

August 26, 2025

AAU Board Endorses FAIR Model for Covering Real Costs of Research

COSTS OF RESEARCH (F&A COSTS)

PRESS RELEASES

RESEARCH ADMINISTRATION & REGULATION

The following is a statement from the Association of American Universities (AAU) Board of Directors:

The Board of Directors of the Association of American Universities (AAU) endorses the new [Financial Accountability in Research \(FAIR\) model](#) proposed by the Joint Associations Group. AAU has long advocated for appropriate funding of the costs – including [support for compliance and infrastructure costs](#) – needed to conduct research on behalf of the American people. Every day, America's leading research universities conduct cutting-edge research that advances the frontiers of scientific knowledge and leads to new cures and innovations that improve our lives and drive our economy. Producing that research requires a wide range of facilities and other infrastructure services, including high-tech laboratories and equipment, access to internet and data storage tools, and a host of other resources and the support staff who ensure research is conducted safely, securely, ethically, and in accordance with existing federal and state laws and regulations.

AAU members and other research universities contribute billions of their own dollars every year to fill the gap where some of these necessary "indirect" research costs go unreimbursed by their federal research partners. At the same time, American taxpayers and federal officials deserve transparency and accountability for all government funding that supports research. This is why AAU has helped organize and lead the Joint Associations Group and now officially endorses the group's new [Financial Accountability in Research \(FAIR\) model](#).

This model represents a sound, common-sense approach to ensuring that the essential costs of conducting research are supported. It also provides trackable costing categories which enhance transparency and accountability and make more

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Read the executive summary of the Financial Accountability in Research (FAIR) model to see how it works:

[READ IT HERE](#)

PRESS RELEASE

AAMC Statement on the Financial Accountability in Research (FAIR) Model for Federal Research Funding

Sept. 23, 2025

AAMC President and CEO David J. Skorton, MD, issued the following statement reiterating the AAMC's ongoing support for the Financial Accountability in Research (FAIR) model:

"As a founding member and ongoing contributor to the Joint Associations Group on Indirect Costs (JAG), the AAMC reiterates its strong support for the Financial Accountability in Research (FAIR) model. In addition to the other founding organizations, more than 160 other national organizations across the research community have [expressed their support](#) for the FAIR model as an alternative to the impractical policies that federal research agencies have sought to impose on research institutions for determining facilities and administrative (F&A) costs for federally funded research.

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250 organizations as of October 13, 2025

AACCTE: American Association of Colleges for Teacher Education
Academic Data Science Alliance
Academy for Radiology and Biomedical Imaging Research
Academy of Physicians in Clinical Research
ACPA-College Student Educators Internation
ACT for NIH
Akari Foundation
Alliance for Academic Internal Medicine (AAIM)
Alliance for Aging Research
Alliance of Dedicated Cancer Centers
ALS Association
American Academy of Allergy, Asthma & Immunology
American Academy of Emergency Medicine
American Academy of Neurology
American Academy of Nursing
American Academy of Pediatrics
American Association for Dental, Oral, and Craniofacial Research
American Association for Pediatric Ophthalmology and Strabismus
American Association for the Advancement of Science
American Association of Chairs of Departments of Psychiatry (AACDP)
American Association of Colleges of Nursing

American Association of Colleges of Nursing
American Association of Colleges of Pharmacy
American Association of Collegiate Registrars and Admissions Officers
American Association of Directors of Psychiatric Residency Training
American Association of Physics Teachers
American Association of State Colleges and Universities
American Association of Veterinary Medical Colleges
American Brain Tumor Association
American Chemical Society
American College of Academic Addiction Medicine
American College of Clinical Pharmacology
American College of Neuropsychopharmacology
American College of Physicians
American College of Radiology
American Council of Learned Societies
American Gastroenterological Association
American Geriatrics Society
American Indian Higher Education Consortium
American Neurological Association
American Pediatric Society (APS)
American Physical Society
American Physiological Society
American Psychological Association Services
American Roentgen Ray Society
American Society for Investigative Pathology
American Society for Microbiology
American Society for Radiation Oncology
American Society for Reproductive Medicine
American Society of Echocardiography
American Society of Human Genetics
American Society of Nephrology
American Society of Plant Biologists
American Society of Transplant Surgeons
American Society of Tropical Medicine and Hygiene
American Statistical Association
American Surgical Association
American Thoracic Society
Americans for Medical Progress
Association for Academic Pathology (AAPath)
Association for Frontotemporal Degeneration
Association for Institutional Research
Association for Psychological Science

