

**University of Richmond**  
**Statement on the Distribution of Indirect Costs Recovered**

The University of Richmond's policy is to recover the full amount of indirect costs allowable by a granting agency, whether public or private. In acknowledgement of the effort required to seek and secure external funding, the University elects to return 10% of the indirect costs recovered to faculty members who serve as the principal investigator (PI) on grants that include indirect costs. To do so, the University will create Research Incentive Accounts for each PI. Funds will be added to these accounts in December and June, and will be calculated based on actual indirect costs to-date. Unused account funds will continue to roll forward and will not expire. In cases of multiple PIs, funds will be evenly distributed unless other arrangements are specifically requested and approved by the respective dean and the Provost.

Allowable expenditures of Research Incentive Accounts include:

- Pilot studies for new projects
- Equipment
- Student support and conference travel
- Professional development
- Travel related to future projects
- Costs associated with the development of new proposals for external funding

Salary supplementation for the PI is not an acceptable use of research incentive funds. Research Incentive Accounts are institutional funds. As such, their use is subject to established policies and requires supervisor approval. Department chairs will be responsible for approving all Research Incentive Account expenditures; the dean will assume responsibility for approving expenditures made by department chairs also serving as PIs. Faculty leaving the institution will forfeit these funds upon their separation and the remaining account balance will revert to the University's general operating fund.

The University reserves the right to modify or rescind this policy if the need arises.

Effective: July 1, 2011