

Minutes\*

**Senate Research Committee  
Monday, September 26, 2011  
2:15 - 4:00  
238A Morrill Hall**

- Present: Melissa Anderson (chair pro tem), Alvaro Alonso, Breanne Byiers, Arlene Carney, Margaret Catambay, Paul Cleary, Jerry Cohen, Demoz Gebre, Greg Haugstad, Seung-Ho Joo, Jennifer Linde, Timothy Mulcahy, Kola Okuyemi, LaDora Thompson, Kyla Wahlstrom
- Absent: Linda Bearinger, Anna Clark, Robin Dittman, Marc Dunham, Maria Gini, Frances Lawrenz, Tucker LeBien, Christopher Nappa, Federico Ponce de Leon, Thomas Vaughan, Karen Williams, Lynn Zentner
- Guests: Channing Riggs (Federal Relations); Associate Vice President Pamela Webb (Sponsored Projects Administration); Emily Lawrence (President's Office)
- Other: Lisa Warren Carlson (Office of the Vice President for Research)

[In these minutes: (1) report on federal issues; (2) risk recalibration; (3) changes to Regents' policy on submitting and accepting sponsored projects; (4) grants job family]

**1. Report on Federal Issues**

Professor Anderson convened the meeting at 2:15 and explained that Professor Bearinger was out of the country. She turned to Ms. Riggs for a report on federal issues.

Ms. Riggs began by saying that there could not be more going on on the budget front than this week. October 1 is the federal budget deadline but Congress is nowhere close to done. Someone she respects is planning for a 10% cut in federal research dollars. The deficit-reduction committee needs to find \$1.4 trillion by Thanksgiving or the hatchet comes down and automatic cuts happen. Everyone has many ideas about what should be cut—and it's everybody else who should be cut. All programs have powerful constituents to protect them.

The Joint Committee on Deficit Reduction has begun to meet with the goal of finding \$1.4 trillion in cuts to the federal budget. Their work needs to be completed by Thanksgiving (in order to leave enough time for Congressional approval). If they are unable to reach an agreement, automatic cut (sequestration) come into effect. The cuts will not be across-the-board (parts of Medicare are exempted, for instance). The sequestration would not take effect until January, 2013—allowing a full year for political maneuvering and possible legislative changes to the mandate.

Vice President Mulcahy asked if there is will be a Continuing Resolution to keep funding at present levels. There will be, Ms. Riggs said. Congress has restored funding to a number of research

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programs that were cut in the President's budget. At this point, the University would be glad to see flat levels of funding in the future.

Vice President Mulcahy asked if there is a specific process for sequestration. How are the cuts determined? Ms. Riggs said that Medicare payments that go to patients are not on the table cuts but payments to providers are in danger of cuts—such as graduate medical education funding.

Does she have any idea how NIH and NSF will fare, Dr. Mulcahy inquired? Ms. Riggs reported that President Kaler has signed a note, along with other institutional executives, insisting that the federal government must stop taking money out of discretionary funding, which is where the dollars of concern to the University fall. She said she did not know how things would shake out for research funding agencies.

Professor Cleary said he has heard no discussion about tax increases to pay for, for example, wars. Ms. Riggs said most have heard that President Obama would like to tax the wealthy, but she said she did not know how the supercommittee could get anywhere when the Republicans say there can be no new revenue. It is not possible to find the entire \$1.4 trillion through cuts. The situation is like that at the state in the last session. What is to be done when one side says "hell, no"?

President Kaler is meeting with the members of the Minnesota Congressional delegation and has been discussing the importance of student aid (Pell grants, in particular) and research funding.

So, Professor Alonso concluded, in the future one should not expect federal funding to increase and should look more at non-federal sources. There are always ideas about new dollars, Ms. Riggs said, but she said she did not know how projects could move forward with no new spending. Dr. Mulcahy asked about the status of the report of the National Academies about the future of research universities; that is an important report that the University could use. It is coming soon, Ms. Riggs said, and they will provide it to the members of the Congressional delegation. The message about these universities as an important part of the economy is being heard—but there are no additional funds to support them.

The Clinical and Translational Science Award (CTSA) will provide new funds and the University stands to benefit from them, Professor Anderson observed. Those are not without controversy, Dr. Mulcahy responded. That funding (from NIH) needs to be weighed against funding that will not occur elsewhere as a result of putting funding in CTSA. A number of people are not convinced this is the right thing to do. But the University would not get the benefit without the CTSA award, Professor Anderson pointed out. This is the way the government must manage for the next few years, Ms. Riggs said: If there is a great idea to fund, something else will need to be cut.

