

How does the UvA Allocation Model work?

Version 2023

The UvA Allocation Model is used to allocate funding for education and research to all faculties. The principles for allocations are based on compensating education and research tasks and rewarding performance.

What precedes the allocation model?

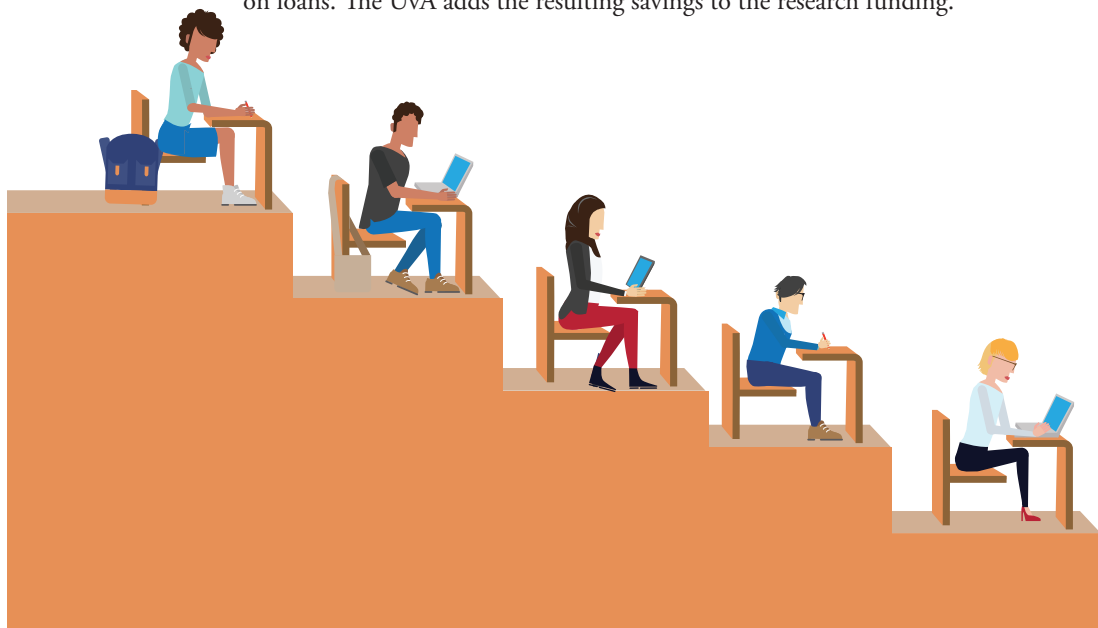
Each year, universities receive from the Ministry of Education, Culture and Science a government grant for education and research. Together with the income from tuition fees this is referred to as 'government funding'. The UvA also has income from indirect government funding and contract research funding. Indirect government funding broadly consists of grants and subsidies from the Netherlands Organisation for Scientific Research (NWO), the Royal Netherlands Academy of Arts and Sciences (KNAW) and the EU. Contract research funding consists of income from contract teaching and contract research. Indirect government funding and contract research funding are raised by the staff of the faculties and therefore go directly to the faculties concerned.

Distribution of government funding

The UvA is free to decide itself how the income it receives from government funding should be distributed internally. Universities are not obliged to distribute the government grant for education and research in the same proportion amongst all the faculties. The UvA does distribute the education and research funding equally, however.

Education and Research Funding

- The government grant for education and the tuition fees together form the education funding.
- The government grant for research, the return on equity (RoE) and a small portion of the institutional tuition fees together form the research funding. The return on equity derives from the fact that the UvA uses its equity capital to fund part of the investments made for renovation and new construction of accommodation for education and research purposes. This reduces the amount of interest the UvA has to pay on loans. The UvA adds the resulting savings to the research funding.



