



UNIVERSITY OF OREGON

Memorandum

Date: May 29, 2015

To: Research Core Facility Directors, Core Facility Faculty Advisory Committee Members, and Research Core Business Services

From: Brad Shelton, Interim Vice President for Research and Innovation

RE: FY16 Central Allocation support for the Research Core Facilities

This annual budget memo provides you with information about the projected recovery of federal Facilities & Administration (F&A) reimbursements for the current FY15 fiscal year, as well as the central allocation support for the research core facilities. The federal fiscal climate for sponsored activity remains very constrained, and the environment for successfully winning new sponsored proposals is highly competitive. Our projection for actual F&A to be recovered by the close of this fiscal year is \$19.7M based on current award information.¹

RCFs are expected to operate according to the cost principles established in Omni Circular (replaces OMB CASB Circular A-21) and in a manner compliant with UO policies that collectively allocate the allowable costs of facility operation to projects in proportion to its use. By definition, research core facilities are required to achieve a service center compliance balance at the end of every fiscal year. We conduct an annual cost analysis process that is of similar format across all cores and meet with the Faculty Advisory Committee Chair and members. Each core is also able to describe unique cost scenarios in our process to account for operational strengths, weaknesses, threats and opportunities that are specific to their core. The result of the annual cost exercise is a memo confirmation of the rate setting details for the next fiscal year. The memo is sent from the FAC Chair and Director/Manager of the facility and shared with the user community. In 2014, a scheduled three year program was developed to create sustainable allocations for research core facilities with collaboration and input from faculty advisory committee members, core directors and core business staff. We anticipate that by the end of FY17 the Research Advisory Board will be able to review data for the three year period and develop any needed recommendations for course correction to the VPRI.

Some facilities have raised rates and/or volume to achieve compliance in one year, while others are incrementally raising rates to lessen the impact for those supported by grant funds. It is clear that with steadily increasing personnel costs that each facility needs to balance volume and rate changes each year with keeping rates predictable to decrease undesirable impacts to faculty research activity. With the establishment of the research core business services team, each facility now receives monthly reconciliation reports to

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track revenue and expenses to have more accurate predictions for year-end short falls that might necessitate changes. There is also a standardized format for reporting across all cores that has been more easily shared with the VPRI and the affiliated community of each core.

Below you will find the table with F&A central allocations for the ten Research Core Facilities.

FY16 Central Allocations for Research Core Facilities	# of internal PIs or customers	# of external PIs or customers	Projected FY16 Operational Costs	Projected FY16 Revenue	FY16 VPRI Central Allocation
Animal Care Services (ACS) - Vivarium only ²	114	13	\$687,000	\$540,000	\$106,758
Aquatic Animal Care Services (AqACS) ^{2,3}	89	0	\$465,023	\$346,815	\$117,785
Bowerman Sports Science Clinic (BSSC)	11	50	\$164,103	\$125,182	\$25,586
Center for Advanced Materials Characterization in Oregon (CAMCOR)	282	322	\$1,734,343	\$1,404,539	\$328,820
Center for Assessment, Statistics and Evaluation (CASE)	16	3	\$199,985	\$29,639	\$47,011
Genomics and Cell Characterization Core Facility (GC3F)	87	58	\$774,023	\$624,244	\$154,727
Histology and Genetic Modification Services (HGeM)	106	12	\$347,298	\$219,335	\$118,670
Lewis Center for Neuroimaging (LCNI)	51	3	\$776,000	\$225,000	\$246,556
Technical Science Administration (TSA)	227	30	\$426,350	\$202,495	\$129,475
Greenhouse (new in FY16 to RCF)	new	new	\$58,806	\$12,936	\$45,552

At this time all 2016 rates have been set and announced through the Director and FAC Chair to the user community that is relevant for each facility, except CASE, BSSC and the Greenhouse. Those three are newly established cores in RCF and are in a “germination” period with the expectation to reach service center compliance by FY17. The individual unit memos are available on the newly established Research Core Facilities website <http://rcf.uoregon.edu> under the Guidance tab and in the Rate Details section.

FY15 was the first reportable year of using a shared services model for business related needs of each core facility. Many universities across the nation are developing this business model and many already have them in place. The three top priorities for the Research Core Business Services (RCB) team have been to excel at customer service, develop consistency in practice and reporting, and maintain compliance requirements. If you have any questions about the central allocation process please visit the Research Core Facilities website or contact Stacy Williams-Wright. If you have questions about the business plan for a specific core facility please contact the appropriate director/manager or FAC chair.

Cc: William Cresko, Associate Vice President for Research
Beth Stormshak, Associate Vice President for Research
Moira Kiltie, Sr. Assistant Vice President for Research, Chief of Staff
David Landrum, Assistant Vice President for Research Finance & Business Admin.
Stacy Williams-Wright, Divisional Budget Director

1. In our projections, we take into account award close outs in 2014-15 and our projection also relies on historical trends of expenditures on existing awards. Unlike past years, however, our distribution to units is based on full year actual data (March 2014 through February 2015). Please note that the university does require 13.5% of the total F&A reimbursement collected be returned to the university primarily to support university utility costs. Therefore, of the estimated \$19.7M F&A reimbursements to be recovered in FY15 the university has dedicated approximately \$2.6M for facility utilities costs, leaving approximately \$17M of F&A available in our beginning budget to fund the VPRI portion of new faculty start-ups, retention and infrastructure (\$3M); library (\$512K); faculty research support/research development (\$3.4M); research administration services (\$4.8M), research core facility central allocation (\$1.5M), and unit (VP/College/Center & Institute) return (\$4.2M).
2. Does not include animal program compliance related costs directly funded by VPRI
3. Does not include facility costs directly funded by the Program Project Grant