Ms. Riggs commented that it will be difficult for future research reports to demonstrate the level and increases in funding of the last two years. The University received a considerable amount of federal stimulus funding (ARRA) for research (about \$200 million), which PIs understood would be for one-two years. Now the level will drop, with the end of those funds. Vice President Mulcahy said he had recently seen a graph of federal research support and had not realized how big a blip the federal stimulus funds was; now research funding is back to being flat.

Professor Anderson asked about the extent to which the University demonstrated outcomes from the federal stimulus funds. Associate Vice President Webb reported that there is a national movement to

extend the reporting required for stimulus funds to all federal funding. They are working with OMB to blend the required reporting with reports that institutions already make. There is a good chance that some level of increased reporting will be required. Dr. Mulcahy said he saw an assessment of the cost of the additional compliance burden required for stimulus funds for 100 research institutions in the Federal Demonstration Partnership (FDP); it cost about \$92 million, or about \$8,000 per award. Multiplying that amount across all federal funds would mean a significant increase in cost. Associate Vice President Webb said she could provide the Committee with the executive summary of the FDP ARRA Administrative Impact Survey Report. [The report was provided subsequent to the meeting.]

Dr. Mulcahy said that there will be increased accountability required for everything the University does with federal funds. The President and Congress are saying that institutions must show specific results. The STAR metrics are moving forward (Science and Technology for America's Reinvestment: Measuring the Effect of Research on Innovation, Competitiveness and Science) and the University is working with the process as they do so.

Professor Anderson thanked Ms. Riggs for joining the meeting.

## **2. Risk Recalibration**

Professor Anderson turned to Vice President Mulcahy for a report on risk recalibration in the units that report to his office.

Dr. Mulcahy provided a quick synopsis of the history of risk recalibration. A handful of administrators and faculty members felt that the University was too risk-averse, too highly regulated, and too bureaucratic for its long-term health. He convened a small group to look at risk at the University in order to have a dialogue about being less risk-averse, to weigh policies versus risks, and reduce (or perhaps in some cases increase) oversight. There is a proportionality to risk and oversight, and the University may have had an imbalance in favor of oversight. He emphasized that he was not saying the University should be careless, only that it may be more successful if it takes a risk-assessment approach. He brought this idea to about 20 groups that included over 300 people; of those people, two disagreed. One thought it was not an accurate assessment of the state of the University and the other thought it was too nice an approach. So there really was consensus that the University was too risk-averse.

He presented the idea to the Board of Regents at a number of meetings, Dr. Mulcahy reported, and the Board endorsed a plan that asked the University to examine its policies and procedures with the goal of bringing them in line with the risks they are trying to regulate. That was an important green light from the leadership. While other events and demands have precluded immediate forward movement on recalibrating risk, he has asked Associate Vice President Webb and Ms. Waldemar to spearhead an effort to be sure that the Office of the Vice President for Research be a model for evaluating policies, procedures, and risk. In order to do that, one needs a framework; Ms. Webb and her team have developed a template to use in the office, and they will refine it and make it available to other offices.

Dr. Mulcahy said he has asked the team to look at current practices and procedures in this way:

Re-define acceptable risk within your area of responsibility to achieve:

-- More innovative approaches to fulfillment of the research mission

- Removal of unnecessary oversight (the level of oversight is excessive relative to the amount of risk involved)
- Greater openness to opportunity
- Enhanced competitiveness
- Better staff engagement & empowerment; improved job satisfaction
- Increased efficiency; reduction of burden
- Cost savings
- Enhanced performance guided by responsibility and accountability.

A number of groups in his office are reporting what they have accomplished, Dr. Mulcahy said, and he would be glad to share the reports with the Committee.

Ms. Webb reported that there have been 68 different initiatives in the Office of the Vice President for Research in the last six months, and the goal is to be done this fall. They had to figure out how to do the analyses and asked units to look at where people are spending the most time and where the biggest risks are. Is the regulation internal? Is there a way to manage it so it is less burdensome to faculty and staff? They asked units to identify the top 10 problems and gave them approval to go ahead in initiatives with the template they had developed. Is the policy/procedure adding value? What are other institutions doing? They also emphasized a consultative process and suggested using committees such as this one as well as administrative committees to ask what they think of proposed initiatives. They are now at the stage of working on projects.

