

Senate Research Committee (SRC)

March 28, 2016

Minutes of the Meeting

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

[In these minutes: Facilities and Administrative Costs; Grant Application Process for SPA; 72-Hour Hold Information; Exemption Request, Subcommittee]

PRESENT: LaDora Thompson (chair), Lisa Johnston, Bob Lewis, Helen Ofstad, Brian Herman, Frances Lawrenz, Tucker LeBien, Lynn Zenter, Bill Arnold, James Orf, Teresa Rose-Hellekant, Jeffry Simpson, Logan Spector, Bethanie Stadler, Joel Waldfogel, Rachel Bergerson, Carol Carrier, Suzanne Paulson, Jayne Fulkerson

REGRETS: Hinh Ly, Claire Stewart, Tasoulla Hadjiyanni, Nelson Rhodus

ABSENT: Allen Levine, Murat Can Kalem, Elizabeth Steinert, Greg Cuomo, Jeanette Gundel, Michael Kyba

GUESTS: Pamela Webb, associate vice president, Sponsored Projects Administration; Holly Schuveiler, senior financial analyst, Office of Cost Analysis; Deb Dykhuis, executive director, Human Research Protection Program, and Barbara Shiels, legal advisor to the Institutional Review Board; Professor Mark Pedelty

Chair Thompson welcomed the committee and members introduced themselves.

1. Facilities and Administrative Costs: Pamela Webb, associate vice president, Sponsored Projects Administration (SPA), provided information on how facilities and administrative (F&A) costs affect sponsored research projects. She said that facilities and administrative costs might also be called indirect costs, or overhead. They are the real costs incurred while conducting research, and are:

- Related to the administrative management of the research.
- Related to providing the facilities in which the research is performed.
- Costs that are incurred for the common or joint objective and, therefore, cannot be identified readily and specifically with a particular sponsored project.

Webb said the rate of F&A costs are based on a calculated average rate developed and negotiated in accordance with 2 CFR 200, which is the standard federal guideline. These costs can include general administrative costs like the President's Office, departmental administration, maintenance, libraries, as well as such items as depreciation and interest. The government decides what costs are excluded, she added. The total costs of research are taken off the top of the grant before calculating the 52% rate of return.

Webb said that in 2014, the last base year of data accumulation, the University had \$217 million in facility and administrative costs. When divided by modified total direct costs of \$352 million,

the actual F&A costs in support of sponsored research for the year was 61.6%. She said that the University proposed a 57% rate from the federal government, and generally the unwritten rule is that an institution will get 5% less than what it proposes. That is what the University received this year: 52%.

Webb added that if a unit has a higher rate of facilities costs, they will get a greater discount. It is an incentive for growth. She then shared the following list of ways that cost sharing affects F&A:

- Increases the overall University cost for the project.
- Redirects University resources originally designated for other activities.
- Increases administrative burden by requiring additional tracking, certifying, and reporting.
- Includes mandatory cost share, voluntary committed cost share, and amounts exceeding the NIH salary cap.
- Increases the direct cost base, which results in a lower F&A rate.
- She added that this resulted in a 1% decrease in the University's F&A rate, which translated into about \$2.5 million in lost F&A revenue annually.

Webb also detailed why F&A is important:

- F&A assures that the University is able to recover a portion of the additional infrastructure costs required to conduct research;
- 100% of F&A recovery is returned to the school or college that generated it;
- F&A provides schools and colleges with funding that can be applied toward their departmental expenses related to sponsored projects (including cost pool allocations;

and the following misconceptions about F&A:

- 52% of research grant dollars go toward F&A. This is false. In actuality, about one third will go to F&A.
- The University recovers all its costs. This is false. The University recovers about 40.3% of its costs.
- Rising central administration costs are responsible for increasing F&A rates. This is false. The administrative rate is capped at 26% by the government. The increase is coming from the cost of facilities.
- Minnesota's rate is higher than their peers. This is false. The University rate is actually near the bottom of the Big Ten. It is also near the bottom when compared with rates for the top 21 public institutions nationally.

Webb concluded by stating of the nine major cost pools colleges pay into, research is one of the smallest pools at 6.1%, and that 6.1% includes the Office of the Vice President for Research, University Health and Safety, and Sponsored Financial Reporting. Maintenance is the highest pool at 13.5%. Committee members agreed that the information on F&A costs was valuable information to share with their departments.

2. Grant Application Process for SPA: Professor Mark Pedelty provided an overview of his experience applying for a small grant. He said he put together \$37,000 of small grants. Part of this was to produce a video for a watershed project. It also was to pay for community singers, an

event, studio time, and other small costs. He said he thought it was really important for the University to acknowledge that sometimes these little community grants do an incredible amount of good.

