Policy and Procedure for the Return of Indirect Costs to Research Faculty

In order to reward soft-money Research Faculty for their hard work in raising extramural support, and to incentivize the expansion of the number of such Faculty at UMaine, the Office of the Vice President for Research and Dean of the Graduate School has adopted a policy for the return of indirect costs arising from Research Faculty sponsored research. The policy was developed in conjunction with a Faculty committee (see Research Faculty at the University of Maine, July 30th 2015); minor changes have been made to facilitate implementation.

In summary, as of FY 2018 return of indirect to Research Faculty will be funded via the Office of the Vice President for Research. The first annual payout will occur in July 2017 with calculations based on FY 2016 data. Research Faculty who are 100% soft money will receive 25% of their effective indirect. Indirects on each award will be actuals based on expenditure, with any non-salary cost share and indirect costs already returned, subtracted. In order for indirect to be returned on a given award it must have been submitted in compliance with the ORSP proposal submission timeline.

Procedure for the Return of Indirect Costs to Research Faculty

- The Effective Indirect (EI) for each sponsored project will be calculated by totaling the indirect costs recovered on actual expenditures. The resultant figure will be reduced by any non-salary cost share provided on the project, and by any funds from indirect costs already returned.

- The Fraction of a Research Faculty (FRF) position that a given individual has will be determined by: a Full Research Faculty member is one who derives all salary from soft money, non-UMaine, sources and has a FRF of 1. A partial Research Faculty member derives a fraction of their full salary from soft money, non-UMaine sources, this is their FRF.

- The amount of indirect returned to a specific Research Faculty PI/Co-PI of a given sponsored project (R/RFPI/PROJ) will be determined by multiplying the Effective Indirect (EI) by the Fraction of a Research Faculty position they hold (FRF), and by the Fraction Responsibility reported in the Grants and Contracts Database, (FGCDB), and by 1/4, ie

  \[ R/RFPI/PROJ = EI \times FRF \times FGCDB \times 0.25 \]

- The total Indirect returned to a given Research Faculty member will be determined by summing the respective values for the return per Research Faculty PI/Co-PI per sponsored project (R/RFPI/PROJ) for all projects for which there was an Effective Indirect, and for which the Research Faculty/staff member had a Fractional Responsibility.

- The maximum indirect return per year for an individual will be $100,000
• A partial Research Faculty member will receive indirect cost return in accordance with general university policy that is proportional to the Fraction of Non-Research Faculty position they hold (ie 1-FRF)

Rules and Expectations of ICR Funds
August 1, 2017

Indirect cost funds returned to faculty will be dispersed into a departmental E&G account using a specific program code, thereby separating the funds from departmental operating funds. Within each indirect cost return account, funds associated with specific faculty members will be designated via assignment of individual alpha or alpha-numeric class codes. The specific code employed will be determined by the department together with the VPR financial support staff.

All expenditures of indirect cost funds returned to faculty must follow University Administrative Practice Letters. Links to each are listed below.


Indirect cost funds returned may be used for the following:

• Salary coverage including benefits (course buyout, summer salary, additional compensation)
• Bridge funding (must include benefits in calculations where applicable)
• Travel, conferences, and lectures related to research and professional development
• Research supply and equipment purchases
• Support for undergraduate and graduate assistants
• Hosting seminar speakers
• Publishing costs
• Cost share
• Books, journals, papers and other similar expenses to support research and professional development
• Project development costs such as proposal writing and workshops
• Research-related recruitment costs
• Laboratory enhancements

Indirect Return funds may not be used for hiring individuals into permanent positions. It should be noted that these funds will not be eligible for increases related to contract-negotiated increases or benefit rate adjustments. When faculty leave the University, the remaining balance of their indirect cost return account will be returned to the Indirect Return control account managed by the Office of the Vice President for Research.