Chapter 3

From: Nan Carroll
Sent: Friday, November 06, 2009 2:50 PM
To: Bruce Szelest
Subject: Middle States, Chap 3, page 2

Bruce,
I’m reading the report and have gotten to Chapter 3. The paragraph on page 2 under the chart of all funds support over time seems like too much of a draft to be there. There are some incomplete sentences and some mistakes (e.g., the RF doesn’t administer IFR accounts). I’m wondering if there is a more polished section that is supposed to be there instead of the draft version that is there now.
Nan

Feedback addressed as follows:

- Typos fixed. Language on RF accounts in chart changed as follows:

  “Dollars generated through Facilities and Administrative (F&A) rates charged to external grants and contracts administered by the Research Foundation comprise the RF Grant categories in the chart above.”

UPPC

Chapter 3: INSTITUTIONAL RESOURCES

p. 1 "The following narrative does not attempt to document all of these changes over the past decade, but to focus more on current practice as well as some of the resource planning initiatives that have been used in the recent past." THIS restriction does not meet the requirements of addressing the 10 period in the Self Study. Current practices do not document what the university has done and the sad situation re lack of transparency and governance input in resource allocations.

Feedback addressed as follows:

- No change. This approach was the decision of the subcommittee charged with chapter, and was confirmed with the Steering Committee early on. This chapter focuses on the University’s budgeting approach (i.e., incremental) in key areas, and how it has been implemented over the self-study period.


Feedback addressed as follows:
• No change. Not quite a repeat, and yes, this is needed, as the introductory section of the chapter.

p. 2. Here salaries are said to be 78% of the state budget, while in chapter 2 (p.12) there is mentioned 82 - 85%. The discrepancy should be reconciled.

Feedback addressed as follows:
• Now reconciled.

The description of resource allocation process is much too sketchy: many major units are missing: Business, SPH, ROC, CNSE, Student Success. Little about Academic Affairs which includes large chunk for instructional support, etc.

Feedback addressed as follows:
• No change. As the introduction points out, a sampling strategy was used so not all units are included. And page limitations were a concern as well. Instruction is covered in the Provost’s and CAS/SE discussions.

The unusual situation with CNSE should be explained more in detail, in particular the transition out of AA in 04-05 into an independent VP unit, and the latest change in fall 08 that removes the CNSE budget and resource allocation out of the purview of UAlbany.

Feedback addressed as follows:
• No change. It is not clear how this information would be informative and relate to the charge questions, particularly going forward.

Comments by UPPC member #3
Chapter 3:

Abundant typos throughout the document shows that the draft has not been carefully proof-read.

Feedback addressed as follows:
• Fixed.

Page 3, para. 3: What is the rationale for all vacant lines remaining in the Colleges/Schools, whereas 25% of the value of vacant lines in the University Library return to the Provost?

Feedback addressed as follows:
• Changed to:

“Currently, all lines remain within the Colleges while lines in the remaining administrative and support units within Academic Affairs are at the discretion of the Provost, with more autonomy afforded the University Libraries. Similar to the Colleges, the Libraries retain the full base value of the lines, however 25% of the savings from any vacant line in the Library
reverts to the Provost for one-time investment. Previously, the Provost retained 100% of vacant line savings in the Libraries, as it continues to do with other Academic Affairs support units.”

Rationale, which is not included in the self-study, due to space limitations, is: Historically – going back many years, the Provost got 100% of the savings of all lines. Even those in the Colleges & Schools. The Provost then paid for new hires, promotions, counter offers, etc. The budget was subsequently decentralized and the colleges and schools got to keep 75% of the value of the vacant faculty line and 90% of the value of professional lines. Responsibility for covering new hires was devolved to the Dean’s. The Provost continued to pay for promotions and counter offers. The units referred to it as a “tax”. Then, under Provost Santiago, the schools and colleges were given 100% of the value of the lines when they became vacant, as the university was moving toward an incentive (or responsibility-based) budget. The units then became responsible for all costs because the Provost didn’t have the needed funds and now was unable to re-allocate anything across colleges and schools. During this entire time, the Provost retained 100% of the savings in all the support areas – Library included. The base value of the lines were retained in those units, but they couldn’t spend the savings. Eventually the Library Dean and Provost agreed that the Libraries should keep more of salary savings generated by Library vacancies, and they agreed on returning 75% of vacancy savings to the Libraries. In the past couple of years the Provost has made a one-time allocation to the Library to support their acquisitions budget, and this has been over and above the amount of the 25% line savings share retained by the Provost’s Office.

Page 5, para. 2: Is there any prospect of revising the SUNY Foundation’s tax (3% tax on total direct+indirect costs, regardless of indirect costs) so that UAlbany can receive a greater share of the ICR?

Feedback addressed as follows:
- The situation is articulated in the chapter and lead to a recommendation in the hopes of achieving these ends.

Page 11, para. 1: “… detailed enrollment trend analysis …” What does that mean? Does that mean that all full-time, CAS faculty are working comparably hard in the areas of teaching + scholarship? I doubt it. How much do department chairs contribute to solutions/problems in this area of faculty work-load?