Allocation of Education & Research Funding

1. Central Costs

The central costs broadly consist of:

- executive board and executive staff
- theme-based budgets, such as internationalisation, personnel & representative advisory bodies, valorisation and communication. Examples include: Folia, the Sweelinck Orchestra and the 'terms-of-employment funds'



2. Heritage & University Library Collections

This concerns the UvA's Museums and Special Collections and the University Library.



Items 1 and 2 are matters of public interest, and are allocated roughly eight per cent of the government grant and tuition fees. Ninety two per cent of the government grant and tuition fees goes to the faculties and Amsterdam University College. They use this money to pay for their education, research, staff as well as services such as accommodation, ICT, facilities services and administration. These service providers do not receive funding directly from the education and research funding.

3. Special allocations

Shared service units and faculties forced to incur additional costs due to special circumstances can be allocated additional budget on a temporary basis.



4. AUC en FdT (Faculty of dentistry)

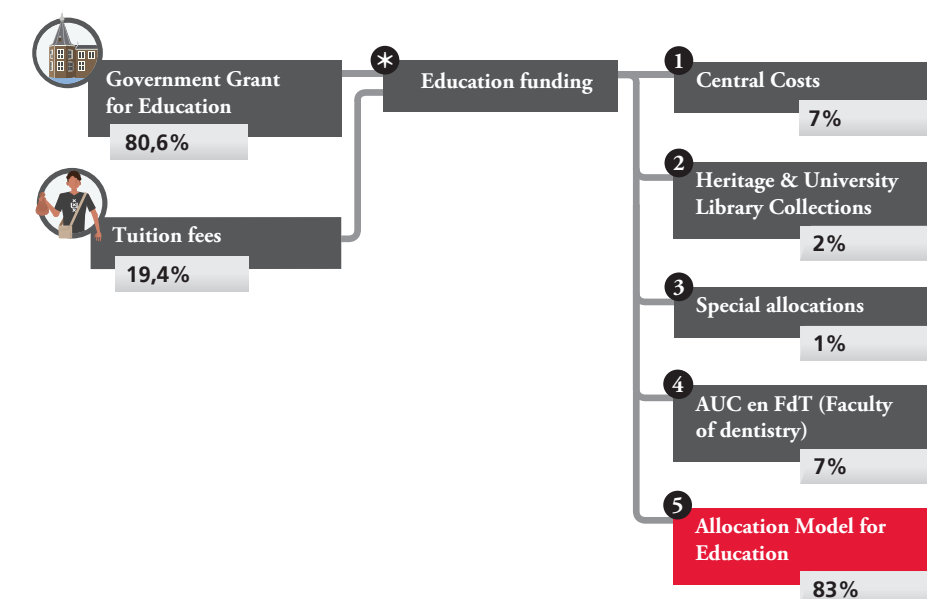
AUC and FdT (Faculty of dentistry (ACTA)) are partnerships between the UvA and VU University Amsterdam. Their funding is based on the government grant model agreed with VU University Amsterdam.

5. The allocation model

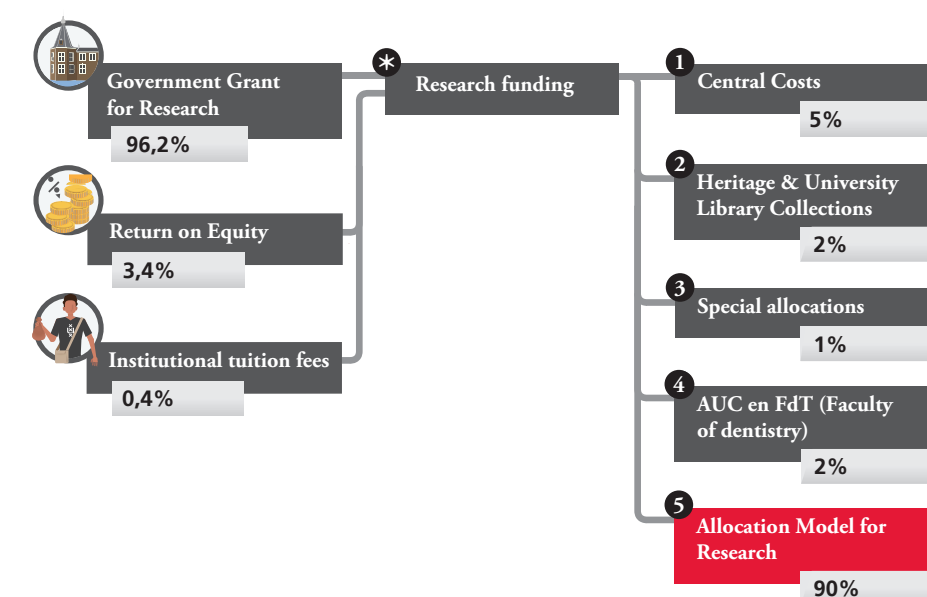
We use the Allocation Model to allocate funds across the faculties. Allocation agreements have been made for education as well as research, based on providing funding for education and research tasks and rewarding performance. The way in which the funding for the faculties is determined is explained in the following pages.

