Dear Colleagues:

In March 2008, in consultation with the deans and Faculty Senate, an ad hoc committee was formed to analyze and make recommendations on the distribution of recovered Facilities and Administrative (F&A) monies from extramurally sponsored research. Start-up costs, equipment maintenance, and the ability to provide timely investments in promising research initiatives surface constantly as issues of concern for faculty and deans. F&A cost recovery distribution influences all of these elements. The membership of the community, listed below, was drawn from the Vice President for Research and Creative Activity Office, the Council for Research, Scholarship, and Creative Activity (CRSCA), the deans, center/institute directors, chairs and directors, and faculty.

The committee’s recommendations were presented to me and, upon his arrival, to Rathindra Bose, our new Vice President for Research and Creative Activity. Rathindra spent time reviewing the recommendations and discussing them with CRSCA, the associate deans, faculty, and the deans. Upon the conclusion of his review, Rathindra endorsed the committee’s proposal for a new cost recovery distribution formula and I have approved it.

With a new fiscal year on the horizon, we are preparing for the implementation of the new F&A cost recovery distribution formula. Beginning July 1, 2009, any new funds that are awarded/received will be set up with the new distribution. Any projects that are already established with the old distribution will stay at the old rate until they expire.

For comparison purposes the former and new percentages are provided:

<table>
<thead>
<tr>
<th></th>
<th>Non-Center</th>
<th>Center/Institute</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Former</td>
<td>New</td>
</tr>
<tr>
<td>Principal Investigator</td>
<td>22.75%</td>
<td>18.00%</td>
</tr>
<tr>
<td>Department</td>
<td>8.75%</td>
<td>7.00%</td>
</tr>
<tr>
<td>Center</td>
<td>0.00%</td>
<td>0.00%</td>
</tr>
<tr>
<td>College</td>
<td>3.50%</td>
<td>14.00%</td>
</tr>
<tr>
<td>General Fund/VPR</td>
<td>65.00%</td>
<td></td>
</tr>
<tr>
<td>VPR</td>
<td>61.00%</td>
<td></td>
</tr>
<tr>
<td>General Fund</td>
<td>0.00%</td>
<td></td>
</tr>
</tbody>
</table>

I would like to thank Rathindra and the members of the committee for their careful consideration of a matter of vital importance to the future of research and creative activity at Ohio University.

Sincerely,

Kathy A. Krendl
Executive Vice President and Provost
F&A Cost Recovery Distribution Committee
Interim Vice President for Research and Creative Activity Jim Rankin (co-chair)
David Bayless (co-chair) (Russ)
Renée Middleton (Education)
Dennis Irwin (Russ)
Howard Dewald (A&S)
Jennifer Horner (HHS)
Jack Blazyk (OU-COM)
Art Smith (A&S)
Ralph DiCaprio (A&S)
Chris Moberg (COB)
Gerrit Botte (Russ)
Chris Gidycz (A&S)
Marsha Dutton (A&S)
Katherine Milton (COFA)
Karen Riggs (Scripps)
Shane Gilkey (Research & Sponsored Programs)