

Minutes*

**Senate Research Committee
Friday, March 13, 1998
433 Johnston Hall
1:00 PM**

Present: Len Kuhi, Chair; Phil Norcross, Mark Brenner, John Finnegan, Burle Gengenbach, Eric Klinger, Scott McConnell, Barb Van Drasek, Albert Nakano, Fay Thompson, Ed Wink, Mark Paller

Guests: David Hamilton

Regrets: Bianca Conti-Fine, Kathryn Rettig

Absent: Marilyn DeLong, Robin Dittman, Dorothy Hatsukami, Karl Kistler

[In these minutes: Cost-Benefit Analysis Resolution, Grants Management Committee, Indirect Costs, NIH Update, Chair's Meeting with the New VP for Research/Grad School, Research Presentation to the Regents, Nominations for the Senate]

The University Senate Research Committee met at 1:00 PM on Friday, March 13, 1998 in 433 Johnston Hall on the East Bank of the U of MN. The minutes from the Research Committee meeting held on Thursday, February 12, 1998, distributed to committee members via e-mail prior to the meeting, were approved as written.

COST BENEFIT ANALYSIS RESOLUTION.

Professor David Hamilton presented the Research Committee's resolution for a cost-benefit analysis to the Senate last month. Although there was little discussion about the resolution, it was approved by the Senate. The Research Committee will continue to monitor the University's response to this resolution.

GRANTS MANAGEMENT COMMITTEE.

Professor David Hamilton reported that the Grants Management Committee is currently working on the horizontal integration of various ongoing projects, as well as trying to eliminate the duplication of effort. For example, the roles and responsibilities group is in the process of developing a flow diagram for business processes and identifying roles and responsibilities based on these diagrams. At the same time in the focus grants management project at the department level, flow diagrams are being made of actual business practices. These two projects should not be independent of one another and should come together so the roles and responsibilities group can become knowledgeable about what happens at the department level, and vice versa. This is just one example of the horizontal integration that is currently being addressed.

Professor Hamilton also noted that there are two areas of concern with the compliance with OMB circular A21: 1) internal service organizations, and 2) the university purchase card. Problems with financial

*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 reflect the views of, nor are they binding on, the Senate or Assembly, the Administration, or the Board of Regents.

reporting by principal investigators have also been plagued with a lack of accuracy making it difficult for them to manage their accounts. Professor Hamilton reported to the committee that he envisions a web-based report with allocation, spending, encumbering, and balance; on the front end, they'd just encumber that out without actually doing it in CUFS and as CUFS needs it, they can use it. Another vision the GMC has been pursuing is the potential for regulating compliance through systems, such as having the ability to turn CUFS objects on and off as needed.

The list of departments in focus grants management has expanded to include Pediatrics and Chemical Engineering. The following departments are now also under consideration:

- Another IT department other than chemical engineering (centralized).
- Chemistry (decentralized).
- Biochemistry is a newly formed department fusing the College of Biological Sciences and the Medical School.
- Food, Science & Nutrition is in the College of Agriculture and reports to two deans.
- Lab, Medicine & Pathology is a good NIH department to add to Surgery and Pediatrics.
- Psychology in CLA.

Professor Hamilton stated that there is a high level of loyalty and interest from the people involved with the GMC, who are also addressing issues as they arise. One example of an ad hoc issue is the interpretation of A21. The A21 committee needs more faculty input on this issue, and John Finnegan volunteered to serve. The roles and responsibilities subcommittee hopes to finish their work by the end of March so that their deliberations can be brought to the Research Committee at its April meeting; information about their work will be distributed prior to the meeting for review.

One of the ways the federal government is overseeing what the University does is through federal sentencing guidelines. There are six guidelines altogether, all of which but one the University is already addressing as part of their work plan. One that has not yet been addressed by the University is to have consequences for bad deeds, such as termination of employment or a written reprimand placed in the personnel file. There are clear consequences at the University in terms of misconduct, but it is unclear when considering the University's Code of Conduct, which has no consequences. A discussion was held about situations where blatant conflict of interest occurs, but there are no consequences.

