.

The facilities and administrative costs rate for an institution is determined by prior negotiations with an agency of the federal government. The rate for Texas Southern University was negotiated with the Department of Health and Human Services. This rate covers all expenses incurred by the institution that cannot be directly attributable to the contract or grant. Such expenses include overhead expenses, supporting services and/or use of facilities. Funding sources indicate whether indirect costs are allowable.

II. POLICY PROVISIONS

- A. Forty percent (40%) of the facilities and administrative costs funds generated by grants and contracts will be placed in the university's "General Funds Account" to be used for appropriate overhead expenses.
- B. Twenty percent (20%) of the facilities and administrative costs funds generated by grants and contracts will be placed in a "Research Account" in the Office of Research for Faculty Development and research support activities.
- C. Ten percent (10%) of the facilities and administrative costs funds generated by grants and contracts will be placed in a "Research Account" in the Graduate School for Faculty Development. These funds will provide a source of support for faculty members who do not have grant or contract funds, and also to give incentives to faculty members for unique scholarly contributions.
- D. Ten percent (10%) of the facilities and administrative costs funds generated by grants and contracts will be placed in a "Research Account" for the school or college from which the proposal originated. The amount of the funds going to the school/college will be prorated on the basis of the percent of the total FA funds generated by that

school/college. At least fifty (50%) of these funds must be used as direct support for student scholarship.

- E. Ten percent (10%) of the facilities and administrative costs funds generated by a grant or contract will be placed in a "Research Account" for the academic department from which the proposal originated. The amount of the funds going to the department will be prorated on the basis of the percentage of the total FA funds generated by the academic department.
- F. Ten percent (10%) of the facilities and administrative costs funds generated will be given to the person who wrote the proposal that was funded. The funds must be used to support enrichment activities germane to the project.

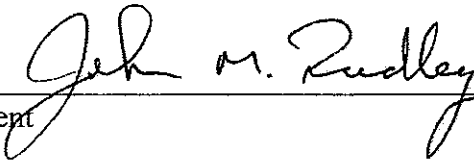
III. REVIEW AND RESPONSIBILITIES

Responsible Party: Associate Provost for Research and Provost

Review: Every three years, on or before September 1

IV. APPROVAL

Vice President for Academic Affairs/Provost



President

Effective Date: 06/24/09