Association of Academic Chairs of Emergency Medicine
Association of Academic Health Sciences Libraries
Association of Academic Leaders of Neurology, formerly Association of University Professors of Neurology
Association of Academic Physiatrists
Association of Bioethics Program Directors
Association of Departments of Family Medicine
Association of Family Medicine Residency Directors
Association of Governing Boards
Association of Jesuit Colleges and Universities
Association of Population Centers
Association of Professors of Dermatology
Association of Professors of Gynecology and Obstetrics
Association of Research Libraries
Association of Schools and Colleges of Optometry
Association of Science and Technology Centers (ASTC)
Association of University Professors of Ophthalmology
Barth Syndrome Foundation
BDSRA Foundation
Biophysical Society
Cancer and Careers
Center for Endometriosis Care
Childhood Arthritis and Rheumatology Research Alliance
Chris "CJ" Johnson Foundation Inc
College and University Professional Association for Human Resources
Consortium of Social Science Associations
Council for Advancement and Support of Education
Council for Christian Colleges & Universities
Council of Graduate Schools
Council of Pediatric Subspecialties
Council on Social Work Education
CURE Epilepsy
Cures Within Reach
Dravet Syndrome Foundation
Dysautonomia International
ECAN Esophageal Cancer Action Network
EDUCAUSE
Entomological Society of America
EPSCoR/IDeA Coalition
EPSCoR/IDeA Foundation
Federation of American Societies for Experimental Biology (FASEB)
Federation of Associations in Behavioral and Brain Sciences

FORCE: Facing Our Risk of Cancer Empowered
Gerontological Society of America
Good Days
HealthyWomen
Hope for HIE
Human Factors and Ergonomics Society
IITC INC.
International Bipolar Foundation
International Foundation for Gastrointestinal Disorders (IFFGD)
International Society for Stem Cell Research
Kidney Cancer Association
LEAD Coalition (Leaders Engaged on Alzheimer's Disease)
Lennox-Gastaut Syndrome (LGS) Foundation
M-CM Network
Men's Health Network
METAvivor
NASPA-Student Affairs Administrators in Higher Education
National Alliance for Eye and Vision Research
National Association for Biomedical Research (NABR)
National Association for College Admission Counseling
National Association For Continence
National Council of University Research Administrators
National Kidney Foundation
National Multiple Sclerosis Society
New Jersey Association for Biomedical Research
North American Vascular Biology Organization
Ovarian Cancer Research Alliance
Patient-Led Research Collaborative
Pediatric Infectious Diseases Society
Pennsylvania Society for Biomedical Research
Phi Beta Kappa Society
PKD Foundation
Population Association of America
Pulmonary Fibrosis Foundation
Radiological Society of North America
Sjogren's Foundation
Social Affective Neuroscience Society (SANS)
Society for Academic Emergency Medicine (SAEM)
Society for Imaging Informatics in Medicine
Society for Neuroscience
Society for Pediatric Radiology
Society for Pediatric Research (SPR)

Society for Social Work and Research
Society of Behavioral Medicine
Society of Chairs of Academic Radiology Departments
Society of Directors of Research in Medical Education
Society of General Internal Medicine
Society of Nuclear Medicine and Molecular Imaging
Society of Teachers of Family Medicine
Society of University Surgeons
SPIE, the international society for optics and photonics
Teaching Kitchen Collaborative
The American Institute of Aeronautics and Astronautics (AIAA)
The Association for Research in Vision and Ophthalmology (ARVO)
The Judy Nicholson Foundation
The National Pancreas Foundation
The Obesity Society
The STARR Coalition
TMCF
TSC Alliance
United for Medical Research
UPCEA - The Online and Professional Education Association
v-ATPase Alliance
VHL Alliance
Vision Sciences Society
wAIHA Warriors



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of Independent
Research Institutes™

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AIRI Board of Directors Issue Statement to Formally Endorse the Financial Accountability in Research Model (FAIR) for Federal Research Funding

October 7, 2025

The Board of Directors of the Association of Independent Research Institutes (AIRI) formally endorses the Financial Accountability in Research (FAIR) model advanced by the Joint Associations Group (JAG). As an active partner of the JAG, AIRI recognizes the importance of establishing practical cost policies and securing adequate support for research costs, which are essential to sustaining the nation's critical research infrastructure.

The FAIR model does an excellent job of accounting for the real costs of research for every type of research institution through transparency and accountability. Without equitable reimbursement for all research costs, research institutions would be forced to close laboratories, lay off staff, stop clinical trials, and pause research programs. For our member institutions with limited alternative funding sources, these costs provide essential support for research infrastructure and operations, such as the maintenance of state-of-the-art laboratories and high-tech facilities, data processing and storage, energy and utility expenses, security for dangerous chemicals and microbes, and the administration of a grant throughout its lifecycle. The FAIR model provides greater visibility to these research costs and provides stakeholders with a clearer understanding of what is driving those costs.

