**Management of WSU Facilities and Administrative (F&A) Funds**

**July 2018**

**Introduction**

Facilities and Administrative (F&A) funds are critical for supporting WSU’s research, education, and outreach missions, including enabling infrastructure. The allocation of F&A funds reflects research and other University priorities, the University’s funding situation, unit, College, and campus staffing plans, and other factors. The Drive to 25, in combination with these factors, has motivated WSU to implement a F&A Committee specifically devoted to oversight of F&A funds, including strategy, policies, and allocations.

The F&A Committee will consist of the Vice President for Research (Chair), the Provost, the Vice President for Finance and Administration, the Associate Vice President and Chief Budget Officer, a Campus Chancellor, and a Dean. The Committee will seek additional input as needed to address specific issues, and will ensure F&A funds are managed in an inclusive and transparent manner. The Committee will also consider recommendations from a 2016 report completed by the Vice President for Research (VPR) and the Associate Vice President and Chief Budget Officer aimed at using F&A funds with greater strategic impact and transparency.

**F&A Committee Responsibilities**

Specific duties of the Committee will be as follows:

1. Policy and Strategy: The F&A Committee will oversee implementation and formulation of proposed changes to Executive Policy #2 (EP2) *Policy for Allocating Facilities and Administrative Cost Recovery.* Proposed changes to EP2 developed by the Committee will be reviewed and approved using approved processes for changes to Executive Policies.
2. Allocations: The Committee will oversee allocation of F&A funds across the University. The Committee’s role will vary depending on the topic in question as summarized below:

*A) Overall allocation of F&A between campuses and organizational units including central administration, the Colleges, Libraries, and the Graduate School:* The Committee will monitor allocations, develop recommended changes as needed, and submit them to the Provost and President for approval. The Committee will be inclusive, including seeking system-wide input as appropriate, in formulating any recommended changes.

*B) Use of F&A from existing, transferred grants to support start-up costs for new faculty hired from outside WSU:* The Provost will continue to be responsible for these decisions, and will inform the committee when these decisions are made. Requests for F&A support of new faculty beyond transfer of existing grants will be considered a strategic F&A investment, and will be referred to the F&A Committee for discussion and decision by the VPR (see D) below).

*C) F&A Waivers:* The Committee will oversee the F&A waiver process, including implementation of the F&A waiver guidelines and formulation of revisions to those guidelines as needed.

*D) Strategic F&A investments:* The Committee will oversee allocation of F&A funds in support of strategic university investments. This includes, but is not limited to, use of F&A funds for support of:

* + - Hiring of new faculty and staff, beyond B. above.
    - Centers, Institutes, and Laboratories.
    - Cost-share arrangements in support of grant proposals.
    - Infrastructure costs, including acquisition of equipment for core laboratories and other activities of broad benefit.
    - Incentives to enhance faculty/staff grant productivity.
    - Other requests the Committee deems appropriate.

3. F&A Transparency and Reporting: The F&A Committee will develop and implement processes to enhance F&A transparency, and to ensure regular review the effectiveness of F&A expenditures. This will include providing an annual report on F&A expenditures available to the entire WSU community.

**Committee Operation**

The Committee will operate in an inclusive and transparent manner and will take a systems approach to evaluating F&A investments and policy changes, in particular balancing benefits vs. costs. The Committee will consult with appropriate university leaders and governance bodies system-wide in formulating proposed changes, recommendations, and decisions. The Committee will maintain meeting records and ensure decisions and recommendations are conveyed promptly and clearly to the WSU community.

**Next Steps**

This proposal will be discussed with university leadership, including the President’s Cabinet and Provost Council, prior to implementation. The Office of Research Operations (ORSO) will also work with the Budget Office and others as needed to develop an implementation plan for this effort, including a schedule, the request submission process, electronic forms, and other infrastructure needed to support the Committee.