The CU Boulder Research Budget
Acknowledgements

• Lots of help with data slides
  – Erika Smith, Erika Herreria, Cynthia Husek, Laura Ragin, April Ross, Samara Mendez

• The new focus on research administration rather than OCG and SPA is helping us streamline processes

• All opinion, suggested options are mine......

• Facilities and Administrative (F&A) cost recovery is what we used to call ICR... which is not the right way to think about these costs...

• Had to select slides to fit time – so some slides I won’t cover can be found at end of presentation
Distribution of Returned F&A

FY2013 - $81.3 million

- General Fund (*), $25.5 M, 31%
- Departmental Administrative Indirect Cost Recovery, including LASP shops, $26.9 M, 33%
- Buildings (Auxiliary funds), $17.6 M, 22%
- Buildings - JILA, LASP, CIRES, MCDB, Sysbio, IBS (GF funds), $11.2 M, 14%
- Libratories, $1.6 M, 6%
- Equipment, $1.2 M, 5%
- Gen. Admin, $5.5 M, 22%
- Sp. Projects Admin, $1.6 M, 6%
- Buildings, O&M, $15.7 M, 61%

(*) General Fund support for libraries, general administration, equipment, building operations and utilities, and sponsored project administration.
Things to know

• We have to do work for the federal government at the negotiated rate – which also has to be the lowest rate charged.

• When we voluntarily match or waive F&A we lower the “cost” of research but increase the total amount of research done which lowers the calculated F&A rate.

• Program officers are instructed not to use the F&A rate in deciding to make an award.

• We can charge industry a higher F&A rate.

• Many non profits limit the F&A rate allowed but we can “direct charge” for things that would otherwise be covered.
OVCR Budget (numbers from OVCR..)

• In FY2013 about $8.3M was budgeted into research admin (OCG/SPA), OVCR

• Roughly divided into
  
  – Staff/operations $6.3 M
    • $943K OVCR staff (VCR, AVCR, Budget, Export, Business ops, admin)
    • $99K OVCR operating (travel, subscriptions, licenses)
    • $2421k OCG
    • $1600K SPA
    • $426K OAR
    • $795K ORI
  
  – Matching/Seedgrants $2.1M
    • $1200K matching (equipment)
    • $900K seed grants
Not the whole story though

• Units supporting research admin/matching from DA-F&A
  – Can estimate matching ...

• Getting some one time infusions from upper admin
  – Animal Research/Compliance
  – OCG – funded at higher level till 2015 (commitment for long term)
  – Matching “overspent” already this year
  – Using seed grant to make up deficit on personnel side (about $50k)

• Office of Industry Collaboration
Context

• About half of the OCG “growth” is connected to the Info-Ed project to convert to an electronic research administration system

• The demands have been growing on what is needed to submit a proposal so keeping % at historical levels significantly impacted service...

• Looking at levels of support elsewhere I have found examples between around 5%-10% of award level for central funding

• Even now our proposal analysts handle many more proposals/person than at other R1’s

• Increase in capacity allows process improvements....
### Time Spent on Notices

<table>
<thead>
<tr>
<th>Notices</th>
<th>Before</th>
<th>After</th>
<th>Hours Saved</th>
</tr>
</thead>
<tbody>
<tr>
<td>End Date</td>
<td>120</td>
<td>12</td>
<td>108</td>
</tr>
<tr>
<td>Distribution</td>
<td>750</td>
<td>200</td>
<td>550</td>
</tr>
<tr>
<td>Total</td>
<td>870</td>
<td>212</td>
<td>658</td>
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</tbody>
</table>

Estimated savings $17,000/yr – just on research admin end...for depts?
But staffing in OVCR core...

<table>
<thead>
<tr>
<th>Year</th>
<th>FTE</th>
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<tbody>
<tr>
<td>FY10</td>
<td>10.50</td>
</tr>
<tr>
<td>FY11</td>
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<tr>
<td>FY12</td>
<td>11.00</td>
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<tr>
<td>FY13</td>
<td>9.02</td>
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<tr>
<td>FY14</td>
<td>9.02</td>
</tr>
<tr>
<td>FY15</td>
<td>8.50</td>
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</table>
Proposals, Awards, and Expenditures at CU Boulder 2009-2014

Millions

<table>
<thead>
<tr>
<th>Year</th>
<th>Proposals</th>
<th>Awards</th>
<th>Expenditures</th>
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<tbody>
<tr>
<td>2009</td>
<td>$340</td>
<td>$283</td>
<td>$340</td>
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<tr>
<td>2010</td>
<td>$454</td>
<td>$331</td>
<td>$382</td>
</tr>
<tr>
<td>2011</td>
<td>$1,626</td>
<td>$382</td>
<td>$381</td>
</tr>
<tr>
<td>2012</td>
<td>$1,619</td>
<td>$393</td>
<td>$393</td>
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<tr>
<td>2013</td>
<td>$1,220</td>
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<tr>
<td>2014</td>
<td>$1,367</td>
<td>$412</td>
<td>$412</td>
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</table>
OVCR Expenditures not keeping up...

• Mystery - Why are we doing as well as we are in bringing in funding?
  – How much better could/should we be doing?

• Cannot keep absorbing increased workload
  – A significant fraction of core staff close to retirement/burnout
National Science Foundation Funding
$k/grant awarded

University of Arizona
University of California Berkeley
University of Illinois
University of Michigan
University of Minnesota
University of North Carolina Chapel Hill
University of Washington
University of Colorado

- 2010
- 2011
- 2012
- 2013
- 2014
- 5 Year Average
So need new revenue models

- OVCR/Research Admin currently gets about 10% of F&A, Units about 30%
  - OVCR is expected to put in 50% of matching support requested – this is not sustainable without new investments.
  - OVCR does not get any return of F&A from successful proposals unlike units which get DA-F&A from grants they match on
- Should DA-F&A be split on proposals with matching?
Discussion

• How should we be supporting research development/administration/compliance?
• Shared facility support – needed?
• Startup funding, retentions – how do we decide?
Facilities and Administrative Cost Return

- Facilities and Administrative (F&A) cost return formerly called indirect cost recoveries (ICR)
- Applies to contracts and grants activity for private, state, and federal awards
- Negotiate rate with federal cognizant agency every few years
- Department of Health and Human Services UCB’s cognizant agency
- F&A calculation, negotiation, application, and distribution are unique from one another
Calculated vs. Negotiated F&A Rate

Negotiated Rate- 52.5%

Dept Admin, 31%
Sp. Projects Admin, 4%
Libraries, 4%
Buildings, 9%
Equipment, 3%
Interest, 2%
Gen. Admin, 14%
O&M, 32%

Note: Actual calculated F&A Rate was 57.08%; after federal negotiations, CU received F&A at 52.5% rate based on FY2009 base year.
F&A Return Less Than Negotiated Rate

Direct vs Indirect Expense, FY83-FY13

Compliance growing...

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<th>FY10</th>
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<th>FY12</th>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
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<tbody>
<tr>
<td>TOTAL BUDG</td>
<td>304,403</td>
<td>604,162</td>
<td>660,755</td>
<td>717,217</td>
<td>674,185</td>
<td>812,286</td>
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<tr>
<td>ACTUALS</td>
<td>529,889</td>
<td>580,319</td>
<td>644,143</td>
<td>697,029</td>
<td>717,577</td>
<td>830,170</td>
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</table>
And some new initiatives

<table>
<thead>
<tr>
<th>Year</th>
<th>TOTAL BUDG</th>
<th>ACTUALS</th>
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<tbody>
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<td>262,359</td>
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<tr>
<td>FY11</td>
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<td>393,060</td>
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<td>FY14</td>
<td>262,359</td>
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<tr>
<td>FY15</td>
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Colorado Research Federal Funding Sources
FY 2009-2014, in millions
Federally Financed Research Expenditures as a Percent of Total 2009-2012

- University of North Carolina-Chapel Hill
- University of Minnesota
- University of Illinois-Urbana Champaign
- University of Arizona
- University of Colorado*

Legend:
- 2009
- 2010
- 2011
- 2012