



Document Downloaded: Wednesday September 16, 2015

**June 2013 COGR Meeting Thursday Morning Presentation - Lynn McGinley**

Author: Lynn McGinley

Published Date: 06/10/2013

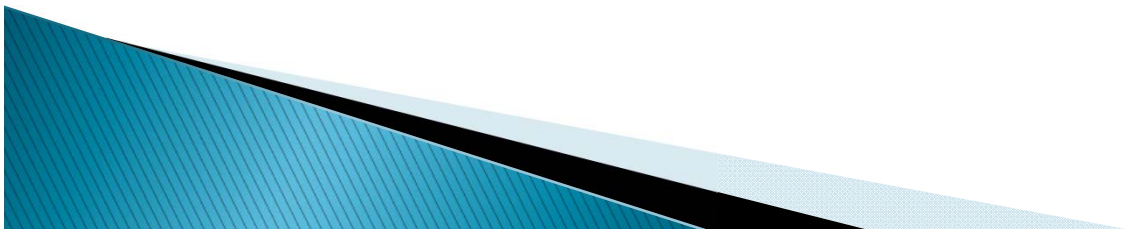
# University of Maryland, Baltimore (UMB)

- ▶ 6 Professional Schools
  - Almost entirely graduate programs in health and human services
  - Medicine, Pharmacy, Dental, Nursing, Social Work, Law
- ▶ \$1 B annual operating expenses
- ▶ \$422M sponsored expenditures
  - \$262M federal award expenditures



# Service Centers at UMB

- ▶ 12–15 known service centers (internal billings > \$100,000)
  - Recover cost of equipment through depreciation, rates reviewed centrally
- ▶ 3 specialized service facilities (internal billings > \$1 M)
  - Same as service centers, but space costs are also included in rate schedules
- ▶ Those with billings < \$100,000 are not reviewed centrally, but should follow good charging practices



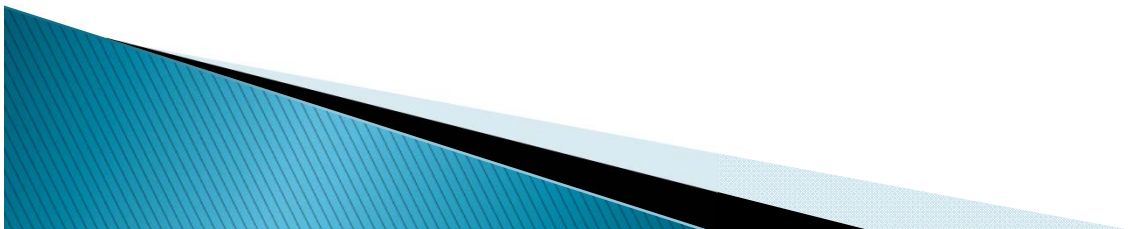
# Service Center Manual

- ▶ <http://www.cost.umaryland.edu/servicecenter.cfm>
- ▶ Requires a significant proposal with approval from the Department Chair and Dean's Office
  - ▶ 13 data elements to make the business case and compliance case
- ▶ Quarterly review of activity
- ▶ Annual review of rate schedules
- ▶ Appendices with proposal examples and several rate schedule examples



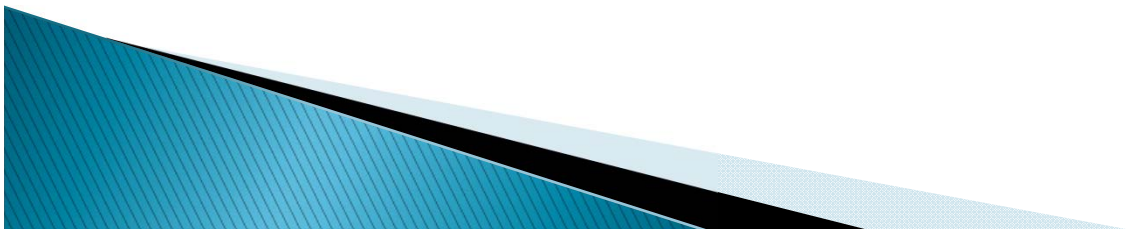
# Equipment Accounting

- ▶ Purchased and initially funded in a related equipment reserve chartstring
  - Depreciation recorded quarterly into operating chartstring
  - Provides reserve for equipment replacement
- ▶ Can also purchase using the USM's Revolving Equipment Loan Program
  - Commercial Paper Loan program
  - Debt service charged directly to operating chartstring



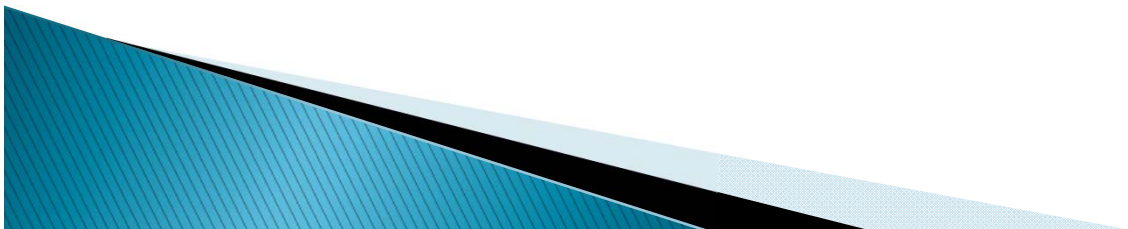
# External Sales

- ▶ Allowed with approval from the Dean's Office and Central Administration
- ▶ Surcharges are allowed and encouraged
  - Amount is determined by the service center administrators
  - Retained by the service center



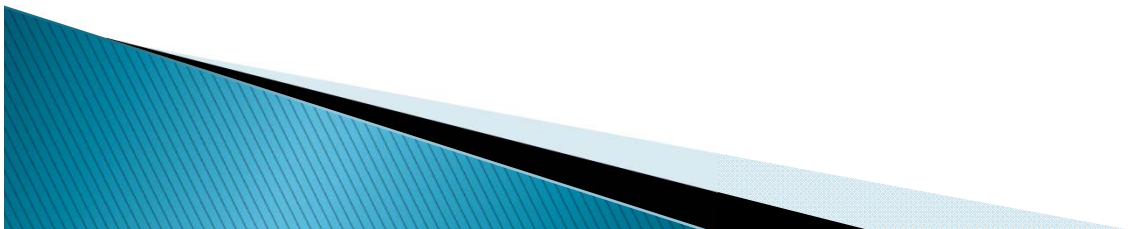
# Challenges – Business Model

- ▶ Cultural change
- ▶ Funding start-up costs
- ▶ Replacement equipment funding
  - Initially purchased on grants
  - Initially purchased using loan funds
- ▶ External service center sales versus sponsored agreement
  - Data ownership, intellectual property issues
  - Inclusion in research base numbers



# Challenges – Compliance

- ▶ Pressure to set up centers to allocate administrative costs
- ▶ External sales
  - UBIT
  - “Related” parties
    - VA, other system schools, entities in our BioPark
- ▶ Wanting to fund “seed” programs with service center funds





# Challenge – Clinical and Translational Science Awards

- ▶ CTSA is proposed to include start-up costs and operating costs of various cores
  - Significant cost sharing promised
- ▶ Proposal included a description of how we would develop a “Program Income System”
- ▶ Service centers operating within our sponsored chartstrings

