

SENATE RESEARCH COMMITTEE*

January 27, 1995

Minutes of the Meeting

PRESENT: Allen Goldman (chair), Susan Hupp, Mark Snyder, Mark Brenner, Eric Klinger, John Basgen, Kathy James, N.L. Gault, Jeylan Mortimer, Tony Potami, Rob Super

REGRETS: Paul Sackett

ABSENT: Henry Buchwald, Jean Kinsey, Signe Betsinger, Dongli-Su

OTHERS: WinAnn Schumi, Fred Bently, Fay Thompson, Marilyn Surbey

The minutes of the last meeting were approved.

Professor Goldman introduced Kathy James (new student member) and Rob Super (new ex officio member).

The main agenda items include: Arthur Andersen Report on Grants Management; Strategic Plan for the Office of the Vice President for Research; the Workload Resolution; and, a discussion about indirect costs, and the appointment of members to serve on U2000 subcommittees.

Arthur Andersen Report

Dr. Mark Brenner provided a summary of the Arthur Andersen Grants Management Project. The Andersen Company was hired to perform a diagnostic review of the University's policies, procedures, and internal controls relating to the administration of sponsored research programs.

They looked at five major categories: 1) Financial Management Systems; 2) ORTTA; 3) Non-financial Regulatory Compliance; 4) Written Policies and Procedures; and, 5) Training and Communication. Dr. Brenner said that a number of administrators are in the processing of reviewing the recommendations.

A summary of the recommendations in these five areas are identified below:

I. Financial Management

-- Conduct a needs assessment of the data and reports required by principal investigators, department heads, and administrators and determine the most efficient method for producing such reports.

-- Develop procedures to effectively manage unbilled receivables and identify issues and alternatives related to the development of an accounts receivable system for sponsored research accounts.

-- Further review of staffing issues and determine the appropriate qualifications for hiring of personnel involved in the accounting and administration of sponsored programs.

*These minutes reflect discussion and debate at a meeting of a committee of the University of Minnesota Senate or Twin Cities Campus Assembly; none of the comments, conclusions, or actions reported in these minutes represent the views of, nor are they binding on, the Senate or Assembly, the Administration, or the Board of Regents.

II. Office of Research and Technology Transfer Systems and Processes

-- Accelerate ORTTA's current project which is aimed at improving processes within ORTTA and those that interface with external units.

III. Non-financial Regulatory Compliance

-- Develop a comprehensive oversight program related to non-financial compliance issues which establishes a position of Compliance Officer, establishes processes and computer systems and revises policies to ensure compliance with regulatory matters such as biohazard materials, hazardous waste, environmental health and safety, human subjects, and animal welfare.

One member pointed out that it takes money to implement some of these recommendations such as chemical hygiene safety, etc. Where does it come from? Dr. Brenner responded that the issue of funding is unclear. The money has to come out of indirect cost. Money is being set aside, he said, and priorities will have to be determined. Some of the expenses are one-time while others are ongoing, he noted.

IV. Written Policies and Procedures

-- Develop a comprehensive proposal preparation and grants administration manual for the use of University personnel engaged in the management of research.

-- Develop a comprehensive cost accounting manual that provides guidelines for acceptable cost accounting practices and procedures.

-- Establish written policies delineating the roles and responsibilities of those involved in the administration of sponsored research, including but not limited to principal investigators, department heads, administrators, accounting staff, deans, ORTTA, Department of Audits, and Provosts.

-- Develop other financial policies and procedures that relate to such matters as internal service organizations, program, income, and cash management.

Investigators have to bear substantial responsibility, Dr. Brenner said, and the University should do two things: 1) provide meaningful information so they can manage their grants; and, 2) policies they can understand. Policies involving the non-financial matters are equally important, he added. People need to be kept up-to-date and it should be done in a user friendly way.

Training takes time and money, interjected one member, people should be able to read the information. It should be done in a simple way. We have to have checks and balances, responded Mr. Potami, we are not trying to be burdensome. This new program will help us greatly in defending ourselves with the government. It is important for faculty who have grants to understand the basics, he said. We have been operating in the same way for many years, and accountability has changed - we have not caught up with it - this effort will do that.

V. Training and Communication

-- Establish a mandatory training program for all academic and administrative personnel to

cover regulatory, administrative, and financial issues relating to the management of sponsored research.

Dr. Brenner added that a steering committee is being formed, including faculty members, to advise and provide their perspective and talk about whether the recommendations are realistic for faculty. He will keep the committee apprised of the action plan.

Strategic Plan

Dr. Brenner brought before the committee for its review the draft strategic plan for the Vice President for Research and Dean of the Graduate School. He pointed out that the strategic plan recognizes that ORTTA has developed their own processes. He also noted that the document did not include a vision statement, assuring the group that in fact there was one. He walked through the summary of strategic directions.