A number of groups are looking at forms, Ms. Webb said; are they collecting information that is never used? She itemized several possible changes that are being considered. The Committee will also hear about changes in effort reporting, perhaps reporting twice per year rather than three times. A number of committees are reviewing protocols and looking at the number of signatures required, Dr. Mulcahy said. In some cases, changes to Board of Regents' policies may be necessary, because they may contain requirements that exceed federal regulations. He said he would return to the Committee to report on what is being implemented. The goal is to make it easier for people to do their jobs while continuing to meet the University's responsibilities. Part of their work plan is to make the changes permanent and to evaluate what has been gained from them, something they will do every year. They also review every new policy proposal to ask what risk is to be managed and whether the policy is appropriate for the risk. The same thing will occur at the level of the President's Policy Committee, the body that has authority for final policy approval. There is a policy on policies which will incorporate this change: Whenever a policy owner comes with a proposal, he or she will be asked about risk and whether the proposal is commensurate with the risk.

Professor Cohen suggested that another change to the policy on policies should be to require asking about the amount of faculty time it will take to implement the policy. Dr. Mulcahy agreed that that was a good idea. The administration should ask that same question about every email from senior administrators to the faculty, Professor Cohen added.

Dr. Mulcahy noted that the initiative is consistent with a White House Executive Order, in January of this year, that called on the federal government to do the same thing.

Committee members discussed with Dr. Mulcahy and Ms. Webb other areas where initiatives are being considered, including certified approvers, Responsible Conduct of Research training, and forms. It

will be up to each policy owner to establish the appropriate calibration of risk, Dr. Mulcahy said in response to a query from Dr. Wahlstrom. If the question involves a grant, his office would be involved; if not, it would be Vice President Pfutzenreuter's office. They are trying to get others involved in the process, and Ms. Webb affirmed that there are a number of joint efforts underway.

Professor Cleary applauded the effort but observed that the cynics believe the Office of the General Counsel (OGC) drives a lot of the fear of risk. Dr. Mulcahy said the OGC plays a key role in helping to understand the rules, regulations, and laws, and the amount of latitude that exists within them. As an institution, once it understood the latitude available, the University has gravitated to the most conservative position. They are now saying the University should move a little, and the OGC office understands and supports the effort. In his view, the leaders of various areas of the University have become accustomed to deferring to the OGC about business decisions, but the leaders should be making the decisions within the range of acceptable risk. With the institutional history of NIH "exceptional" status, people deferred a lot to the OGC, but now understand that they have degrees of freedom in making decisions.

Professor Cleary said it would also be a wonderful change that one rotten apple will not bring down an avalanche of rules on everyone.

Professor Anderson thanked Dr. Mulcahy and Ms. Webb for their report.

### **3. Changes to Regents Policy on Submitting and Accepting Sponsored Projects**

Associate Vice President Webb next presented information about proposed changes to the Regents' policy on Submitting and Accepting Sponsored projects. They are not significant, she said, and are intended only to clarify points. One is to confirm that only the President or his designee has the authority to accept sponsored projects (on behalf of the Regents), and no one else may accept projects or agree to terms proposed by a sponsor. Individuals may not submit or accept awards. The other change was to eliminate a reporting practice that has not been done. There are regular quarterly reports to the Board, and if there is a major grant it is discussed; there is no need for ad hoc reporting on individual grants. These changes, she said, were developed as part of the routine five-year review of policies.

Professor Cohen asked if there is a list of people who are designated by the President as having authority to accept grants. There is, Ms. Webb said; it includes the President, Vice President Mulcahy, her, certain Sponsored Projects Administration staff, the chancellors, and a few others. She confirmed that these proposals make no change in how business is done. She said that sometimes faculty members inadvertently accept things that the University cannot, so the matter has to be renegotiated. It helps to have a policy clearly identifying the locus of authority to accept grants.

### **4. Grants Job Family**

Associate Vice President Webb turned briefly to the identification of responsibility areas for the grants job family. They are trying to create a career ladder for departmental and central administrators who work in grants so that they can show people their options. They need to have a job family in the Human Resources system in order to do so.

Ms. Webb distributed a handout, prepared by a work group, that listed the major responsibility areas of positions in the grants job family; the broad categories include proposal preparation and submission, award initiation, award management (non-financial), and award management (financial). Once the list is agreed on, the Human Resources liaisons in the colleges will be asked who performs these tasks, and they will work with colleges to determine levels of appointment (e.g., 1, 2, 3). They will then write job descriptions so that units can hire at the level they need. Eventually the jobs will be married to the certificated training program now in the midst of being developed for departmental research administrators, entitled "SPECTRUM."

Professor Cohen commended the work and said it will allow units across the University to get qualified people. Vice President Mulcahy said that Ms. Webb deserves much credit for developing the courses so that people can get training they need.

Professor Anderson thanked Ms. Webb for her reports and adjourned the meeting at 3:30.

-- Gary Engstrand

University of Minnesota