The AIRI Board endorses the FAIR model as the new approach to supporting research to ensure America's leadership in science and innovation. We urge Congress to adapt the FAIR model into legislation and continue to reinforce our nation's ability to produce cutting-edge research that saves lives and advances public health.

News from NAICU

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 [Print Article](#)

October 14, 2025

NAICU Board Endorses FAIR Model to Guide a New Era of Research Support

On October 10, 2025, the Board of Directors of the National Association of Independent Colleges and Universities voted unanimously to endorse the FAIR Model proposed by the Joint Association Group on Indirect Costs. The following is a statement from the NAICU Board:

"The Board of Directors of the [National Association of Independent Colleges and Universities \(NAICU\)](#) endorses the [Financial Accountability in Research Model \(FAIR\)](#) proposed by the [Joint Association Group on Indirect Costs \(JAG\)](#). As a member of the JAG, NAICU represents the broad array of private, nonprofit universities involved in federal research, including 51 institutions with very high research activity, 42 with high research activity, and 89 with some research activity. Whether large or small, institutions conducting research in partnership with the federal government on behalf of the American people deserve appropriate funding for the costs of compliance and infrastructure to produce cutting-edge results.

"The FAIR model was developed by subject matter experts at research institutions to enhance transparency and accountability, adopting elements of the private foundation funding model and industry charging structures that make costs more visible and explicit through new trackable costing categories. The new model provides greater visibility on the drivers of research costs, including regulatory expenses, so researchers, institutions, government, and taxpayers can more clearly understand what contributes to the safe and ethical conduct of science. Adopting the FAIR model would align reimbursement with actual project needs, replacing the current F&A model that is applied across all research types at an institution with tailored support that reflects the specific type and cost of each research project, which better meets the needs of institutions of all sizes.

NAICU urges Congress and the administration to support the JAG effort and to adopt the FAIR model as a new approach to supporting research and ensuring American leadership in science and innovation."

Research in Crisis

News & Opinion Advocacy Philanthropy More Info NIH-funded Research at the Institute

A FAIR Way Forward for Federal Research Funding

“It [FAIR Model] is brilliant in both scope and simplicity, enhancing transparency and accountability. Research expenses are more understandable, more visible and more explicit — all claims of concern by the Trump administration.”

David A. Brenner, MD

President and Chief Executive Officer
Donald Bren Chief Executive Chair



SPEECHES & WRITINGS

Statement on federal research funding

By Andrew D. Martin | August 7, 2025

“I am proud that WashU was among a handful of institutions that lent expertise to help inform the JAG’s final product, and I believe the *FAIR* model will meet the Administration’s goal of increasing transparency while ensuring all universities continue to be responsible stewards of taxpayer funded research. We endorse this effort and are working with Congress and OMB to support its implementation.”



“Several federal agencies have moved to dramatically cut F&A reimbursement rates for universities, and in February we joined a group of our peers, led by the Association of American Universities, to successfully block this move in court. But that is only a temporary solution, and if the attempted 15% cap were ultimately to prevail, Hopkins could experience a 75% reduction (a loss of more than \$300 million annually) in these vital research expenses. To help secure a long-term resolution, we are part of a broad coalition of universities and other research organizations that are vigorously advocating for an alternative approach, called the FAIR model, which would make appropriate reforms but still provide vital federal research support.

**Dr. Ron Daniels, President
Message to the University community**



August 6, 2025

The Honorable John Thune
Senate Majority Leader
S-230, The Capitol
Washington, DC 20510

The Honorable Mike Johnson
Speaker of the House
H-232, The Capitol
Washington, DC 20515

The Honorable Susan Collins
Chair, Senate Appropriations
Committee
413 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Tom Cole
Chair, House Appropriations
Committee
2207 Rayburn House Office Building
Washington, DC 20510

The Honorable Chuck Schumer
Senate Minority Leader
S-221, The Capitol
Washington, DC 20510

The Honorable Hakeem Jeffries
House Minority Leader
H204, The Capitol
Washington, DC 20515

The Honorable Patty Murray
Vice Chair, Senate Appropriations
Committee
154 Russell Senate Office Building
Washington, DC 20510

The Honorable Rosa DeLauro
Ranking Member, House
Appropriations Committee
2413 Rayburn House Office Building
Washington, DC 20510

Dear Majority Leader Thune, Minority Leader Schumer, Speaker Johnson, Minority Leader Jeffries, Senator Collins, Senator Murray, Representative Cole, and Representative DeLauro,

The Bay Area Science and Innovation Consortium (BASIC), a partnership of Northern California's leading research universities, laboratories, and research-driven private companies, conveys its support for the Financial Accountability in Research (FAIR) model developed by the Joint Associations Group on Indirect Cost, which addresses indirect cost recovery rates in federal research grants.

