

University Of Washington
Faculty Council on Research
9:00 a.m. – 10:30 a.m., March 14, 2012
142 Gerberding

Meeting Synopsis:

- 1) Call to Order and Approval of Agenda
 - 2) Approve minutes from February 8, 2012 FCR meeting
 - 3) Announcements
 - 4) Requests for Information and Updates
 - a. HHS Salary Cap, HHS restriction on inflationary increases, Proposed new optional budget model for industry sponsored research - Lynne Chronister
 - b. A-21 Task Force on Administrative Burden – Sue Camber, Cristi Chapman
 - 5) Old/New Business
 - UW- Ingenix Public Sector Solutions, Inc subcontract - Jerry Miller, Restricted Research Subcommittee, Lynne Chronister
 - Discussion
 - 6) Adjournment
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1. Call to Order and Approval of Agenda

Council Chair Ron Stenkamp called the meeting to order at 9:02 a.m.

2. Approve minutes from February 8, 2012 FCR meeting

Minutes from the February 8th, 2012 meeting of FCR were approved without changes.

3. Announcements

Mary Lidstrom, Vice Provost of Research, informed us that United States and World University and College Rankings have been released. She briefly noted that the highlights are that the University of Washington's School of Medicine is ranked at the top in the field of Primary Care and that the Evans School of Public Affairs and Law School improved their rankings.¹ The Council discussed the ranking system and how great increases can occur, or large changes.

4. Requests for Information and Updates

- a. *HHS Salary Cap, HHS restriction on inflationary increases, Proposed new optional budget model for industry sponsored research - Lynne Chronister*

Lynne Chronister, Director of Office of Sponsored Programs (OSP) provided updates about the National Institutes of Health (NIH) Salary Cap. A group led by Mike Anthony has strategized a way to address these changes to reduce the administrative burden to compare old and new salary caps. Chronister noted that the challenge was calculating from past dates to determine present rates. She informed the FCR that only new awards would be reduced due to the salary cap, while old awards would allow the University to keep the money but reduce the cap. Such changes will affect all of Health and Human Services (HHS) grants, not solely NIH. Estimates were made that this would be a \$3 million negative

¹ Available online at <http://grad-schools.usnews.rankingsandreviews.com/best-graduate-schools/>

impact to the university just to NIH grants, but Health Resources and Services Administration (HRSA) and Substance Abuse and Mental Health Services Administration (SAMHSA) funding would also be negatively impacted. Another negative impact is that HHS grants will not be allowed to adjust for inflation for 2012 and potentially in 2013. UW is allowed to budget for inflation, but cannot adjust its rates and there is hope these can be adjusted for in the future.

Chronister discussed a Research Advisory Board meeting regarding attempts to restrict overhead rates for industry supported research. UW does not reduce indirect costs for industry agreements on funding, causing OSP to have turned down seven of these this year. She mentioned efforts to create Optional Budget Models to reduce such denials, and Cristi Chapman, Director of Management Accounting & Analysis, informed us that these modules are being tested for usability. Questions arose about situations where a new contract is being signed to extend a previous one. The earlier rates would not be upheld. An option is for the University to anticipate such restrictions through a "total costing" model. Though there are precedents for such a model, there would be a downside for Grants and Cost Accounting. Chronister will bring three different models for the Council to discuss.

Council members posed questions on what such budget models will look like, and Chapman responded that it may consist of an Excel spreadsheet. The University can refuse terms if a company insists on selecting a specific building for research to take place in to cut costs. However valuable research and funding has been lost due to refusals. Lidstrom mentioned that work is being done with the direct costing model, however, accounting systems make this difficult to accomplish. She noted that the Life Science Discovery Fund accounts for both direct and indirect costing. Foundations and Circular A-21 differ in allowing Administrative Assistants to be funded as direct costs. Departments can better support foundations by putting administrative staff on direct costs rather than doing so centrally. Different rates can be built in for industry sponsored research. The balance is to charge appropriate amounts while remaining competitive with other research institutions.

Next week, the UW will participate in a pilot program with six other universities for a new progress report process with NIH, which would streamline the report process. Volunteers will be requested to participate. NIH also has a system in place where faculty can submit their own progress reports; concerns were expressed having two simultaneous pilots, and this will be delayed for Fall Quarter.

b. A-21 Task Force on Administrative Burden – Sue Camber, Cristi Chapman

Sue Camber, Associate Vice President of Financial Management, gave background on a multi-university task force to investigate administrative burden at universities. There are new proposed changes to Circular A-21, and Camber discussed highlights of them. The goal is to reduce administrative burden. There was a public comment period in the summer, providing two months to provide feedback, which Chair Stenkamp participated in. The task force disbanded after the review and appointed a new Council on Financial Assistance Reform (COFAR), working with the Office of Management and Budget. Two rounds of discussions would be held. The first, to discuss high level directions will allow public responses to these higher level ideas during one month. During the second, the body will read the responses and come out with language which would change the regulations. Currently COFAR is in the first phase, and in 2-3 months, the University will have another opportunity to read through more detailed changes.

