

RESEARCH MESSENGER
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Research Support Funds

The SDSU Research Foundation (RF) manages all awards made to SDSU faculty and staff for the conduct of research. Many of those awards carry what are called "Facilities and Administration" (F&A) funds -- once called "indirect costs" -- to cover some of the costs of ADMINISTERING the award (the "A" part), and of providing the FACILITIES in which the research can be carried out (the "F" part).

RF's federal F&A rate, determined through extensive negotiations with the Department of Health and Human Services, is 49.5%. However, the actual rate of collection is only 15% because so many of our awards -- from the Department of Education and from non-federal sources -- provide low or even zero F&A.

Nonetheless, the RF collects about \$15 million annually in F&A, and that provides the majority of our \$28 million annual operating budget. A portion of those funds -- nearly \$4 million last year -- is returned to SDSU faculty and administrators to enhance the research environment. They cover debt service on the BioScience Center, contribute to the Faculty Grants Program, provide SDSU with representation in Washington (i.e., a lobbying firm), offer some of the funds you use for recruiting and entertaining and appear in a dozen other forms of which you are probably not even aware.

The most visible component of this return to SDSU is in Research Support Funds (RSF), allocated directly to DEANS and the RESEARCHERS who win the awards ("Principal Investigators" or PIs). The target is to return 15% of the F&A (on full F&A awards) to the dean and an additional 10% directly to the PI. In practice, the bulk of these funds go to those in the colleges of Sciences and Health and Human Services because these colleges have the faculty who win most of the full F&A awards. The amount of RSF that went back to deans and PIs in 2006-07 was \$1.6 million. Deans used it primarily to invest in start-up packages for new faculty who they expect will become contributors in future years; PIs often use it to sustain their research during fallow periods, to hire additional personnel and to supplement their salaries through overload.

With that as background, here is the situation on which I would like to invite your comments.

There was an extensive review of RF operations during the past year. One aspect was an evaluation of the RSF distribution at SDSU versus that at 35 other research universities. It revealed that an uncommonly large share of the RSF was going directly to the PIs who generated it, bypassing the chairs and deans who would otherwise have more resources to guide the research directions of their units.

The advantage of the present distribution is that it attracts and retains highly successful PIs who suddenly see their resources increase by 10% when they move to SDSU. We are reluctant to disturb that advantage. But we must weigh it against the fact that those who may see ways that larger projects could be promoted through collaborations have few resources to implement their visions.

We have two proposals under consideration, one to shift some of the RSF from PIs to Deans, the other to shift some from PIs to Chairs who, uniquely among our sample of research universities, are ignored in the RF's RSF calculation.

1. The cost of MAINTAINING research space (not PROVIDING it -- that's the RF's

obligation) is currently borne completely by the deans. This obligation reduces the Deans' actual RSF from the 15% target to just 7%. The proposal is to shift 20% of this burden to the PIs. The amount would be subtracted from the PI total for an entire college before the distribution was made to individual PIs. This would have shifted about \$130,000 from PI accounts to Dean accounts had it been in effect in 2006-07.

2. Change the distribution formula to send 2% of the RSF to department chairs, while reducing the RSF to PIs from 10% to 8%. This would have shifted about \$180,000 from PIs to Chairs in 2006-07, with the main impact on a small number of departments (biology, psychology, geography, SLHS, GSPH and a few others). Of course, the deans and chairs whose allocations would increase could well decide to spend a portion of their newfound funds on the PIs who generated them, so the change in resources may be more apparent than real. The primary effect may not be where the resources end up, but rather in who makes the decisions.

These proposals will be discussed at the next meeting of the RF Board of Directors on March 7. I would appreciate your reactions to them by March 1.

Tom