Science is the foundation for America's competitiveness and its leadership in the world economy and is the bedrock for innovation and its benefits. Those benefits range broadly, with applications in defense, communications, information technology, energy, space, health and other fields. Together they support national priorities, innovation in both large and small companies, and health outcomes for millions of Americans and others around the world. While corporate support for applied (product-

“The FAIR model offers a fair and balanced approach ... that can increase the efficiency and transparency of grantmaking while ensuring that our nation’s leadership in science and technology is not impaired.”

“We ask that no federal action be taken to cap or otherwise change existing negotiated indirect cost recovery rates until a plan is developed with stakeholder engagement for a new indirect cost recovery system based on the FAIR model.”

Joint Associations Group (JAG) Statement on the Financial Accountability in Research (FAIR) Model

View

[What links here](#)

Joint Associations Group (JAG) Statement on the Financial Accountability in Research (FAIR) Model

September 5, 2025

As leaders of the Joint Associations Group (JAG) on Indirect Costs – which represents research institutions from every state in the nation, large and small, public and private – we urge policy makers to embrace and codify the Financial Accountability in Research (FAIR) model. We strongly believe this model, developed by subject-matter experts from across the research community, offers a transparent and publicly accountable means of research support that is responsive to lawmakers' concerns about past models.

Competitively awarded federally funded research – conducted by scientists, engineers, and scholars at research universities and institutions – is the engine that has long driven American innovation and prosperity. Discoveries funded by taxpayers' investments in research improve our lives, bolster our nation's security and economic progress, and generate cures to combat disease.

The scientific and economic dominance of the United States is, in part, because federal policy has long recognized that high-quality research requires support not just for people and lab supplies, but also for the scientific facilities, infrastructure, and services that help ensure research is conducted safely, securely, ethically, and in accordance with federal and state laws and regulations. The U.S. research enterprise is the envy of the world, and even as our global competitors strive to emulate it, we have an opportunity to continue to improve our methods for supporting research that advances the best ideas and opportunities for technological innovations.

The FAIR model is a straightforward and transparent approach to accounting for the full costs of research. The FAIR model adopts elements of the private foundation funding model and industry charging structures that make costs more visible and explicit through new trackable and auditable costing categories. This affords researchers, institutions, the government, and taxpayers the opportunity to better see and understand the drivers of research costs.

Greater accuracy, transparency, and accountability are essential for ensuring public confidence in federal research investments. The FAIR model announced by the JAG on July 11 makes these improvements without undermining support for essential research costs.

Our organizations stand ready to work with the federal government to make the changes necessary to sustain American science and innovation leadership.

- Association of American Universities (AAU)
- Association of Public and Land-grant Universities (APLU)
- Association of American Medical Colleges (AAMC)
- American Council on Education (ACE)
- Association of Independent Research Institutes (AIRI)
- Council on Governmental Relations (COGR)
- National Association of Independent Colleges and Universities (NAICU)
- American Association of State Colleges and Universities (AASCU)
- National Association of College and University Business Officers (NACUBO)

For more information on JAG's efforts and the FAIR Model, visit: <https://linktr.ee/JAGTownHall>

FAIR model is America's best path forward on research funding

By **Roy Blunt**

September 27, 2025 6:00 am

As the former chairman of the [Senate](#) funding committee for health research, I worked closely with the [Trump administration](#) on health research funding before and during the [COVID-19](#) pandemic. I saw firsthand how President [Donald Trump](#) showed the world that the United States was No. 1 in health research through groundbreaking initiatives such as Operation Warp Speed and the RADx testing program. Now, we have an opportunity to build on that success with smart reforms that maintain America's research leadership while ensuring transparency for taxpayers.

HIGHER EDUCATION

'FAIR' Model Aims to Preserve Federal Research Funding

UNC-Chapel Hill's vice chancellor of research explains a new proposal to counter the Trump administration's reimbursement cuts.

by Erin Gretzinger August 14, 2025



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When President Donald Trump returned to office in January, he took aim at the federal research funding system that has been the bedrock of technological and medical advances in the country [since World War II](#).

