Agenda for the Research Project Support Costs Workgroup

NFRI Meeting, November 7, 2018
10:15 AM–1:00 PM Breakout Sessions and Working Lunch

Co-Chairs: Heather Snyder (Alzheimer's Association) & Jim Luther (Duke)

I.	Welcome and Introductions	All
II.	What's in a name: Research Project Support Costs	Heather Snyder
III.	Education Activities	Heather Snyder Dave Kennedy

A. Education for Funders

Webinar: "Indirect Costs (aka "F&A"): There are more to IDC's than you think" [September 6, 2018] See: www.healthra.org/resouces/

- Presentation Slides
- Webinar Recording

B. Education for Research Institutions

- Format
- Questions *(See page 2)*

IV.	Case Studies *(See pages 3 and 4)*	Diane Bovenkamp Cindy Hope
V.	Next Steps	All

Education for Research Institutions: List of Current Questions Posed to Funders

1. How were different organizations founded and does this have implications on research funding (e.g. what you will and will not fund, size of awards) and F&A?

2. Does your specific mission have implications to research funding and F&A?

3. What are the different types of foundations that universities typically work with and how does their structure impact these issues? Private, family, public, charitable, etc.

4. How does a private foundation differ from a public foundation with regard to these issues?

5. For a public foundation, how does its fundraising mission and process impact these issues?

6. How do foundation oversight boards differ and what are the implications on relationships with universities, how funding occurs, funding levels and funding of F&A?

7. How is your foundation structured with regard to:
    a. Communication to university faculty on programmatic and administrative matters?
    b. Communication to institutions on administrative and contractual matters?
    c. Do you require an institutional signature or is the PI/faculty member's signature adequate to contractually bind the parties?

8. Who and how do you follow-up when there are late financial and programmatic reports or other administrative issues? With the PI? The institution?

9. How and by whom is the decision made with respect to details of support for research? This includes level of funding, type of funding, and support of indirect costs.

10. Is there a mechanism for the decision-making body to learn more about the total costs associated with a research project and the limited avenues open to universities to support all the costs not covered by nongovernmental awards?

11. What role does your foundation see in paying for:
    a. Faculty and staff effort?
    b. Equipment used primarily for the grant initially and then used for other research activities at grant end?
    c. Indirect costs
        i. Indirectly associated but necessary and allocable based on federal principles: for example, HR, Payroll,
        ii. More directly associated: equipment deprecation, building rent or depreciation
        iii. Direct support: computing costs, hazardous waste removal, etc.

12. If foundations limit indirect costs, is there any differentiation of indirect costs that support foundation staff as opposed to funding infrastructure that is critical to the conduct of the research at the university?

Articulating Examples of Research Project Support Costs

A resource created by the Research Project Support Costs subgroup of the Nonprofit Funder – Research Institution (NFRI) Partnership series of workshops convened under the Government-University-Industry Research Roundtable of the National Academies of Sciences, Engineering, and Medicine

DRAFT – This document is under review. It does not represent the opinion of any individual or the consensus of the group but a compilation of ideas collected to-date.

Funders and institutions often have extremely different perspectives on the definition of a Direct, Indirect (or Facilities and Administrative (F&A) cost) and what may, or may not, be appropriate or allowable for a funder to support in a specific research program. Many items that are not generally permitted as a Direct Cost may be permitted as a budget line item by individual funders, if it is deemed appropriate and necessary for that research project. To facilitate understandings of these budget items, a subcommittee of non-profit funders & institutions in the NFRI workgroup have partnered to create the following list of examples of Research Project Support Costs.

Research Project Support Costs are research costs that are generally categorized as Indirect/F&A Costs but in many situations may be categorized as a budget line item when the costs are integral to the project and can be specifically identified to the sponsored work performed. However, if the cost/line item cannot be specifically identified to the sponsored work performed, the costs may be considered Indirect (depending on the situation and on the policies and instructions associated with the application procedure and terms and conditions of that project).

To help provide a common understanding, several examples, or case studies, have been outlined below. None of the following examples should be considered as prescriptive. The specifics of appropriate costs for a research grant, whether direct, indirect, or research project support costs, should be negotiated based on the specific circumstances of the institution, the funder, the type of research grant, and the activity it will support.

Examples of Research Project Support Costs: (NOTE: More discussion is needed, and/or the examples below could be modified in the future.)

1. Materials and Supplies: Project-related research materials and scientific supplies are generally considered Direct Costs. They are usually project-related consumables, chemicals, animal care and use rates, and small non-durable equipment up to the institution's capitalization threshold, or a threshold set by the funder (typically, $2,000-$5,000). However, if the line item listed is not necessary for that particular project, it is taken out.

   Example: For a project where pipetting and centrifugation of liquids is required, there may be a line item for disposable plastic pipette tips, Eppendorf tubes, a desk centrifuge, etc. However, these may not be a line item in a project where there are no "wet lab" experiments or pipetting/centrifugation.

2. Project-Specific Equipment: "Capital" equipment used for scientific, technical, and research purposes that meets the institution's dollar capitalization threshold, or a threshold set by the funder (typically more than $2,000 to $5,000), and has a useful life of at least one year, and is required for the successful completion for the project. Service contract allocations for this same specialized instrumentation.

   Example: Minus −80°C freezer or liquid nitrogen storage for collection of samples for that project, if it is a project collecting a large number of samples and/or there is a regulatory requirement that

those samples, for example patient blood samples, be in a storage unit separate from other items in the lab. Costs for equipment repair and service contracts for this equipment, if it is used exclusively for the project.

3. General office equipment such as copiers, printers, office computers, and fax machines

   Example: Normally, iPads (as non-scientific computer hardware) are not allowable. However, iPads may be allowable if given to caregivers at home to monitor their health or the person under their care for a specific project.

4. Membership in business, technical, and professional organizations; related to and supportive of the project.

   This would likely be considered an unacceptable expense for non-profit funders focused on advancing specific research programs. However, it may be acceptable in circumstances like the following:

   A. In some cases, paying the membership cost can lower the net cost of traveling to a given conference (by lowering the registration fee). In those circumstances, funders may accept the membership fee as a direct cost for Travel.
   B. Funders that focus on career development may be willing to consider this a direct cost. For example, if the nonprofit funder's intent is to recruit & retain talent within the disease research area of interest, helping them to compete for larger dollars elsewhere.

5. Computer network charges, if specifically needed for that project.

   Example: A project involving an online program for clinicians/healthcare professionals to enter patients' responses. Creation of intra-site database or online connector to upload directly clinical trial notes and data with multiple sites could be allowable.

6. Patient Support Costs (NOTE: It might be that the example below does not represent a question of direct vs indirect but of direct vs unallowable.)

   Example: Paying for parking or lunch expenses, or a fee reimbursement, could be considered direct costs if costs are for patient costs related to enrollment or participation in clinical trials.

7. IT Computing and Data Storage

   Example: If data sharing is required by a funder as part of its conditions (for example on a team-science project), project-specific data cleanup, and costs for storing data on an acceptable data repository could be a direct cost. Also, the purchase of a server for storage of this specific data might be considered as a Research Project Support Cost.

8. Facilities

   Example: Project-specific rental of a surgical room. Although, this would depend on the type of rental arrangement in place at the institution.