Camber presented the three categories of audit requirements, cost principles and administrative requirements. In Audit Requirements, greater attention will be paid to both larger amounts of funding and research with larger amount of risk. UW's concern is either that the University will be subjected to additional audits requested from its subcontractors, or will have to perform audits as a subcontractor

itself, due to concern of redundancy as multiple actors perform the same efforts. Cost principles consist of removing antiquated requirements, and though there was hope that this effort would remove these requirements, it appears that other requirements will be put in place of these. The new Council is not prioritizing on addressing the difficulties of research faculty to provide such reporting, though this had been the hope initially. Camber gave some examples of potential good news for the university such as allowing administrator cost of grants to be counted as direct costs, and clear terminology about direct costs which had been a challenge in the past. Comments will be accepted until March 29th to put forth comments. Camber requested for faculty members to provide any questions, comments, they may have.

5. Old/New Business

- *UW- Ingenix Public Sector Solutions, Inc subcontract - Jerry Miller, Restricted Research Subcommittee, Lynne Chronister*

Jerry Miller discussed the Restricted Research subcontract up for Ingenix. He noted that this contract is for researchers to work as subcontractors on a larger contract, to perform analysis for a Health and Human Services funded project. The security for this research is fairly standard for medical fields having large amounts of data, and the government requires tight restrictions for this. Miller summarized the information regarding the amount of funding, timeline and restrictions within the research. UW students would not directly participate in the research. This research will be restricted from publishing unless it is approved by the government up to September 13, 2013. Once this date is passed, the government will give up its rights to hold the data for this publication. Several future grants are anticipated in follow up to this project. Miller noted that this Council noted that this seemed quite standard. The Subcommittee requested that the Council approve this request, given the unusual restrictions.

Chronister noted that this is ARRA agreement has been negotiated for 2 years and this has been repeated redrafted. She noted conflicting FAR clauses, and contract requirements allowing for publication of a manuscript, but there are requirements that the document contain a statement expressing the government's view should the government not agree with the research's conclusion. The government, not the UW will own this data. Despite such issues, the Principal Investigator felt strongly that the project should be done. Lidstrom clarified that if the government disagrees with the findings, the result will still be published but it would be required to inform that of this disagreement.

Debate followed within the Council on risks and benefits of accepting such a proposal. Chronister suggested that when the researchers are near publishing, they should notify Lidstrom and the Council. Concerns expressed were whether approving such a project conflicts with free and open research in the future, whether a funding agency with vested interest could dictate the delivery of an outcome of such research and a whether research might serve to support a political agenda. Benefits were noted that accepting such research would allow the University to be part of an important discussion, generate funding, and publications.

Council members discussed the difference between the findings of such a report and the political fallout generated. The role of the faculty was portrayed as addressing important issues and asking difficult questions. Councilmembers' disagreement occurred due to the requirement of a disclaimer to be added to the paper itself should the government disagree with the findings. Though the Principal Investigator noted initial concerns, after discussion with colleagues, he felt it was an interesting problem and is research worth conducting. Lastly, it was suggested that faculty support the Principal Investigator's

argument of the importance of doing this research. A motion was made by the Subcommittee on Restricted Research to approve this restricted research.

The Motion passed unanimously.

Further discussion concerned communication with reporters who have reached out to faculty regarding the ending of ARRA funding, and four members mentioned being called by the same reporter. It was clarified that individual faculty member could either speak on their own personal behalf or send the reporter to the Chair of the Committee. Discussion followed on the impact of the sunset of ARRA, mentioning that projects will often continue beyond the end of funding, as the money is disbursed but not necessarily all spent. Sequestration was suggested to have a much larger effect on the University than the ending of ARRA funding.

Chronister also informed the FCR that the Endowment of the Arts contacted her office two weeks ago to inform that they will not fund any new investigator at the University if there are research reports still outstanding. The Department of Education also informed OSP that, should if not all outstanding reports be submitted, it will contact the President of the University.

6. Adjournment

Meeting was adjourned at 10:22 a.m. by Ron Stenkamp.

Minutes by Jay Freistadt, Faculty Council Support Analyst. jayf@u.washington.edu

Present: **Faculty:** Stenkamp (Chair), Rosenfeld, Miller, Haselkorn, Spieker, Roesler
 President's Designee: Lidstrom
 Guests: Susan Camber, Cristi Chapman, Lynne Chronister
 Ex Officio Rep: Spelman, Pantazis, Gruhn

Absent: **Faculty:** Slattery, Vogt
 Ex Officio Rep: Fridley, James, Nolan