* In the allocation model, the Education income and Research income are not identical to the funding distribution each year, for instance due to a difference in the internal development of performance and external financing.

Education funding



Research funding



In order to explain how the allocation model works, we have used percentages in the info-graphic that are based on figures from the 2023 budget. As individual budgets and prices per performance can be adjusted in the framework letter and overall budget, they are not included in this infographic. However, they are set out in the most recent framework letter or budget. In the interest of clarity, a different term or classification is occasionally used in the infographic. The information in the budget should be relied on at all times.

Allocation of education funds

Version 2023

A Study credits

62%

The more students, the greater the educational task of a faculty. We have therefore agreed that faculties will receive funding per credit earned. About sixty-two per cent of the education funds are allocated on the basis of credits. Credits are used to determine funding in the budget year following the academic year in which they were obtained. Example: the credits obtained in the 2021/2022 academic year count towards the 2023 budget.

• *Credit obtained x price per credit*

B Degrees

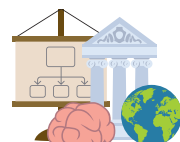
15%

The UvA attaches great importance to ensuring that students complete their degree programmes, and rewards each degree obtained. The principle of degree funding is consistent with the criteria of government funding. Degrees, as with credits, are used to determine funding in the budget year following the academic year in which they were obtained.

• *Bachelor's or Master's degree obtained x price per degree*

C Funding factor

Some degree programmes are more expensive than others. In the UvA allocation model, just as in the government grant, a distinction is made between differences in the costs for degree programmes. Credits and degrees are multiplied by a funding factor to take this into account. The funding factor is an average of the government funding factor per degree programme and the tuition fee.



