**Penn State leader shares how research is incentivized in budget**

**Andrew Read, interim senior vice president for research, explains how Penn State's new budget model prioritizes and incentivizes research investment better than at any time in Penn State's history.**

Let me give you my perspective. In the old days, that is to say, a year or so ago and before that, the deans and the chancellors decided how to divide up their allocation amongst the different missions of their units. Well, that's true now. The deans and the chancellors still make those decisions.

But what we have in addition to that is we've got a $28.5 million budget line that's divided up amongst the units based on research expenditures; that's new. We've got presidential and provost funds that can be directed to new research initiatives; that's new. And most important of all, we've got ring-fenced OSVPR budgets. So, the vice president for research’s budget is ring-fenced with the F&A equivalent and that means that as the F&A pie grows, and it's been growing at 4 to 8% a year for the last 20 years, then the resources that can be invested grow as well. And if we do that wisely, we'll invest into areas of growth where the external activities go up and we'll have a virtuous cycle.

So, in due course, we should be able to grow (and we're incentivized to grow) in a way that's actually not been possible before and not been deliberately incentivized before. So, it's possible that we right now, arguably, have research protected at Penn State in a way that it's never been protected before. Before it was all subject to the whims of the deans and the chancellors (and we've had some excellent deans and chancellors). But right now, going forward, it's also in the purview of the vice president for research to invest that money in research, and it'll only go to research. And that means that we won't have any of the investments being diluted out in different directions. So, I think the future is pretty bright.