September 28, 2012

MEMORANDUM

TO: Dr. T. Joan Robinzon, Provost and VPAA
FROM: David Wilson, President
SUBJECT: Recommendation from the Indirect Cost Committee

I have reviewed the recommendation from the Indirect Cost Committee, and appreciate the effort put forth by the Committee in looking at how the University should be distributing indirect cost funds. Please know that I accept the recommendation of the Committee, namely, that starting in 2012, 65% of the indirect cost revenue received by the University will go into the University General Fund, and 35% will be divided as follows:

- Office of the VPAA: 10%
- VP for Research and Economic Development: 5%
- School/Department: 30%
- Principal Investigators: 30%
- Start Up: 25%

Let me point out, however, that at no point going forward should the indirect cost amount going into the University General Fund be below $2.3 million. The rationale here is that, over the last several years, the University has built into its base budget a recurring amount of $2.3 million from indirect costs. Therefore, what I am approving is that indirect costs coming into the institution above $2.3 million be allocated in the way the Committee has recommended.

Again, I thank the Committee for the great work that it undertook in bringing forward this recommendation, and I will be more than happy to answer any questions that it might have.

cc: Mr. Raymond Vollmer
    Committee Members
    Dears
    University Council Executive Committee
    President's Cabinet

1700 E. Cold Spring Lane • 9th Floor Bank • Baltimore, MD 21251 • (443) 885-3200 • Fax (443) 885-8286
Maryland's Public Urban University