Arts/Social sciences 1x

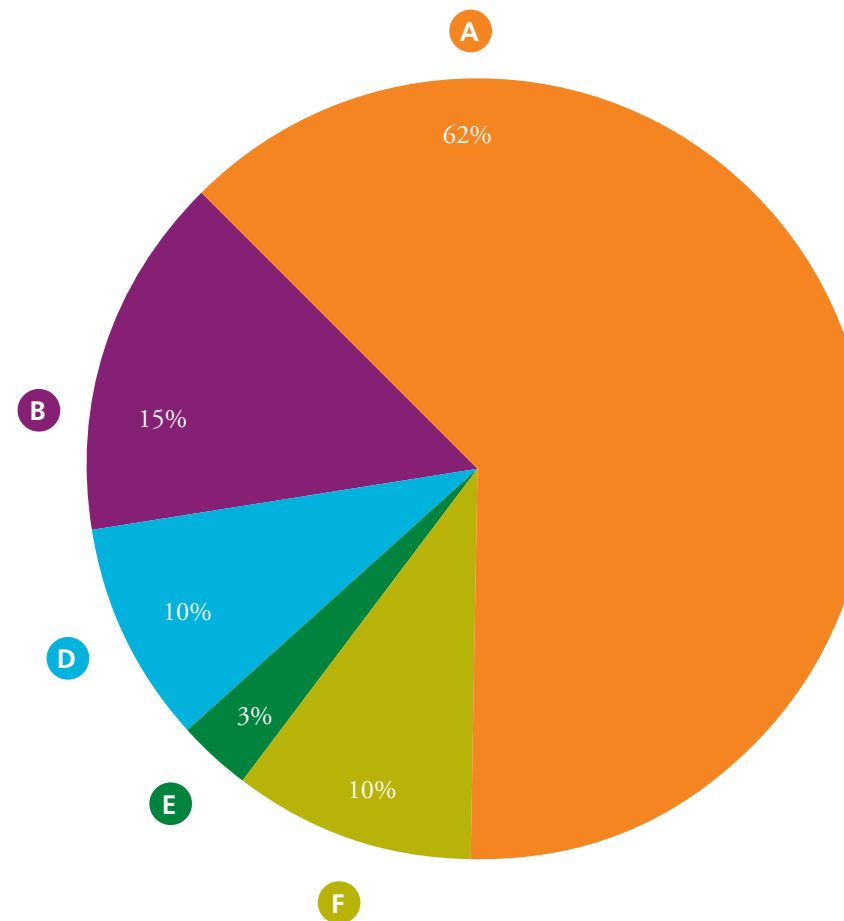


Natural/Technical sciences x1,31



Medical sciences x2,27

The UvA Allocation Model applies six criteria for the allocation of education funding.



D Earmarked government grant & tuition fees

10%

This part of the budget consists of government grants earmarked for specific degree programmes and the tuition fee which, in the case of pre-Master's students and degree programmes with increased tuition fees, is allocated to the faculty.

Examples of government grant earmarked for specific programmes:

Physics and Chemistry sector plan

Accommodation Conservator-Restorer degree programme

Sustainable Humanities

E Capacity budgets

3%

Capacity budgets are budgets for special roles or degree programmes that require additional funding on a structural basis. They comprise budgets for specific education activities and positions involving costs that are above and beyond the normal financing capacity of a faculty, which contribute to the overall UvA profile and/or an important UvA-wide supported objective.

Examples of capacity budgets:

Small-scale literary arts

Natural/Medical sciences profile social sciences faculty

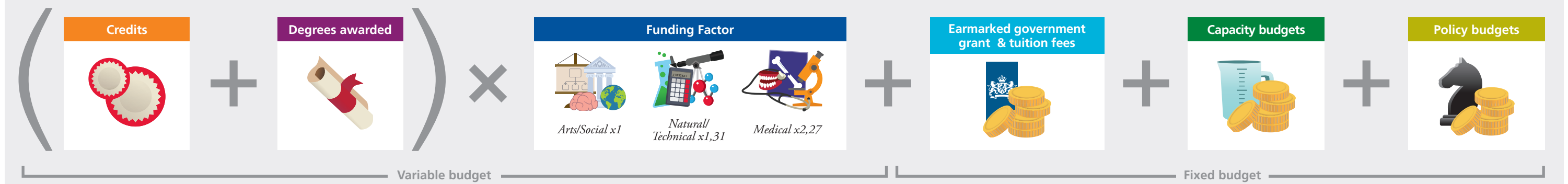
Faculty of Science infrastructure

F Policy budgets

10%

The allocation model includes a budget that is intended to be used to achieve strategic educational objectives. The size of the policy budget is determined at the time of introducing the allocation model by taking a percentage of the variable budget. Since then, it has been a fixed budget. The policy budget allocated is available to faculties to use at their own discretion. In addition, there are budgets for central education policy.

The amount of funds that a faculty receives for education purposes depends on:



Allocation of research funds

Version 2023

A Research supplement

21%



The university attaches great value to a strong link between education and research. To strengthen this link, the allocation model includes a research surcharge of 25% of the variable education budget. This budget enables the faculties to develop their research efforts in line with the development of student numbers.

