EDUCATION
& HUMAN DEVELOPMENT
TEXAS A&M UNIVERSITY
RESEARCH & DEVELOPMENT OFFICE

CEHD CPI

Agenda
Thursday, April 20, 2017
2:00 pm-3:30 pm – Room 410 Rudder

CPI Meeting 2:00-2:30

I **Follow-up to February's discussion of CEHD Guideline on Indirect Costs, Salary Savings, and Course Buy-Outs– Ganz**

II. **Acknowledgement of Faculty with Terms ending in August** – Mary Margaret Capraro and Jim Fluckey

III. **Dissemination of Information**

a. Department Reps (Fluckey, Irby, M. Capraro, Kwok)
b. Dean's Council – Ganz
c. University Research Council – Bloomfield
d. University CPI – Kwok
e. Other

IV. **Presentation by Aliese Seawright, Director of the Human Research Protection Program** (2:30-3:30)

Coffee and Research Discussion hosted by the Division of Research
April 28 – 10:00 in 801 Harrington

Tips & Tricks of Budget Preparation
May 4 from 12:00-1:00 in 339 Blocker
May 8 from 12:00-1:00 in 801 Harrington
lunch provided

CPI

Council of Principal Investigators - College of Education & Human Development

Meeting Notes

Thursday, April 20, 2017
2:00 pm-3:30 pm – 410 Rudder Tower

Members Present	Members Unable to Attend	Others Present
Daniel Bowen - EAHR Mary Margaret Capraro - TLAC Robert Capraro – TLAC Tim Elliott - ESPY James Fluckey – HLKN Jennifer Ganz – EPSY Beverly Irby - EAHR Oi-Man Kwok - EPSY Mike Massett - HLKN Hersh Waxman - TLAC Christopher Woodman – HLKN		Sue Bloomfield Windy Turner Amy Hinnant Jesus Palomo
Agenda Item	**Comments**	**Recommendations/Actions/Follow-up**
I. Follow-up to February's discussion of CEHD Guideline on Indirect Costs, Salary Savings, and Course Buy-Outs – Ganz	See handout – discussion of Option A and B. It is recommended that salary savings are spent within three years. A vote was held and the group chose to move forward with Option B.	
II. Acknowledgement of Faculty with Terms ending in August	Mary Margaret Capraro and Jim Fluckey will finish their three-year term in CPI as of August 31, 2017.	
III. Dissemination of Information		
A. Department Reports	No report	
B. Dean's Council - Ganz	No report	

Agenda Item	Comments	Recommendations/Actions/Follow-up
C. University Research Council – Bloomfield	No report	
D. University CPI – Kwok	No report	
E. Other	Question raised about GA's paid on grant projects that will need maternity leave. Bloomfield to share the College of Science working policy with CPI.	
IV. Presentation by Aliese Seawright, Director of the Human Research Protection Program	Aliese Seawright introduced herself and shared her experience prior to coming to TAMU. She presented on the current state of the IRB office and changes she hopes to institute in the future. She recommended faculty write in a Phase I of their proposal that does not contain human subjects work so they can access their funds and all them time to submit an IRB, it is a clearer approach and more likely to allow for funding.	

College of Education & Human Development
~~Indirect Cost Returns~~Facilities & Administrative (Iindirect Ccosts), Salary Savings, and Course Buy-Outs
Approved by Deans Council on March 18, 2014~~PENDING~~
Revised to match DOR changes on February 20, 2017

This document addresses the allocation of ~~indirect cost~~Facilities & Administrative (F&A) returns (commonly known as IDC returns) to the College, salary savings generated from grants and contracts, and time limits for the use of funds. The document is intended to assist faculty members and Department Heads in fiscal planning. Specifically, it helps faculty members reach decisions that best match their goals with respect to course "buyout", extended contract, and/or funds to support their research program, and it helps Department Heads ensure the integrity of academic programs. In addition, it clarifies time limits on the use of such funds.

These proposed policies are intended to promote fiscal accountability, enhance the ability of Colleges and Departments to support the extramural activities of its faculty and staff, and empower faculty to make informed decisions about how they develop budgets.

~~Indirect Cost~~F&A Returns
~~Indirect cost (IDC), also referred to as~~ Facilities and ~~Administration~~ Administrative (F&A), are funds generated from grant expenditures. Current ~~IDC~~ F&A rates on individual grant activities within the college vary from 0% to ~~16.5~~48.5%. The rate of return on each grant is established at the time the project proposal is submitted and is oftentimes established by the funder.

~~IDC~~ F&A returns ~~to the college are sent from the office of the Vice President for Research (VPR). The total IDC for each college is distributed as follows:~~are distributed ~~as~~ per the April 2, 2014 letter signed by Mark Hussey, William Dugas, and M. Katherine Banks. The letter can be found at the following website: http://provost.tamu.edu/resources/Resource%20documents/ResearchDevelopmentFundAnnouncement2.pdf

Following is the distribution for TAMU:

~~TAMU~~	~~60%~~
Department or Unit housing PI*	15%
TAMU Research Development Fund (RDF)	15%
PI Incentive	105%

From the remaining 60%:

SRS Project Administration Fee	4.24% of direct costs on project proposal
Remainder is split between TAMU Division of Research and College*	

Example: a $1,000,000 contract to a CEHD PI with 8% F&A rate generates $80,000 in F&A returns, which would be distributed thusly over the life of the project:

