ACADEMIC SENATE – Research, Scholarship and Creative Activities Committee
Winter 2021
Due: Friday, March 19, 2021

MEMBERS	
Name	**College/Unit**
Chavez, Ricky	ASI
Flores, Carlos	OCOB
Hagobian, Todd	Admin
Helms, Eleanor	CLA
Kachlakev, Damian	CENG
Jackson-Elmoore, Cynthia	Provost
Liddicoat, Al	Admin
Mewes, Matthew	CSM
Schwab, Keri (CH)	CAFES
Vestermark, Jesse	PCS
VACANT	CAED

CHARGES		
Charge	**Complete?**	**Status/Notes**
Work with campus stakeholders to determine a breakdown of how indirect costs (IDC) from external grants are being used. **AY 2020-21**	X	See report attached.
Explore how IDC can be used to help equitably support the teacher-scholar model. **AY 2020-21**	X	See report attached.
Discuss and explore the impact of COVID-19, working from home and virtualization on scholarship and work-life balance. **AY 2020-21**	☐	
Identify college-level support opportunities for RSCA. **AY 2020-21**	☐	

NOTES:

Committee members reached out to grant officers in each college and were re-directed to Amy Velesco. I met with her via Zoom in November and she provided a great amount of information regarding F&As. Some of the biggest takeaways, and which were shared with the RSCA committee included:

- The F&A rate of 38.5% is a federally negotiated rate that is generally set for 3-4 years, but can be extended once upon request. The intent of the rate is to establish a way to reimburse the university for money already spent to conduct research (i.e., facilities, depreciations, infrastructure, networks, and salaries for related costs for research administration). However, due to some limits on certain types of grants and legislative limits set be agencies, institutions generally do not recover their full negotiated rate on all sponsored projects. For example, in fiscal year 2019-20, Cal Poly's effective rate, what was actually recovered, was 23%, which is the highest effective rate we've had in recent years.

- If the President approves unallocated funds to be sent back to a PI or a center, that PI/Center director uses those funds at their discretion. The Grants office does not track how funds that are returned to a PI are used. (*This was asked to understand how funds might support the teacher/scholar model.)*
- The university currently uses the 'short form' methodology to calculate F&A, but may change to the 'long form' which is a more precise measure of exactly how much space is used for research. Many of CSU's use the long form and their negotiated rate is higher than Cal Poly's (for example, Pomona is 46% for Organized Research, 49% for Instruction, and 33% for Other Sponsored Activities).

The 2019-20 expenses for the division of Research, Economic Development, and Graduate Education (minus Grad Ed) is below. The explanation for each section, from Amy Velesco, is included here.

The *Recovered F&A* results from externally funded grants and contracts. The federally-negotiated rate is 38.5%, but the effective rate is lower, due primarily to sponsor limitations on F&A, and the division sometimes has approved PI requests to voluntarily reduce or zero out F&A on specific projects, with appropriate justification. The effective rate for FY 2019-20 was 23%.

Other Sponsored Programs Revenue results from fees Sponsored Projects Office charges for managing other types of accounts, like Centers & Institutes, fee for service, ISSPs, etc. The percentages for these vary a bit, but most of those accounts (including Centers) are currently charged only a 5% fee for processing expenses.

Other Revenue that came in was from registration fees for an industry-contracting conference we hosted Fall 2019. These were spent on the conference costs, so it was a wash.

On expenses, the Corporation Administration Charges are what CPC bills Sponsored Programs Office annually to provide HR, Payroll, and other Business Office services that support sponsored projects, Centers, and other SPO-managed account activities.

The University Allocation Fee is a 10% fee the University charges the Corporation on all expenses that are processed via chargeback. This fee is assessed on calendar year expenditure activity, so the amount paid in 2019-20 was for January-December 2019 expenses. Historically, the division has covered the chargeback fees for expenses related to sponsored projects, Centers, its own operating accounts, and the "other sponsored programs" accounts it manages. The fee structure the University uses was changed several years ago, and that resulted in a significant increase in this annual expense (from $23,500 in FY15 to $279,200 in FY20).

The Provost, Deans, and leadership within the division of Research, Economic Development, and Graduate Education will be discussing how to align the unallocated F&A use model to help support long-term sustainability and growth of research/scholarship/creative activity on campus, and to identify ways to help ensure continued support of campus and college priorities over the next few months. The division will provide opportunities for feedback and consultation as part of these ongoing discussions. The goal, at this time, is to develop and implement an updated model starting next fiscal year.

2019-2020

CPSU operating funds*	$1,235,111
Recovered F&A/fees	$4,186,188
Total sources	**$5,421,299**
Operational costs supported by CPSU budget	$1,235,111
Operational costs (CPSU structural deficit funded via CPC-held funds)	$141,855
Operational costs (directly supported by CPC-held funds)	$3,553,054
Reimbursement to CPSU for prior year costs, due to structural deficit	$221,074
Total Operational costs in 2019-20*	**$5,151,094**
Deficit from 2018-19 F&A distribution to PIs/Centers/Colleges	$205,692
Total 2019-20 expenses	**$5,356,786**
Unallocated F&A/fees	**$64,514**

*Excludes Graduate Education