

Costing Hot Topics

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Agenda

- A closer look at the 2021 NSF HERD Survey Results (Jeremy)
- Launch of the 2023 COGR F&A Survey (Jerry)
- Update on the COGR's Response to the OMB RFI (Krystal & Dave)
- BUT FIRST ... What's at Stake? (Sarah)

Sarah Axelrod
Assistant Vice President,
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Harvard University



What's at Stake?

- Increasing cost of research compliance
- Increasing risks of non-compliance
- Pressure on smaller institutions
- Increasing need for data
- Increasing need to collaborate with federal agencies
- And always at the core: American Competitiveness!

2021 HERD Survey Insights

Jeremy Forsberg

Associate VP for Research

University of Texas, Arlington



2021 HERD Survey Insights

<u>FY</u>	<u>Total R&D</u>	<u>Federal</u>	<u>Fed % of Total</u>	<u>Institution</u>	<u>Inst % of Total</u>	<u>State/Local</u>	<u>Bus/Other</u>
2010	\$61.287	\$37.478	61%	\$11.943	19%	\$3.887	\$7.979
2011*	\$65.274	\$40.768	62%	\$12.580	19%	\$3.851	\$8.074
2012*	\$65.873	\$40.217	61%	\$13.625	21%	\$3.744	\$8.287
2013	\$67.145	\$39.510	59%	\$14.974	22%	\$3.706	\$8.955
2014	\$67.351	\$38.032	56%	\$15.781	23%	\$3.916	\$9.623
2015	\$68.694	\$37.911	55%	\$16.638	24%	\$3.864	\$10.281
2016	\$71.911	\$38.858	54%	\$17.944	25%	\$4.053	\$11.055
2017	\$75.291	\$40.320	54%	\$18.887	25%	\$4.187	\$11.898
2018	\$79.174	\$41.935	53%	\$20.221	26%	\$4.326	\$12.691
2019	\$83.643	\$44.540	53%	\$21.115	25%	\$4.520	\$13.467
2020	\$86.445	\$46.196	53%	\$22.023	25%	\$4.596	\$13.630
2021**	\$89.872	\$49.228	55%	\$22.482	25%	\$4.745	\$13.417
12 YR Change	\$28.585	\$11.751	-6.4%	\$10.539	5.5%	\$.858	\$5.437
12 YR % Change	47%	31%		88%		22%	68%
Source: NSF Higher Education R&D Survey Table 2 (in billions)				12 YR% Change of Total		-1.06%	1.91%
* ARRA	** CARES/HEERF						

- 1991 Administrative Cap at 26%
- 2007 GAO reported 83% of Universities Exceeded Cap by an average of 5%
- 2014 UG implemented to streamline regulations
- FDP Survey of Admin Tasks on PIs: 2005 @42% | 2012 @42% | 2018 @44%
- FY 21: 514 Institutions with less than \$100M in Federal R&D spend an average of 34% of Institutional funds on their Total R&D compared to 22% for the 59 institutions that are over \$260M in Federal R&D

2021 HERD Survey Insights

<u>FY</u>	<u>Total Inst.</u>	<u>Inst. Financed</u>	<u>Cost Sharing</u>	<u>Unrecovered IDC</u>
2010	\$11.94	\$6.20	\$1.08	\$4.66
2011	\$12.58	\$6.82	\$1.15	\$4.61
2012	\$13.63	\$7.72	\$1.29	\$4.61
2013	\$14.97	\$8.91	\$1.36	\$4.71
2014	\$15.78	\$9.64	\$1.38	\$4.76
2015	\$16.64	\$10.45	\$1.35	\$4.84
2016	\$17.94	\$11.45	\$1.46	\$5.04
2017	\$18.89	\$12.13	\$1.56	\$5.19
2018	\$20.22	\$13.20	\$1.52	\$5.51
2019	\$21.12	\$14.01	\$1.57	\$5.54
2020	\$22.02	\$14.65	\$1.64	\$5.74
2021	\$22.48	\$14.97	\$1.63	\$5.88
12 YR Change	\$10.539	\$8.776	\$.545	\$1.219

Source: NSF Higher Education R&D Survey Table 2 (in billions)

- Does not include unrecovered IDC above 26% cap
- Does not include Research Administration Staff/Operational Costs
- Does not include Voluntary Uncommitted Cost Share (not recorded as research already)
- Institutional reporting/accounting practices vary greatly on recording separately budgeted faculty research time (largely underreported)

2021 HERD Survey Insights

SUMMARY:

- What does the declining investment in Federal R&D and increased reliance on IHEs to finance R&D mean to America's global R&D competitiveness?
- Institutional costs for R&D, or that are necessary to conduct R&D, are severely under reported on the NSF HERD Survey.
- Smaller institutions are disproportionately impacted by institutional costs necessary to conduct R&D.
 - What is the impact to underrepresented institutions and researchers?
- Unfunded federal mandates continue to increase in volume and complexity without an adequate means to cover costs.
- The divergence of institutional resources towards research can impact the cost and availability of resources for other mission related areas of higher education.
 - Impact to Student Tuition/Other Services and programs.

PATHS TO SOLUTIONS:

- The COGR F&A Survey and Regulatory cost/burden surveys can illuminate the increased cost placed on IHEs to help identify and communicate reform needs
- UG Revision Opportunity:
 - Solutions or alternative approaches to the Administrative Cap?
 - Reconsider thresholds for applicable regulatory requirements?
 - Rethinking the oversight process for "Performance over Accountability."

COGR F&A Survey

Gerald Mauck
Executive Director
University of Denver



COGR

COGR F&A Survey

- First survey since 2016
- Enhanced questions
- Five-part survey
- Due March 31, 2023
- [FA Survey@cogr.edu](mailto:FA_Survey@cogr.edu)

COGR F&A Survey

- Part A – General Information
- Part B – Most Recent Proposal
- Part C – Current Negotiated Rates
- Part D – Recent Negotiations
- Part E – Institutional Resources

COGR F&A Survey

- Your participation is Important
- Provides much needed data
- Helps us frame discussions with CAS/ONR
- Due by March 31
- Target for results: May 2023

RFI: 2 CFR 200 (Uniform Guidance)

Krystal Toups
Director, CGA

David Kennedy
Director, CFC



RFI: 2 CFR 200 (Uniform Guidance)

BACKGROUND & NEXT STEPS:

- UG first released Dec. 2014 and revised Aug. 2020
- Responses due to [Federal Register \(FR\) portal](#) , Mon. March 13
- RFI as an “open slate” to inform “proposed revisions”
- “Proposed revisions” in FR, in Dec., *w/Public Comments*
- Your institutional responses! (e.g., we support COGR)
- Reach out to Krystal or David!



RFI: 2 CFR 200 (Uniform Guidance)

ISSUES EXPECTED TO BE RAISED :

- Retire the DS-2
- F&A Equity & Fairness: 1.3% utility cost allowance, 10% diminimus, 26% administrative cap, MTDC modifiers (e.g., cloud computing), research computing as “F”
- Codification of select FAQs (e.g., sole source/scientific eqp)
- Further simplification of “effort reporting” (?)
- Auditor guidance: Audit Risk vs. Audit Burden

RFI: 2 CFR 200 (Uniform Guidance)

ISSUES EXPECTED TO BE RAISED (continued):

- COI
- Voluntary Uncommitted Cost Sharing – Memoranda 01-06
- 2 CFR Part 25 & Part 170
- Termination
- OTA
- DMS & Publication