Feedback addressed as follows:
- Revised to note that detailed enrollment trend analyses include historical enrollments by class, faculty member, and by department.
- Issue of workload and comparability of teaching and scholarship is not addressed in this passage, only that of instructional load and how matched to student demand within departments.
What specific actions/inactions have resulted in the loss of institutional stature (i.e., falling to Tier 3), especially in the context of the inflated pronouncements in the 1992 Mission Statement and the 2006 Goals and Priorities?

Feedback addressed as follows:

- No change. Institutional stature is not the subject of this chapter.

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> -----Original Message-----
> From: Reed J Hoyt
> Sent: Monday, November 16, 2009 12:06 PM
> To: Bruce Szelest
> Subject: MSCHE, P. 2 of Resources Chapter
> 
> Bruce,
> 
> I'm sure someone has already pointed out the problems on p. 2 right before the "Predicting Resource Availability" heading. It looks like a defective copy/past.
> 
> Feedback addressed as follows:
> 
> - Fixed.

The first paragraph on page 2 of Chapter 3: Institutional Resources, has several typos which should be corrected. The typos are included in the excerpt as follows:

Special revenue funds encompass our self-supporting monies generated from research activity, dormitory operations as well as revenues which must be spent on student housing and programming, and income fund reimbursable operations. University Auxiliary Services administers the campus food service contract while the Research Foundation administers (IFR) accounts dedicated to specific grant and contract activity. Return of indirect costs from research grants accounts for only 3% of total University funds. Of the remaining monies, the distribution of the core instructional budget is largely fixed costs in the form of salaries and wages at 78%. account for 78% of the total State allocation.

Possible corrections would be:

Special revenue funds encompass our self-supporting monies generated from research activity, dormitory operations as well as revenues which must be spent on student housing and programming, and income fund reimbursable (IFR) operations. University Auxiliary Services administers the campus food service contract while the Research Foundation administers accounts dedicated to specific grant and contract activity. Return of indirect costs from research grants accounts for only 3% of total University funds. Of the remaining monies, the distribution of the core instructional budget is largely fixed costs in the form of salaries and wages which account for 78% of the total State allocation.

Feedback addressed as follows:

- Typos have been fixed.
The second paragraph on this same page also contains typos highlighted in the following excerpt:

Only the SUNY Board of Trustees is authorized to set tuition, however New York State legislative action is required in order for us spend the tuition dollars we collect. The level of state tax support SUNY receives is part of the NYS Budget process requiring Executive Branch recommendation and legislative approval..

Other paragraphs in this chapter also contain typos (see page 3 paragraph 1 next to last sentence, page 3 paragraph 2 sentence beginning “Although President Hall past”, etc.). The chapter should be closely reviewed and edited prior to submission.

Darri L. Scalzo
Internal Control Coordinator

Feedback addressed as follows:
- Typos have been fixed.

LISC feedback

Draft self study report Comments and questions on Ch. 3, sections on IT and Libraries Members of LISC, prepared by Gwen Moore, LISC chair

1. The section on ITS ignores information technology in the colleges, in classrooms, in ITLAL, in faculty offices, etc. No discussion of IT staff in colleges, such as CAS Computing. No discussion of technology training.

Feedback addressed as follows:
- The subcommittee which drafted this chapter did discuss this. In fact one recommendation was that the connections between the various separate IT units be reviewed, as the current informal working relationship could lead to redundancies and inefficiencies.

2. The report does not include long term plans for information technology in classrooms, offices, libraries, etc. nor does it present a larger comprehensive picture of information technology on campus.

Feedback addressed as follows:
- No change. Again the subcommittee discussed this. There is no long term plan that is effective. These things are done with end of year monies when monies are available.

3. What are there two faculty/professional staff advisory bodies for ITS (faculty advisory board, LISC)?
Feedback addressed as follows:

- No change. The faculty advisory board, LISC, and other ITS advisory groups are noted and explained on page 7.

4. p. 11: Why does Life Sciences merit an independent budget?

Feedback addressed as follows:

- When the LSRB was opened, an allocation was established to cover the costs of maintenance, phones, service contracts, etc., and an account was established for CAS to manage their piece out of. The text will be changed to note this.

5. It is not clear how the recommendations at the end of the chapter grow out of the discussion in it.

Feedback addressed as follows:

- Respectfully disagree. Each recommendation does indeed flow from analyses presented in the text.

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**Re-write from Jim Dias and Kim Bessette**

**Research Resources**

The Interim Vice President for Research of the Division for Research currently reports to the President through the Provost. The Division of Research mission can be appreciated by the Vice President’s goals for 2008-09:

- Increase total number of research applications in all units,
- Increase federal research awards in all units, especially in the life sciences,
- Increase funding for research infrastructure,
- Consider approval for new research centers and institutes,
- Continue opportunities for mentored student research,
- Improve science facility business management,
- Produce an annual research report,
- Enhance delivery of research ethics and conflict of interest training,
- Plan for the animal research program,
- Continue COEUS implementation and possibly expanding modules, and
- Provide technology development support for faculty inventions.