Among other funding threats and grant freezes, the Trump administration has proposed drastic changes to how much of universities' "indirect costs" for research the government will cover. These expenses, also known as facilities and administrative costs, pay for things like office equipment, lab upkeep, and support staff that are necessary for research.

Under the current funding model, universities negotiate a reimbursement rate every few years with the federal government to cover those costs. Depending on the institution, the rates fall between [30 to 70 percent](#) of the school's direct costs, which includes things like faculty salaries and the materials used in research.



UNC-CH Vice Chancellor for Research Penny Gordon-Larsen (Courtesy of UNC-Chapel Hill)

Improve the stewardship of federal research funds

JENNIFER LODGE AND RICHARD STANTON [Authors Info & Affiliations](#)

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6,283



Federal spending for scientific research in the United States is at a pivotal point of change. The funding system is now under close scrutiny by the Trump administration and Congress for the return it provides to taxpayers. Support from different federal agencies has already been diminished, and more change is coming. It is up to the research community to provide constructive solutions that improve accountability for federal money while preserving a partnership with the government that can continue to catalyze economic growth, place the US at the forefront of scientific knowledge, and improve lives.

Federal funding supports not only direct costs such as salaries and supplies for research projects, but also indirect costs that pay for facilities and administrative services necessary to conduct research in a safe, ethical, and secure manner. Under the current system, each research institution negotiates its own indirect cost rate with the government, which is a percentage of the direct costs, based on a list of allowable items. For many universities and medical schools, the indirect reimbursement rate generally ranges from **50 to 70%**, and because portions of the indirect rate are capped and some expenses cannot be included, the institutions themselves also contribute funds to support research.

Policy-makers are now focused on indirect costs and the difficulty in assessing their value, which is a reasonable exercise and can benefit the research community if approached with care. They are focused on the negotiation process, variability of rates across institutions, clarity on how the funds are spent, and whether there are incentives for efficiency. The Trump administration has proposed an across-the-board 15% cap on reimbursements for indirect costs, which would be devastating and short-sighted. The research community can and should offer a workable alternative.



KELVIN DROEGEMEIER, BARBARA SNYDER, TOBY SMITH, NANCY ANDREWS,
WILLIE MAY, KURT MAREK, AND FARIN KAMANGAR

Three Months on the Way to FAIR

When the National Institutes of Health announced its intention to cap the indirect costs of research, an ad hoc group of organizations joined forces to develop a more transparent model.

Members of Congress have long questioned the government practice of covering the facilities and administrative (F&A) costs of federally funded research. These so-called indirect costs include the expenses of facilities operation and maintenance, library services, building depreciation, and research administration. Rates of reimbursement for indirect costs vary by institution; they are determined by negotiations between individual research organizations and federal research agencies, and governed by a set of byzantine regulations and accounting practices. Questions about indirect costs arose as early as 1946, only a year after the concept was implemented. Since 1980, the Government Accountability Office alone has released more than 30 reports on the subject of indirect costs and more than 100 people have testified before Congress about them.

In 2017, before he became presidential science advisor in the first Trump administration, Kelvin Droegemeier testified before Congress at a hearing on a proposed cap on reimbursements that was included in the president's FY2018 budget request. Droegemeier's testimony explained the history of indirect costs within the social compact

between universities and the government that began during World War Two. Congress eventually blocked the implementation of the cap in the FY2018 spending legislation, and policy around indirect costs remained unchanged.

Even before President Trump took office for a second time, there were signs that the administration intended to try again to reduce indirect cost payments to research institutions. In February 2025, Droegemeier, now professor of atmospheric science and special advisor to the chancellor for science and policy at the University of Illinois Urbana-Champaign, began convening an informal group of individuals from research organizations to think about an alternative to a cap. In early April the Joint Associations Group (JAG) was formed and in mid-July it announced an alternative model for accounting and funding indirect costs called the Financial Accountability in Research (FAIR) model. The FAIR model presents a more understandable, transparent structure that's designed to be usable by all kinds of research institutions, applicable to all research proposals and awards from all federal funding agencies.

Issues asked Droegemeier and others involved in the

POLITICO

Why the ivory tower wants a deal with Trump

The schools won a reprieve in court, but they're still offering the president a compromise.



“[Senator Susan] Collins floated the new [FAIR] model to NIH Director Jay Bhattacharya at an NIH budget hearing in June and signaled her support for a compromise. She called Droegemeier’s plan “far fairer” than Trump’s flat rate and said she believed it would “increase accountability.” Bhattacharya said he had talked with Droegemeier during the early planning stages of the model. “I think they’re quite promising,” he said.”