

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!