**Division for Research Budget**

The aforementioned goals are achieved by a Division of Research Budget. The operating budget for the Division comes primarily from two sources: state funds (44%) and
indirect cost recovery (56%). Nearly 20% of the total budget available to the Division is used to support and incentivize the research activity on campus. Included in this 20% are the ICR funds returned to the departments as well as funds used to support the Faculty Research Awards program.

The Vice President for Research meets with each head of the units under the charge of that office to determine the needs for the coming year. Any requests for new staffing or other items are submitted to the Vice President for Research for review. Decisions are made based upon past unit performance, which is assessed as described below. The Council on Research serves as an advisory body to the Vice President. The Council is a governance body of the University that reports to the University Senate. The Vice President informs and consults the Council on budget allocations and priorities.

The Office for Research uses several criteria to determine the effectiveness of the allocations in previous years. The vice president meets with the directors of Centers and deans to review the three-year performance in terms of funds expended versus grants applications made and grants awarded. Particular emphasis is placed on federal grants as these bring in a higher amount of Indirect Cost Recovery (ICR) dollars that generate additional funds for incentive/development. The performance of each research Center and Institute is evaluated periodically by the Council on Research. Their report goes to the Vice President for Research. The performance of the University in obtaining research funding is compared to peer institutions to evaluate the overall success.

In addition the Vice President for Research has set specific priorities for preserving and developing the strengths in particular areas. Two historically strong research areas of the University atmospheric sciences and public policy and social sciences, will continue to receive support. A goal is to facilitate cross-translational research between nanoscale sciences and engineering and the life sciences both traditionally supported by the University. Emerging areas of research excellence include cancer research and RNA science and technology.

**Research Support for the University**

The University’s traditional strengths and its location to the seat of government have encouraged a large research portfolio portion that includes NYS programs which do not provide the higher ICR that is realized with federal research grants. Federal sponsored grants made directly to the campus can in theory provide over fifty cents in indirect costs for each dollar of direct costs although the actual ICR realized may be less than the negotiated rate. Federal grants which are part of legislative appropriations or non-federal grants including state appropriations grants, provide much less (i.e. <20%). The amount of ICR which is retained by the campus is reduced by an assessment made by the Research Foundation. The Research Foundation taxes the University ICR at the same rate regardless of the sponsor-allowable indirect cost rate.

The Research Foundation assesses at a rate of 3% of the prior three year weighted average (20%, 30%, 50%) of the total direct and indirect activity at the campus. This
assessment then reduces the projected current year ICR which is available to the University to support sponsored program activity. Thus, the effective ICR obtained through University negotiations with sponsoring agencies is less after application of this tax and varies with the proportion of different sponsored grants. Also, since the total grant award is used as the basis, the sponsored awards with less than indirect cost negatively affect the cost recovery necessary to administer the infrastructure for all awards, and also contribute to a greater assessment of those grants which do receive appropriate cost recovery.

As inferred above, it should be noted that the unique research portfolio of the campus leans heavily toward public policy and social sciences and while providing an invaluable service to federal, state and local governments unfortunately these grant activities traditionally provide for less indirect cost recovery then the sciences. The methodology used by the Research Foundation to determine the assessment does not acknowledge this and consequently a larger percentage of the University’s indirect cost recovery is assessed by the Research Foundation, in effect penalizing UAlbany for providing these partnerships with the State funded by both state and federal flow through funds. Efforts should be made in the strategic planning process to seek a solution from SUNY and the Research Foundation to this problem so that this worthy work which engages community both near and far to UAlbany is not deemphasized due to insufficient resources to support that type of research activity.

While non-state grant activity, particularly federal grants, need to be expanded, as the ICR rates are critical to supporting the research infrastructure and pursuing research goals we recognize the role of UAlbany in providing teaching, outreach and training of the professional workforce and greater community. A dialogue must be continued with SUNY and the Research Foundation so that this value added role of the UAlbany to New York State and the world, will not be overshadowed by what appears to be disproportionately high overhead charges relative to the complexity of the various ICR rates

Feedback addressed as follows:

- Accepted, but have since modified the discussion about ICR rates to note historical differentiations among disciplines.

From Marjorie Pryse

Chapter 3—typo on p. 2, 8 lines above “Predicting Resource Availability”
- Another typo on line 7 of “Predicting”
  - p. 3, second paragraph under “Allocation Procedures”—“past” should be “passed away” about 2/3 way into paragraph
  - p. 3, para “In the case of compact planning,” line 9—space needed between “affairs” and “are”

Feedback addressed as follows:

- Fixed.
What does the Committee want to do about major changes since the drafting of the Self-Study? Will there be an Addendum? For example, it’s not clear that open faculty lines will continue to remain in the Schools and Colleges, as stated on p. 10.

Feedback addressed as follows:

- No change needed. This document is about what we have done for the past 10 years, more or less. With recommendations about what should be reviewed.

p. 11, under School of Education, typo in line 2

Overall, Chapter 3, especially in its opening sections, is less well written and cohesive than Chapters 1 & 2.

Feedback addressed as follows:

- Fixed.