The Grants Management Committee would like to develop a relationship with the University Compliance Committee, appointed by Mark Brenner and chaired by Professor Amos Deinard. Mark Brenner noted that the Compliance Committee is primarily concerned with two issues: 1) there is substantial underreporting at the University; and 2) when there is reporting, the deans offices do not know how to handle the situation. Conflict of interest results from a financial interest that relates to an activity within the institution where the activity is affected by the financial interest. It was noted that disclosure requires both the existence of a financial interest and an institutional activity. Although there will be a variety of levels of oversight about compliance, dean's offices were mentioned as the most immediate site to oversee compliance, particularly those with a high volume of grant expenditures.

While there needs to be enforcement and disciplinary action in place, it was suggested that the University create an environment in which faculty and administrators can trust their peers. For example, is it necessary to punish individuals who do not comply for the first time instead of first going back and identifying how it can be corrected? It seems to be more important to focus on patterns of noncompliance

rather than on one-time infractions. For example, consequences can take the form of an educational function by identifying what was done wrong and how it can be corrected. However, it was agreed that consequences are necessary for faculty who purposely falsify documents.

Committee members at the meeting raised the following questions about compliance issues:

- How do business processes result in compliance?
- Who has responsibility for compliance?
- What about smaller consequences for first-time infractions?
- Who should pay the consequences in non-compliance?
- What about the use of positive consequences?
- Will punishment for petty infractions demoralize the system?
- Should the University institute an incentive system?

Professor Hamilton will continue to update the Research Committee on issues related to the Grants Management Committee.

INDIRECT COSTS.

Mark Brenner reported that before drafting a policy, he wanted to bring an issue to the Research Committee for discussion. He stated that there is currently a counsel of associate deans with the responsibility for research coordination. This group meets with the Office of Research on a monthly basis to discuss the role of the dean's office in this process. The issue under consideration is indirect costs and whether the University should waive ICR charged to small, MN-based companies. First, the definition of small companies needs to be identified by net profits instead of number of employees. Second, it should be determined that all will pay a minimum level of ICR, which would be held centrally. One important alternative is to waive it all, as other states have, but then get a specific appropriation from the state. It was suggested that funds be identified and used to invest in the indirect cost side of these projects so that the University can charge companies 15%, and additional funds might then be available to support traditional seed money applications that would be funded through ICR.

The Research Committee agreed to support this effort, and Mark Brenner reported that he will provide the Regents with an update regarding the University's response to this issue at their next meeting.

NIH UPDATE.

VP Mark Brenner reported that the University has transmitted to the National Institute of Health (NIH) its plans to implement the corrective action plan, including specific timelines. He added that Frank Cerra, Senior Vice President for the Health Sciences, will meet with the NIH on Monday to speak with Jeff Grant. This meeting is to obtain feedback about the plan and to explain that Senior VP Cerra will now be the lead person to oversee the work of the Grant Management Committee. It was reported that Jeff Grant is leaving NIH in May or June of this year; it is hoped that his replacement will be as effective and creative as he has been. In any event, VP Brenner hopes to retain a good relationship with NIH, but will continue to lobby for relief of the issue of expanded authorities.

CHAIR'S MEETING WITH NEW VP FOR RESEARCH/GRAD SCHOOL.

Professor Kuhi stated that he recently met with Christine Maziar, the new Vice President for Research and the Graduate School, and relayed to her the issues and concerns suggested by the Research Committee at its last meeting. He noted that VP Maziar plans to meet with the full committee in June or

July, and will continue to meet with Professor Kuhl periodically until then. It was agreed that a subcommittee be formed to work with her in a consultative role as she begins her new position at the University of Minnesota.

RESEARCH PRESENTATION TO THE REGENTS.

Professor Kuhl reported that he and VP Brenner, Vice Provost Norma Allewell, and FCC Chair Vic Bloomfield made a presentation to the Regents yesterday about research issues, including funding situations and faculty viewpoints. He added that there will be a second presentation to the Regents at their April meeting about the work of the Grants Management Committee, technology transfer, and use of ICR funds.

NOMINATIONS.

Nominations for new members of the Research Committee for the 1998-99 academic year can be submitted to the Professor Kuhl, Chair, or to Kate Stuckert from the University Senate at 6-8743 or stuck005@tc.umn.edu; members should also notify her if they are unable to serve their term next year.

The meeting adjourned at 2:35 PM.