


October 13, 2020

TO: Provost Prakash and Vice Chancellors Champagne, La Belle-Hamer, Peter and Queen
FROM: Daniel M. White, Chancellor 
RE: Indirect Cost Recovery Distribution Rate

Since July of 2011, UAF has distributed 50 percent of the indirect cost recovery (ICR) to the generating unit. The ICR distribution rate is approved at the University by the Chancellor with input from academic, research, and administrative units. There are no discussions underway to change the ICR distribution at UAF. Since the research units have built their business models on a stable ICR distribution rate, maintaining this predictability is critical to our research enterprise. Use of ICR distributed to the generating unit remains at the discretion of the director of the unit.

Over the years, the question has been asked about the percentage of ICR allocated to the UA system office. I am currently in conversations with Interim UA President Pitney regarding the future of this distribution. We are seeking to have the distribution changed to be more proportional to the services received with more of the ICR remaining at UAF.

The attached chart includes the ICR distribution rates from FY12 to present. Please forward this information to your deans and directors.

DMW:jdp

cc: Nickole Conley, UAF Executive Officer

ICR Distribution Rates: FY12 to Present

Generating Unit	50.0%
OSP and CRS Match	1.5%
Undergrad Research	1.0%
New Buildings (debt)	7.5%
WRRB	0.0%
Total Research Investment:	60.0%
VCAS Units	0.0%
Facilities	0.0%
Library	0.0%
UAF Supporting Units	28.0%
Total for UAF Supporting Units:	28.0%
UA Statewide G&A	12.0%
Total:	100%