Pedely said that no one at the University did anything wrong. He made a couple of mistakes applying for these grants; but the process, he said, is cumbersome. Sometimes it is easier to go to an outside organization and to use a private foundation. He asked for a more streamlined process for small grants. And, if the reasonable thing is that it just costs too much for the University to administer these small grants, that the University be truthful about that and state it clearly. He thanked Webb for creating a quick guide for faculty to use, based on his feedback, which is now available on their website. Webb added that SPA does have a 1.5-page agreement that can be used for small entities, if the organizations will use it. She acknowledged that it does not work for every situation, and often sponsors use their own agreement. She also said that SPA also provides preferential payment terms for small business or community based sub-recipients. This can help those that might need cash flow assistance.

Professor Philip Zelazo said that sometimes it may be in the University's interest to just go ahead and use outside sources. Webb added that sometimes these projects provide opportunities to involve students, and that is one reason to run it through the University, to have it count as University time. Others might want to consider these grants outside consulting gigs. Thompson concluded the conversation by stating the responsibility of the University and the committee is to value all types of research regardless of cost, community engagement, or public relations, but streamlined processes should make it as easy as possible. Pedely added that it is very clear the system is designed for large grants. That makes some things difficult, even for very small projects that are a great "bang for the buck."

3. 72-Hour Hold Information: Debra Dykhuis, executive director, Human Research Protection Program, and Barbara Shiels, legal advisor to the Institutional Review Board, Office of General Counsel, presented an update on the 72-Hour Hold requirement. Dykhuis said this item was an important, quick step forward in the Advancing Human Research Protection plan that could be taken without a lot of significant resources or time.

She said the purpose of the hold is to "ensure there are appropriate safeguards to protect the rights and welfare of vulnerable participants." Development began in 2014 and involved the following steps:

- Review of local, state and federal laws.
- Engagement of key stakeholders and experts.
- Policy development and implementation.
- Further review and evaluation.

In the process, they consulted with NAMI (National Alliance on Mental Health) and took that feedback to clinical researchers including Fairview and U Physicians. In July 2015 proposed policy changes were accepted. In August, they were presented to the University community and have been posted on the IRB website. Dykhuis said that for those interested, the policy updates are 501, 506, and Appendix I.

Shiels reminded the committee that a law was passed in 2009 known as Dan's Law; it was a consequence of Dan Markingson's suicide. Markingson had a judicial hearing that determined he met the criteria for commitment. The law does not favor commitment, so at all points along the way there were opportunities to consider alternatives, including a stay of commitment. This was what happened in Markingson's situation. During that stay he participated in the drug trial at the University. Since 2009, the law has put stringent requirements on participation of those under a stay of commitment. It states, "Persons who are under a stay of commitment following a judicial hearing may not participate in a psychiatric drug trial." Shiels said IRB adopted the principles behind the law, basically to assure that a vulnerable person not be coerced in any way to participate in a research trial. IRB requested not only those in the stay of commitment, but also those who are in an earlier stage of a commitment process. Shiels then shared the following additional policies added by the IRB:

- The following persons may not be recruited for psych drug device or biological trial: persons subject to a commitment petition and persons temporarily confined involuntarily under 72-hour emergency hold.
- No recruitment is allowed of persons under intent to leave periods or in detainment under a Peace Officer/Health Officer Authority (formerly a transport hold).
- When the patient is a prospective research subject in a study conducted by the study team, study team members cannot: participate in the decision to rescind or discontinue involuntary status before its expiration, provisionally discharge a commitment patient, or rescind a provisional discharge.
- Allowable activity includes "Emergency use of a test article for patients on an involuntary medical hold is allowable in compliance with IRB Policy 502: Reporting Emergency Use of a Test Article." (Dykhuis clarified that they want to make sure no one was prohibited from participating in something that might save their life. In this situation, the individual making the decision is the physician who decided the condition is life-threatening.)
- Appendix I is a list of vulnerable populations. Applicants are provided with the list and requires confirmation that they understand what those prohibitions are.

Thompson stated that this also means additional responsibilities for the research team. She asked if there were mechanisms in place to assure that everyone follows these rules.

Dykhuis replied that when an applicant signs an agreement they sign that they understand they are responsible, as is who is participating with them.

4: Exemption Request, Subcommittee: Webb reminded the committee that this policy exists because the University must be able to publish any work that goes on at the University, and student should be able to participate in any activity that the University does. Exceptions happen because work may be related to export control, and an agency is unwilling to let the University disclose results. She said an exception was submitted by Lindsay Glesener and Keith Goetz for a research project titled "A Search for Small-scale Energy Releases in Active Regions and the Quiet Sun with FOXSI-3." The research subcommittee recommended the exception with five voting in favor of an exemption and three abstaining. Thompson then asked for the committee's vote on approving the subcommittee's recommendation.

The motion passed with 13 of the committee recommending to grant the exemption and none opposed. Thompson will recommend the exception to Brian Hermann.

Hearing no further business, the meeting was adjourned.

Patricia Straub
University Senate Office