Research Issues

1. Maintain sponsored funding status as one of the top 15 research universities in the United States
2. Champion the objective of having the capacity to allow faculty to pursue their chosen scholarly activity
3. Improve the infrastructure necessary for future innovative research and post-baccalaureate education initiatives
4. Broaden resource support base by fostering collaborative relationships with industry and state and private agencies in research and technology transfer; develop a sense of community investment
5. Develop high quality, comprehensive, operating practices governing regulatory compliance and ethical conduct of research

Relative to #1, one member suggested that it read....as one of the major research....remove the number. Using numbers are much like a kid game, it was said, arriving at those numbers are whatever your ground rules are. The number is there because it is a benchmark measure that has been given to the legislature and regents, responded Dr. Brenner.

Another member commented that in order to achieve prominence as a major recipient of sponsored funds, etc., that there has to be mechanisms to actually recruit very talented faculty. Systems need to be in place to get the very best people and to retain them. Dr. Brenner took note of these comments.

Graduate Educations and Research Issues

1. Provide a supportive environment to enhance the ongoing development of graduate faculty in their teaching and research roles
2. Provide leadership in facilitating interdisciplinary research and graduate education efforts across campuses and between colleges, e.g. Large Lakes Observatory, biology, water research, and high performance computing
3. Strengthen the support environment for post-baccalaureate students
4. Establish and implement external research and graduate educations collaborations with other universities in the region
5. Communicate the significance of University of Minnesota research and graduate education accomplishments to a broad constituency
6. Provide leadership for professional development of postdoctoral associates employed long-term in

research projects

One member commented that with respect to medium and large scale research activities, the effectiveness in many fields depends on the quality of the postdoctoral people who are attracted to the University. A stellar post-doctorate can be an important component of graduate education. It seems that the University has no significant mechanism for recruiting outstanding individuals. For example, National Laboratories have high paid fellowships for very good post-doctorate.

Relative to #4, one member suggested that procedures for this be flexible.

Graduate Education Issues

1. Sustain and improve the quality and management of existing graduate programs
2. Coordinate development of new graduate education programs (including applied master's degree) and course offerings (including free standing minors) and recommended closure of existing programs whose size and quality has declined
3. Establish an environment that supports timely completion of graduate degrees of students and works to facilitate successful transition to the workforce
4. Respond to changing demographics by working in concert with programs and collegiate units to develop appropriate goals for size and composition of the student body, exploring discipline-specific data on projected marketplace needs as well as the diversity composition of the fields
5. Strengthen partnerships with collegiate units and provostal units and provide enhanced services in support of graduate education

With respect to #2, one member commented that there may be other reasons than size and quality for recommending closure. Redundancy, for example, interjected another member.

Commenting on #3, a member said that there is a diversity and women's issue in that data indicate women in physical sciences very frequently drop out after the Masters Degree. Dr. Brenner responded that the Graduate School is focusing on having students of color return - rather than working on recruiting new. Graduation rates are going up as a consequence of that. A mentoring environment is important, he added.

Dr. Brenner pointed out that the above strategic directions are in draft form and it is expected that there will be changes.

Workload Resolution

Professor Eric Klinger reported on the draft revised Workload Resolution. The resolution was reworked in conjunction with members from SCFA. It was moved and seconded to approve the revised resolution. Motion was passed unanimously. It was noted that nothing of substance was lost in the changes, but was simplified. The resolution will be forwarded to SCFA and on to the Senate.

Other Business

Professor Goldman reported that he received a memo from Robert Kvavik and John Adams asking for representation from the Research Committee to serve on cross committee working sessions organized around eight critical measures of U2000. Professor Goldman asked if anyone was interested in serving. He agreed

to follow up on this item.

Professor Goldman reported that he received a memo from President Hasselmo in response to his letter regarding the Dean of the Graduate School. The President stated that he would meet with the committee to discuss this issue.

Before adjourning, Professor Goldman asked members of ORTTA about the change in the indirect cost rate from 40 - 45%. Some are under the delusion that previously negotiated grants and contracts would continue at the 40% indirect cost rate and the new ones would be at 45%, he said. What is the policy, what should be charged? Marilyn Surbey responded that they are charging 45% on federal grants regardless of what the grant was negotiated at. At the end of the grant year the 5% will be reversed. You will not be charged more than what was allotted for direct cost, she said. A principal investigator or departmental administrator basically should be watching the direct cost budget. This is a cash flow issue. It was suggested that the announcement about this be published, a second time, in Research Review.

Dr. Brenner informed the committee that the Conflict of Commitment Policy will be brought back. He said that SCFA and SCEP have and will be reviewing it. There is some discussion about changing the title of the policy - a number of people think that it connotes a negative environment. It is expected to go to the Senate for information in April and action in May.

The meeting was adjourned at 3:00 p.m.

- Vickie Courtney

University of Minnesota