

AHC Finance & Planning Committee
July 26, 2001
Minutes of the Meeting

PRESENT: Dan Feeney (chair), Michael Spiedel, Timothy Church, Beth Nunnally

REGRETS: Donna Brauer, Katie Dusenbery, Carol Wells

OTHERS: David Hagen

GUESTS: Mark Paller (Assistant VP for Research)

During spring semester, the AHC Finance & Planning Committee received concerns about the internal status of shared units that contribute to the AHC's competitive position in the research arena. Specially, the 1) peptide synthesis operation; 2) research animal resources, 3) central irradiator facility, 4) biomedical imaging processing lab, 5) electron microscopy facility, and 6) possibly the bioinformatics operation. The concern is that funding for some of these operations could be in jeopardy. The committee agreed the first step would be to collect facts about these units.

To that end, it was agreed that a discussion with Assistant Vice President for Research, Dr. Mark Paller, would be helpful.

Professor Feeney welcomed Dr. Paller and began by explaining that the over the past several months the committee had had a couple of discussions about the various aspects of internal service organization and research infrastructure.

Committee members were interested in finding out whether the ISO's were worth the AHC subsidy they were getting?

If they are dying because they are not being subsidized, or, if they are not being subsidized should they be self-supporting, etc?

Professor Feeney asked Dr. Paller if he could provide the group with some insight on the support for units providing research training, assistance, data acquisition, etc.

Before Dr. Paller responded, Beth Nunnally, AHC Chief Financial Officer, distributed data regarding FY 99 expenditure and revenue sources for the various ISO's. Actual numbers will not be included in these minutes because the data may not be current.

At this point Dr. Paller explained what has recently been done. He started by saying that there has been a desire to compile information in order to make informed decisions much the same way money is distributed to colleges rather than dealing with emergencies in isolation. It is not fair to deal with only those to make the loudest noise or get to you first he added.

First and foremost, a business plan is required for ISO's that request a subsidy from the AHC. A plan for reviewing and updating the technology is required before decisions will be made about funding. When determining whether an ISO should be subsidized, the obvious question to ask is whether it is valuable and useful across the board?

Is it something that the AHC should be subsidized and if so at what level, or is it someone's research project that didn't get NIH funding?

Dr. Paller then went on to talk about some of the success stories he recently experienced.

First of all, every attempt is being made to spread responsibility as much as possible, he said. For example, Bioinformatics has been supported by the AHC. However, it is equally used by Agriculture and used also by

CBS and people elsewhere.

This year eleven sponsoring units are equally sharing in the recurring support along with the ongoing support of the AHC. The support for the update of hardware and software was split equally twelve ways. This is viewed as a successful model, especially when all users share in the costs. A format is being developed that requires people to start putting these costs in to their grants. If research is being done that requires Bioinformatics support it needs to be put into the grants as it is written in addition to any specific fees the research might have.

Dr. Paller emphasized that they do not want to cut people off from the support who do not have grants or wrote a grant but did not think about it.

However, the plan should evolve is that a unit is closer to self-sufficiency. He then went on to describe a slightly different version of what is being done in the Genomics ISO which started off as the AGAC (Advanced Genetics Analysis Center) at the Vet Med School. Over a year ago considerable money was put into the Genomics Center to buy down the fee for using the services. The fee was reduced by 75% but the volume went up four-fold. The Genomics ISO is actually making money, he noted. The same thing needs to be done for Proteomics .

So, some money was invested up front for equipment but the money from the sequencing fees will go towards support. Money will not be put into the sequencing, he pointed out. It is expected that within a year or two Proteomics will not need to be subsidized.

Next, Dr. Paller talked about the importance of helping people organize themselves. He used the EM Facility as an example.

He met with the people involved with the EM Facility and talked about who their users are and what kind of fees do they charge? Are they the right fees? How much money does it cost to do it right? What are the plans for renewing technology, etc?

The result of this meeting ended in a package that probably will not require any change in the way the ISO functions because a few of the users realized they need to support the facility and are willing to provide some support.

The EM Facility is also going to require people who use the EM to put some salary support on any grants they write. He noted that this could take 2-3 years to completely implement. The challenge is to educate the users about these changes.

With respect to BIPL, the same offer has been made but nothing has been done. At present, the Medical School is deciding whether the Genomics part of BIPL and the MicroChemical Facility should be folded into the Genomics ISO.

If the decision were made to do the problem would be solved because the Genomics ISO already has a plan.

Another challenge that will need to be addressed is how do you monitor the money coming from multiple grants to support salaries, etc. How does the Facility know when the grant has been awarded? The fee for service fee is less problematic because an ISO can bill for that service. Yet another challenge is how to enforce a culture of joint responsibility for things that we all use, Dr. Paller said.

It seems that the ISO's will need to examine how they do their business before asking for money. Central funds should provide support but should not be awarded on any different basis than if going to the NIH.

Committee members expressed an interest in seeing data that shows which ISO are paying their way and those that require subsidization.

Beth Nunnally indicated she could gather that information for the committee. Dr. Paller interjected that he does not object to a subsidy nor does he have a fixed idea of how much of a subsidy is right or wrong. If it is valuable then it should be supported. However, it is important to know what the costs are.

Dr. Paller pointed out that not all ISO's require AHC assistance. Many are doing fine at the department level

and it is not necessary for central administration to step in. It is appropriate for central to get involved if the ISO comes to him. If the AHC subsidizes the ISO then there will be more scrutiny.

Professor Feeney asked Dr. Paller what role he sees the committee playing. Dr. Paller said he would like assistance in educating faculty so they include the costs of ISO services in their grants. While it is necessary to do they don't want to make it a policy.

The other challenge is how to track the funding and how to collect it?

Committee members agreed that they would spend time working on a strategy for educating faculty about the new plans for supporting services provided by ISO's. These changes should be communicated to the faculty so there are not surprised.

It's all about doing research in a responsible way and to know where to invest resources, it was said. It must be a collaborative effort by both the faculty and the administration. Better solutions are reached with broader participation.

The meeting was adjourned at 6:00 p.m.

Vickie Courtney