A soon to be released COGR paper will focus on current issues and prospective future issues related to Facilities and Administrative (F&A) rates and corresponding F&A reimbursement. Like so many other facets of the research enterprise, the “normal” F&A process has been disrupted by the COVID-19 pandemic. While F&A reimbursement has held relatively steady throughout the pandemic, the process of developing an F&A rate proposal has been impacted. Even as the vaccine seems to promise a path to recovery, both the current issues and prospective future issues addressed in the paper are real and require the longstanding Federal Government-Research Institution Partnership to be robust and collaborative. *Through this collaboration all aspects of the F&A process can remain fair to all stakeholders.*
F&A Pressures During COVID-19

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F&A Challenges for Base Years FY21 and FY22

• Trial Run to Assess COVID-19 Impacts
• Rate Extension Considerations
• Potential Process Changes and Impacts
• COVID-19 Impact on the F&A Rate Calculation
  - Increases/Decreases in Costs
  - Base Impacts
  - Space
• Summary
Prospective Considerations

• Financial Pressures on Academic Research Institutions
• Changes to the use of space by Administrative Support Areas
• Impact of COVID-19 Changes to the use of Research Space
• Potential Impact to Costs and Rate Structure Considerations
  - Permanent Increases in Facilities Costs
  - Interest Rates
  - Library Costs
  - Telecommuting
  - Use of On, Off, Vicinity Rates, etc.
  - New Admin Burden
Appendix: Fringe Benefit Considerations

• COVID-19 Modifications
• Regulation-Driven Updates
• Temporary or Permanent Benefit Changes
Appendix: Core Facility Considerations

• Many have incurred deficits since the beginning of the pandemic
• Space survey based on revenue distribution as F&A not included in core’s rates
• Options to address deficits:
  - Subsidy and space survey implication
  - Strategy to address carry-forward deficits and long-term changes in future operations
Preliminary Takeaways

• Know your FY21, FY22 Rate Calculation Impact (e.g., do Trial Runs)—the more you know, the more you can inform strategic decisions.

• Study and analyze those prospective considerations that will impact actual F&A costs in FY23, FY24, FY25, and beyond—again, the more you know, the more you can inform strategic decisions.

• Be aware of faculty considerations. For example, pressures to accept lower rates may not be appropriate when lab space remains functional and assigned to a PI.

• Be a proactive and firm advocate as to what is best for your institution—the Cognizant Agencies have an idea on rate impact, prospective changes, etc., but you are the expert.

• Keep COGR posted! Your experience will benefit the entire COGR Membership!