Department of PI (15%)	$12,000	
TAMU RDF (15%)	$12,000	
PI Incentive (10%)	$8,000	
Remainder:	$48,000	
SRS	$39,259	(4.24% of direct costs, $925,926)
TAMU DOR	$4,370	
CEHD	$4,369	

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~~PI 15%~~
~~Sponsored Research Services 15%~~
~~CEHD 35%~~
~~Vice President for Research 35%~~

~~Of the amount that the college receives, 50% will be retained in the dean's office and the other 50% will be distributed to the departments.~~

~~For example, if grants and contracts in the college generated $1,000,000 in IDC, the distribution will be as follows:~~

~~PI (15%) $150,000~~
~~Sponsored Research Services (15%) $150,000~~
~~CEHD (35%) $350,000~~
~~Vice President for Research (35%) $350,000~~

~~The CEHD return of $350,000 would then be distributed as follows:~~
~~Dean's Office (50%) $175,000~~
~~Departments (50%) $175,000~~

~~*Possibly insert wording on redistribution of funds to CEHD departments.*~~

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Salary Savings from Grants and Contracts and Course Buy-Outs
Salary savings refer to the replacement of Education and General (E&G) funds with other sources. Salary savings are generated when external funding replaces E&G (state) funding resulting from course buyouts or buy out of time from other professional responsibilities during the academic year (September-May). When faculty or staff members are expected to expend a significant amount of effort on a grant or contract, this percent effort needs to be reflected in the budget and that amount will replace the portion of their state salary. The amount being replaced is what contributes to salary savings. For example, if a faculty, staff, or administrator makes $10,000 a month and spends 15% of the time on grant activities, $1,500 of the state salary per month will be replaced with grant funds, thus contributing $1,500 a month towards salary savings.

Any salary savings generated by external funding will be distributed as follows:

a. The Dean's Office will retain 20% and the remaining 80% will be sent to the PI's department.
b. If any expenditure by the department is required to hire faculty to teach course(s) that grant-funded faculty wish to buy out (course replacement costs), this amount will be subtracted from the 80% of salary savings that the department receives.
c. From the remaining funds, 33% will be awarded to the PI and the department retains 67%

All cost share and non-tenured faculty salary savings are returned to the department.

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Grant-funded faculty, particularly junior faculty, are encouraged to discuss with their department head any proposed exceptions to departmental course buy-out policy in order to accomplish the work scope of the project within budget limitations.

Each department's policy on dollars required on grant budgets for course buyout and the manner in which salary savings will be distributed should be clearly articulated, accompanied by a numerical example illustrating the policy, and available on a departmental website.

~~**Time Limits for the Use of IDC Returns, and Salary Savings**~~
~~Funds generated from salary savings and IDC returns must be used no later than three years after the distribution date. For example, funds generated from grants or contracts in 2013 must be used by 2016. The department will make available to each PI, at least annually, a statement of their budget itemized by year of fund acquisition.~~

OPTION A
Encumbrance of F&A Returns and Salary Savings
The purpose of this policy is to minimize unencumbered F&A and salary savings received from external funding so that the Dean's office is better able to advocate for CEHD funding from university and other sources. Funds generated from salary savings and F&A returns delivered to the PI that accumulate to more than $20,000 should be encumbered immediately. PI's are instructed to work with their departments' business administrators to establish Unit Financial Obligations (UFOs) that will reserve F&A/salary savings funds for whatever research-related activities are of highest priority to the PI.

OPTION B
Timeline for Use of F&A Returns and Salary Savings
Salary savings and F&A funds generated from a given grant/contract should be spent within 3 years of the formal close-out date of the project. In instances when this does not occur, PIs should work with their department head and business administrator to generate a spending plan and encumber remaining balances with a UFO (Unit Financial Obligation). Further, in situations when a PI has accrued salary savings/F&A balances above $30,000 *[or whatever amount but do provide an amount]*, the PI should initiate the encumbrance of those funds with a UFO prior to the end of the project.

Approved by Dean's Council May 6, 2003
Addendum approved by Dean's Council June 5, 2007
Edits proposed by CPI on January 25, 2010
Edits approved by Dean's Council on March 2, 2010
Revisions approved by Dean's Council on March 18, 2014
Edits proposed by CPI February 2017
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~~*Edits proposed February 2017*~~

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College of Education & Human Development
Facilities &Administrative (Indirect Costs), Salary Savings, and Course Buy-Outs
Approved by Deans Council on March 18, 2014
Revised to match DOR changes on February 20, 2017

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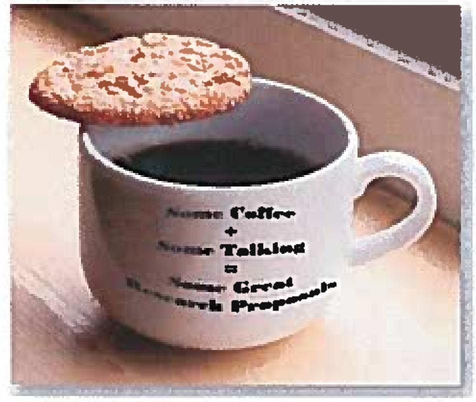
April 19, 1:00 p.m.	217 Langford A
April 20, 9:00 a.m.	Mark Francis Room, Veterinary & Biomedical Education Complex
April 25, 3:00 p.m.	1151 Medical Research & Education Building
April 27, 10:00 a.m.	3125 Allen Building
April 28, 10:00 a.m.	801 Harrington



Division of Research
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Research Development Services
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Dr. Jorja Kimball
Executive Director