

All Task Force Comments Received on the Research Working Group Recommendations and Report

November 2016

Recommendation 1: Allocate 100% of FACR revenue to the generating unit.

1. Yes.
2. I agree with this recommendation.
3. seems valid
4. OK.
5. I agree with this recommendation since units will now be "taxed" for central services such as those provided by OSP, and will be "taxed" in order to allocate funds for special initiatives. Currently there is very little transparency in how FACR is spent. This policy would begin to alleviate that.
6. Keep it simple and transparent - this seems like the best approach!
7. This recommendation appears reasonable.
8. Would such a model mean additional staffing/monitoring needs at the unit/school/college level? If so, how would this happen? Reallocation of current central funding sources/positions?
9. This would be good if the 30% recommended in #2 could not be carried forward.
10. This approach makes sense, presuming that it is allowable to handle FACR revenue in this manner.

Recommendation 2: Split the FACR allocation to generating units so that 70% of FACR revenue goes into Ledger 2 or the FACR fund and 30% goes into a new E&G fund index in each unit.

1. On what basis? Do we have any data that supports a 70/30 split?
2. I agree with this recommendation.
3. seems valid due to state requirement
4. Seems like we don't have much option here.
5. I agree with this recommendation; it is consistent with state policy.
6. Stick with the formula required by the General Assembly - sounds great!
7. This recommendation appears reasonable.
8. This would be the distribution that I believe would work best. Could the E&G portion be carried over each year?
9. Completely agree.

Recommendation 3: Centralized E&G expenses related to research support will be allocated following the direction of the cost allocation recommendations and will not depend on FACR earnings.

1. No - central E&G expenditures that support research should be properly captured in the indirect cost study and allocated through FACR.
2. I agree with this recommendation.
3. seems valid to follow cost allocation model
4. OK.

5. I agree with this recommendation.
6. This is helpful for getting to the actual cost of research regardless of the contract agreements around FACR
7. This recommendation appears reasonable. Question: Will these centralized E&G expenses associated with research support be allocated to the new E&G fund index referenced in Recommendation 2? If so, it might provide a way to more easily 'see' the allocated research support expenses, and meet the Commonwealth's requirement at the same time.
8. I think FACR should be considered.
9. Completely agree.

Recommendation 4: Centralized FACR expenses related to research support (aka Table C) will be allocated following the direction of cost allocation recommendations and will not depend on FACR earnings.

1. (isn't this the same as above?)
2. I agree with this recommendation.
3. the percentage should be equal across the board
4. Ok.
5. I agree with this recommendation.
6. Also helpful for understand true costs
7. This recommendation appears reasonable.

Recommendation 5: In light of the award of 100% of FACR revenues to the supporting units, do not exempt FACR expenditures from the proposed cost allocation that is expense budget based.

1. (isn't this the same as above?)
2. I agree with this recommendation.
3. Seems valid
4. Ok.
5. I agree with this recommendation.
6. This is great to keep all costs at VCU tied to the model!
7. This recommendation appears reasonable.

Recommendation 6: "Table C" as described in the university's Budget Plan should be reduced by those line items that are FACR allocations to the Schools.

1. (isn't this the same as above?)
2. I agree with this recommendation.
3. seems valid
4. Ok.
5. I agree with this recommendation.
6. Very helpful recommendation.
7. This recommendation appears reasonable.

General Comments:

1. These questions and recommendations are very confusing. I suggest rewriting this questionnaire. CARRYOVER - we need to be very careful with FACR carryover. At what point does carry-over

become "profit". The purpose of FACR (and indirect costs in general) is to REIMBURSE the university for incurred expenses. If the carry-over becomes too great, then the cognizant agency can start to deny expenses, negatively impact base rate and collections the following year.

2. I think it will be important to recognize University initiatives and priorities that are funded mostly or entirely by FACR, and to consider the fate of those initiatives under a new budget model. If these initiatives and priorities are truly UNIVERSITY priorities, under a new budget model perhaps there should be another way to fund them.
3. How does such a model, any of the recommendations impact Service Agreements or Service Models?
4. I like this approach. My main question is whether there are central units on Table C that weren't considered in the group central cost unit MBU's handled by the that working group. If so, how are their costs allocated?