

## USenate Feedback 9/5/17

### F & A same year distribution

**Comment:** I have a question regarding F & A under the new “same year distribution” model that is now in place. Does that mean that I lose whatever F & A returns would have come to me from last year (allocated a year behind in the past) as we transition to the real time model? I just need to know for budget planning purposes as I had hoped to use those dollars as bridge money for the coming summer. I read through the info link that was recently sent out and did not see information regarding the transition (or missed it if it was there). Thank you!

**Response:** The short answer is that the SBC cannot answer your question at this time since formulas for F & A distribution rest with each primary unit and primary units are still in the process of formalizing their policies. We expect movement on this issue at the college level after the first quarterly F & A distribution in October. In the meantime, this is what we know.

Primary units will receive 100% of FY18 F & A reimbursements in quarterly installments. Each primary unit will determine the timing and amount of F & A distribution to its principal investigators. In addition, each will use a portion of those funds to pay for other research/scholarly activity-related priorities, including support unit allocations, which align with the purpose of F & A reimbursements.

Historically, central administration transferred current year F & A reimbursements directly to units/Pis based on the previous year F & A calculations. This “previous year” model delayed F & A distribution by one year relative to the grant-funding period. Read the F & A distribution model that was in effect until this fiscal year at [https://und.edu/finance-operations/budget/files/docs/fa-revised-model\\_1-13-15.pdf](https://und.edu/finance-operations/budget/files/docs/fa-revised-model_1-13-15.pdf).

In the “same year” model, F & A reimbursements would be distributed based on activity in the current fiscal year. This model better aligns the F & A distribution with the activity that generated it.

Both distribution models come with some risk since total F & A reimbursements for the current fiscal year are not known until the end of the fiscal year. From a budgeting point of view, the “previous year” model is based on actuals whereas the “current year” model is based on a prediction. Cash reserves must cover any budgetary shortfalls in either scenario. In the past, the central administration managed the risk. Now it is up to each primary unit.

In the current fiscal year, primary units may choose to continue with the “previous year” model for distributions to Pis and/or departments. Assuming no other changes in the model, the F & A distribution schedule will remain the same. A switch to the “same year” model, however, creates a gap year. If an investigator was funded with a grant that generated F & A in the gap year, then the primary unit will need to figure out how to honor that activity on top of distributing current year F & A. Once again, the primary unit will need to have cash reserves to manage the increased distributions needed to cover the gap year.

On a cautionary note, the central administration attempted to switch to the “same year” distribution model in FY07 only to revert to the “previous year” model after concerns were raised about the creation of such a gap.

### **SSAC funding**

**Comment:** Is SSAC being dissolved due to lack of funding?

**Response:** The Senate Scholarly Activities Committee remains extant, though it no longer has funding to distribute for support of presentation of scholarly work. Though allocating these funds was the major activity of this committee in the past, it is not its sole charge (see <http://und.edu/university-senate/committees/scholarly-activities-committee.cfm>). The committee may take this as an opportunity to re-envision its purpose in promoting scholarly activity and research within the university.

### **President’s Office Special Events Assistant**

**Comment:** I was told that the President's office went ahead and hired a new party planner even though we were told the position was on hold throughout the budget cutting process. Is our budget healthy now?

**Response:** The President’s Office recently hired Christine Naas as a Special Events Assistant. Ms. Naas most recently held a position with the same title within the John D. Odegard School of Aerospace Sciences. She replaces Sandra Rios who recently retired as an Administrative Officer in the President’s Office. This staff change occurred in the current fiscal year – not during the budget reduction process. The President’s Office staff remains at its historic level of three. In addition to Ms. Naas, other staff include Executive Assistant to the President Angelique Foster, and Administrative Officer Cheri Williams.

Is the budget healthy? Stable is the word that Provost DiLorenzo used at his most recent Provost’s Forum. The University kept moving forward even in the midst of back-to-back budget reductions. Though it suffered an 8.7% overall decline in staff positions in the past two years, the University still made 432 hires during this same period. A university needs people to carry out its mission – including Special Events Assistants.