B Doctorates

16%



The UvA receives a premium from the government for each completed doctorate. This is a compensation for the costs incurred by the faculty for the supervision of the PhD student and a contribution to the costs of maintaining the research field in question. Therefore, the entire premium goes to the faculties.

• $\text{Doctorate} \times \text{price per doctorate}$

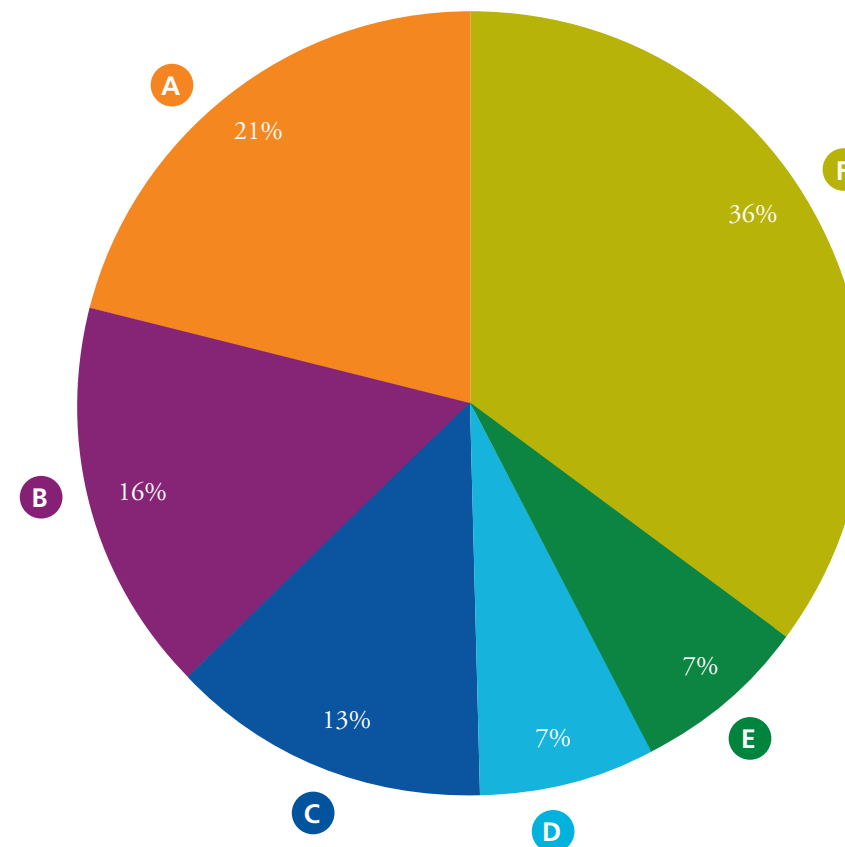
C Matching

13%



To stimulate the acquisition of research funds for high-quality research, a matching budget is allocated to faculties. This budget is intended to cover (part of) the costs not reimbursed by the grant provider. The matching percentage is based on the type of grant and the average amount(s) made available by the grant provider to cover costs. A matching budget is allocated for all research projects.

The UvA Allocation Model has six starting points for the allocation of research funding.



D Earmarked government grant

7%



Budgets that are already earmarked by the government for specific (policy) goals or purposes, earmarked government grant, are passed on directly to the faculty concerned.

Examples

Physics and Chemistry sector plan

Sustainable Humanities

E Capacity budgets

7%



Capacity budgets are budgets for special roles or research facilities. Examples of capacity budgets are budgets for laboratories.

F Policy budgets

36%



The allocation model includes a budget that is intended to be used to achieve strategic research objectives. The size of the policy budget is determined at the time of introducing the allocation model as a percentage of the variable budget, and since then has been a fixed budget. The policy budget allocated is available to faculties to use at their own discretion. In addition, faculties receive budgets for starter and incentive grants and sector plans. There are also further budgets for central research policy (such as the Research Priority Areas).

The amount of funds that a faculty receives for research purposes depends on:

