



# OCGA Updates

**Patti Manheim – Director**

**July 17, 2014**

# Today's Topics

- F&A Exceptions – New Process
- Federal Research and Development FY 2015
- OCGA Staff Updates

# F&A Exceptions – New Process

## Principles and Policies

“Indirect costs are real costs incurred by the institution to acquire and maintain its buildings and equipment, and to provide operational support. These support services include maintenance and operations (utilities, janitorial services, police services, etc.), library operations and administrative services. All of these costs are real, and without them, the institution could not exist. ...”

Source: [UCOP Indirect Cost FAQs](#)

# F&A Exceptions – New Process

## Principles and Policies

- The Regents' policy on full cost recovery imposes a duty on all University administrators and Principal Investigators to perform sponsored projects on a full cost recovery basis. Administrators and Principal Investigators are obligated to ask for and recover indirect costs from all sponsors. In fairness to all faculty and researchers, the full cost burden should be shared equally. Full cost recovery is necessary to support the University's physical and administrative capacity to perform extramural projects.
- Principal Investigators are not authorized to negotiate reduced indirect cost rates with a sponsor or to submit proposals that do not include the applicable indirect cost rate as part of the budget.

Source: [UCOP Contract and Grant Manual, Chapter 8 \(section 631\)](#)

# F&A Exceptions – New Process

## Background

- Until now, F&A “Waivers” required final approval by UCOP.
- Administratively burdensome and time consuming due to several layers of approval.
- Limited personnel with approval authority at UCOP.
- Delegation of approval to campus(es) has been under discussion for 2½ years.
- F&A “Exceptions” are now seen as a campus business decision.
- UCLA and UCI are piloting the new campus delegation model.
- Exception approvals are still required prior to submission of proposal.

# F&A Exceptions – New Process

## Pilot Process

- UCOP has reviewed the pre-approved waiver list, and eliminated a number of waivers.
- Transitioning from waivers to Verified Sponsor Policy (VSP) list.
  - Reduced from 1,900 class waivers to 400 VSP list (either sponsor policy or program-specific).
  - OCGA has requested additions to the proposed list.
  - Full roll-out anticipated during Fall 2014.

# F&A Exceptions – New Process

## OCGA Process

- If sponsor/program remains as a pre-approved exception, no further action required.
- Not-for-profit sponsor – with a verifiable F&A policy, but no existing pre-approved exception :
  - Requires published evidence of policy
    - Publicly displayed on website
    - Published in program guidelines
    - Formal letter on entity letterhead – signator's title evidence's position of authority
- Based on substantive evidence, Patti Manheim has final approval.

# F&A Exceptions – New Process

## OCGA Process

- Not-for-profit – **without** a verifiable F&A policy, and all other requests for exception are processed as “Vital Interest”
  - Requests for approval of vital interest exceptions should be sought, and will be approved, only when the VCR determines that acceptance of an award is considered vital to the campus, and the prospect of the potential loss of the award is deemed more important than recovery of full indirect costs.
  - PI letter must be approved by Chair and/or Dean (ORU Director)
    - PDF attachment via e-mail
    - E-mail from Chair/Dean/ORU Director indicating approval



# F&A Exceptions – New Process

## OCGA Process

- AVC Marcia Smith reviews and confers with VC Economou.
- VC Economou approves.
- OCGA processes final approval in UCOP REMS (Research Enterprise Management System).

# F&A Exceptions – New Process

## OCGA Process

- Federal Sponsor (or federal flow-through subaward) exceptions are not delegated to the campus
  - AVC Marcia Smith reviews and confers with VC Economou.
  - VC Economou approves.
  - OCGA forwards to UCOP for final approval via UCOP REMS.

# F&A Exceptions – New Process

## Benefits

- Campus level business decision.
- Faster turnaround times.
- Better access to decision makers.
- More input from campuses.

# Federal Research and Development FY 2015

- Background
- Trends in Federal Spending Since FY 2010
  - Total Federal R&D : \$24 Billion Decrease

## R&D Change by Function 2010 - 2014

• <b>NIST</b>	<b>38.4%</b>
• Agriculture	23.9%
• Transportation	15.0%
• Applied Energy	12.2%
• Environmental Agencies	8.8%
• Health (NIH)	6.2%
• General Science (NSF, DOE)	3.7%



# Federal Research and Development FY 2015

- R&D in FY15 Base Budget – 1.1% change from FY14

■ DOE Defense	12.7%
■ DOE Energy	10.5%
■ US Geological Survey	3.8%
■ NIST	1.7%
■ Transportation	1.2%
■ DOD Other	0.2%

■ Homeland Security	-16.8%
■ DOD S&T	-12.0%
■ NOAA	-4.1%
■ NASA	-2.7%
■ EPA	1.8%

■ NSF	-1.4%
■ VA	-1.4%
■ NIH	-1.0%
■ Agr	-0.5%
■ DOE Sci	-0.4%

# Federal Research and Development FY 2015

## Administration R&D Priorities

- Department of Energy: National Nuclear Security Administration, renewables and efficiency, ARPA-E
- Neuroscience
- NASA: industry partnerships
- Transportation: highways and high-performance rail
- Extramural ag research (“innovation institutes”)
- Advanced Manufacturing

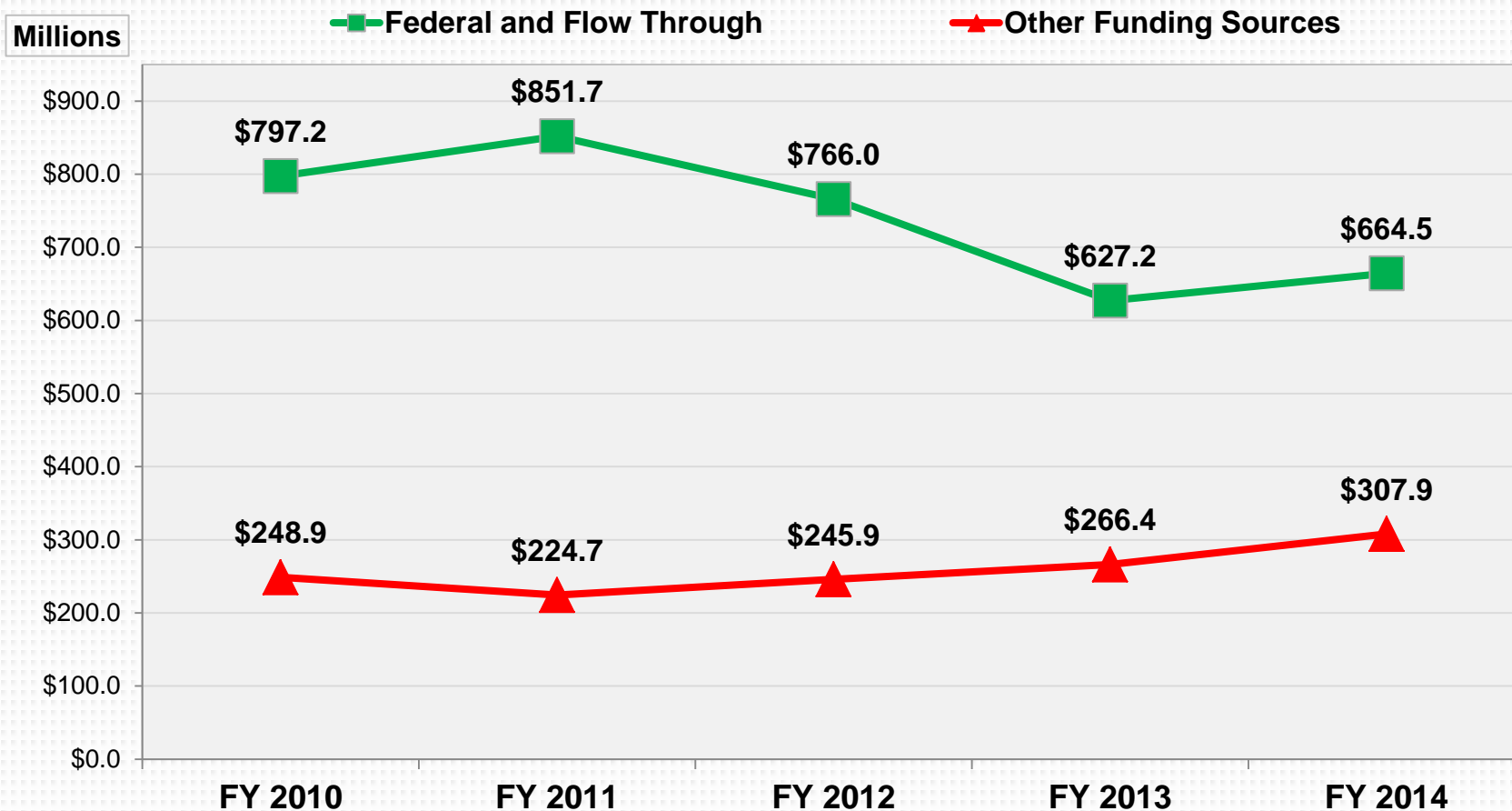
# Federal Research and Development FY 2015

## UCLA - 2014

- 2011 federal and federal flowthrough dollars represented 80% of UCLA's total awarded dollars
- 2014 federal and federal flowthrough dollars represented 70% of UCLA's total awarded dollars

# Federal Research and Development FY 2015

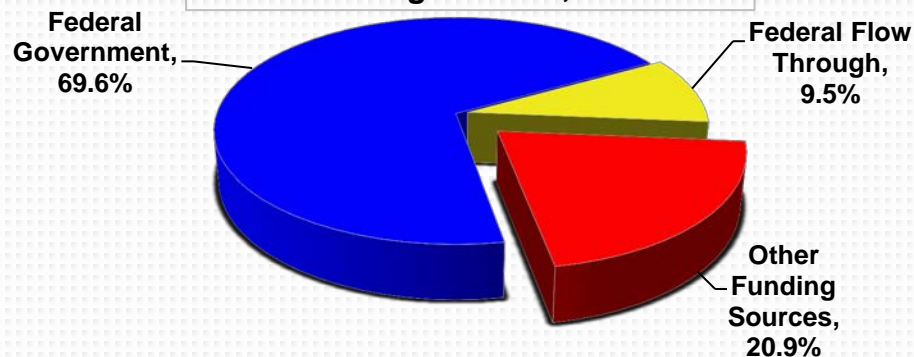
## Awarded Dollars by Funding Source



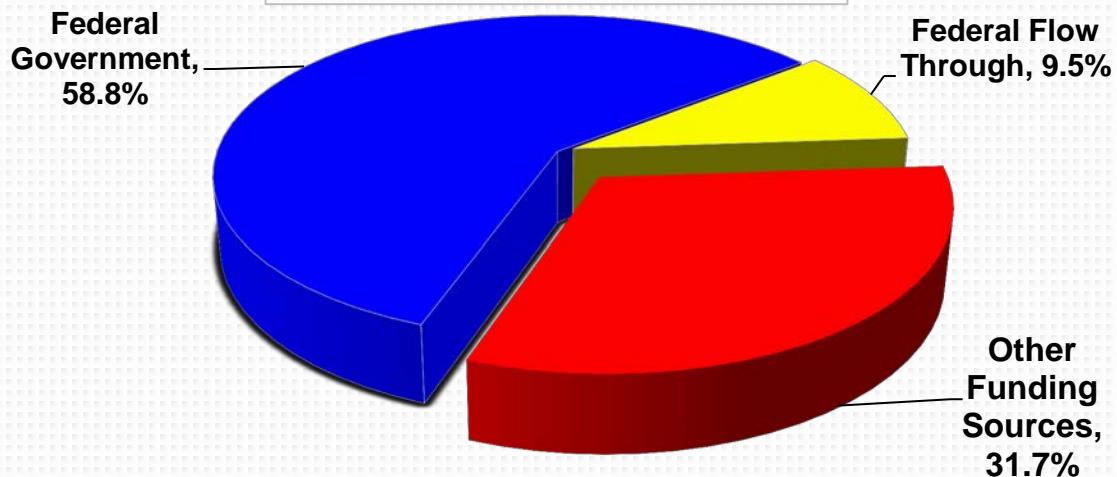


# Federal Research and Development FY 2015

Award Funding Sources, *FY 2011*



Award Funding Sources, *FY 2014*



# Federal Research and Development FY 2015

## What This Means for OCGA and the Research Community

- More diverse sponsor portfolio:
  - less reliant on standardized/uniform federal sources.
- Different pressures:
  - increased number of application submissions,
  - increased complexity,
  - smaller individual awards.

# OCGA New Staff

Shauna Huntsman, Senior Grant Analyst

- Effective June 2, 2014
- Experience:
  - Senior Research Administrator at UCSF
  - Grant and contract proposal review and award negotiation
  - UC expertise
  - Solid background in federal and non-profit sponsors

# QUESTIONS