

Board of Visitors

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**WILLIAM & MARY
FY20 OPERATING BUDGET DETAIL
FOR SPONSORED PROGRAMS**

Across all areas of research at the university, students continue to benefit directly as they work alongside faculty on major research projects, often resulting in joint publication of the results. In addition to covering direct costs of research programs, sponsored research activity also provides indirect cost recoveries to the university.

For FY20, sponsored programs activity reflects estimated expenditures of \$31.4 million primarily from federal grants and contracts. The Office of Sponsored Programs (OSP) is expecting a slight decline in direct awards and expenditures based on current awards and proposal activity. Likewise, OSP is expecting a decline in indirect cost recoveries. Indirect cost recoveries enable the university to reinvest funds back into its research programs, including support for faculty start-up, grant-matching funds, technology transfer, debt service payments associated with construction of various science facilities, and participation in high-speed network systems. William & Mary's current federal indirect cost recovery rate is 41.8%, which reflects a slight increase over the FY17 and FY18 rate of 40.0%, but a decline from a high of 48.0% in the early part of this decade. As the university prepares to submit its indirect cost rate proposal for FY21 and FY22, William & Mary has enlisted the help of an external consultant to evaluate its current cost accounting methodology to determine if there are opportunities to improve upon its rate in the next proposal submission.

	Estimated FY19 Actual	Proposed FY20 Budget	Change from Prior Year
REVENUE			
General Fund	167,600	\$75,000	(\$92,600)
Grant Awards - Direct Costs	27,350,000	27,000,000	(350,000)
Indirect Cost Recoveries	<u>4,700,000</u>	<u>4,350,000</u>	<u>(350,000)</u>
Total Revenue	32,217,600	31,425,000	(792,600)
EXPENDITURES	\$32,217,600	\$31,425,000	(\$792,600)