Policy on the Establishment and Management of Research Centers at Northern Arizona University

Effective: March 1, 2013
Responsible Official: Vice President for Research

The following document outlines a set of policies for the establishment, maintenance, and evaluation of Research and Public Service Centers or Institutes (henceforth Research Centers) at NAU.

I. General Expectations for Research Centers or Institutes at NAU

A. A Director with a strong vision and set of research goals. A focus around a specific area/topic of inquiry. (It has focus.)

B. A set of beneficial outcomes for the university, not just for the researcher, as a focus of the rationale for the existence of the center. (Why is the Center in the university’s interests? How does the Center align with university Strategic goals, especially research strategic goals?) These benefits should support and enhance the academic missions of the Colleges, departments, and programs.

C. An interdisciplinary outreach. It should be able to put together people and ideas that won’t easily be integrated by a department (or even a College; otherwise, why not just do the work within a department). (Why is the work done in a center better than work that would be done via departmental support?)

D. Attachment to a College (except on the President’s recommendation).

E. An ability to generate cutting edge research and/or critical public service work.

F. An ability to enhance competitiveness for external funding. Productive Centers should show a level of aggressiveness in pursuing big grants, collaborating for big science projects, and seeking national center designations.

G. A reasonable expectation of the involvement of multiple investigators over time (that is, an entity that can survive the departure of the original director or founder).

H. An engagement with advanced mentoring of students, both graduate and undergraduate. (Center contributions to NAU should not be limited to research productivity but also to mentoring and small-group teaching. MGGEN is an exemplary model.)

I. Varying levels of self-support and independence (see below). (Different Centers will vary in their financial support from Colleges and departments.)

Centers may have varying mission emphases: Research, public service, training & instruction, policy, or some combination thereof. While there likely will be productive centers/institutes that don’t meet all of the above criteria, all centers should have a significant research or public service component.
II. Establishing a New Center or Institute

A proposal to establish a new Center or Institute must critically discuss the following specific areas, including projected impacts:

A. Research or public service plan(s).
B. Performance or outcome goals expressed as a set of metrics established for meeting/exceeding productivity expectations.
C. Departments, College(s), and sponsors involved.
D. Relevance to the academic mission of the University, participating College(s) and Department(s).
E. The development of appropriate funding resources for Director, Associate Director (if applicable) staff, graduate students, post-docs, and research faculty. This includes mechanisms for salary funding supplements for the Director (if appropriate) and buyout of some type for any teaching time otherwise expected of the Director (e.g., TRIF, RIF, external institutional support).
F. Faculty and student involvement.
G. Resource requirements, including staff, space, equipment, operational expenses and any matching funds.
H. A financial plan and funding projections for 3-5 years.
I. A recertification process for Center renewal. A sunset clause should be included in the event that the center does not fulfill university expectations or funding projections. Details for recertification should be developed in each new Center proposal.
J. The presence and composition of an advisory board.

III. The Financial Model for Centers

A. Centers must be established with, and must maintain, a sound financial model.
B. Some portion of facilities and administrative costs (F&A) to Centers must be reserved to ensure future fiscal resources for the operations and projects of the Center.
C. Centers and institutes are expected to move toward a reduction of financial support from the university (usually within 5 years). After initial start-up investments by the university, some university support for center administration may be available during a “mature” phase, as well as assistance with endowment or other non-university support for a successful center.
D. The Director and participating faculty and staff have key responsibilities in securing and maintaining outside funding for center activities.
E. Full time, tenure track faculty and state supported staff associated with the center shall remain primarily affiliated with academic departments.
F. Research faculty and staff supported on external grants may be affiliated with the center.

IV. Collection and Distribution of F&A

A. Category 1: A Center may receive 30% of the F&A generated by its own extramural grants if it operates independently, drawing very little on College financial and personnel resources (e.g., regular faculty,
equipment costs and use, staff support, cost overrun and “disallowed costs”, etc.). When regular faculty receive salary support from a center grant, the rate of F&A returned to the center is lowered from 30% to 20% and the College share increases from 0 to 10% for that PI and for that grant. Funds are returned to the College in order to cover the College’s inflexible costs for regular faculty participants—costs that cannot be recovered by direct billing to center grants or by F&A returned to the center from grants (e.g., startup costs for regular faculty, temporary staffing to cover teaching-related release, etc.). Examples of such centers include the Center for Molecular Genetics and Genomics (MGGen), Institute for Tribal Environmental Professionals (ITEP), and Merriam Powell Center for Environmental Research (MPCER).

B. Category 2: A Center that does not operate independently may elect to retain only 10% of F&A for administration and grants management support while the College retains 20%. In this case, the College would be responsible for assisting the Center with administration and grants management support and would contribute to such costs as faculty startup and grant matching requirements. Colleges would assist in arranging teaching buyouts. Colleges are required to provide the level of support indicated in this section if they expect a return of 20% of F&A from a Center’s activities. As non-independent research Centers become independent, it may be advantageous to move them to Category 1. An example of this type of center is the Institute for Sustainable Energy Solutions (ISES).

C. Category 3: For educational research Centers, the rate at which F&A is returned is based on whether or not the PI is a regular faculty member. On awards where the PI is a regular faculty member, the distribution of F&A shall be 15% to the center, 15% to the college in which the center resides, and 70% to central administration. On awards where the PI is not a regular faculty member, the distribution of recovered F&A shall be 25% to the Center, 5% to the College in which the Center resides, and 70% to central administration. An example of this type of Center is the Center for Science Teaching and Learning (CSTL).

D. It is possible to negotiate (among a Center, university administration and the College) a unique F&A return arrangement in the case of an exceptional grant project of large scope. For example, if the Center is successful in securing a large-scale research grant involving both regular faculty and center faculty, it may be possible to negotiate specific F&A returns to the College and to the Center for that grant only.

E. The distribution of F&A should be transparent, trackable (to Center agreements), and timely.

V. Institutional Support

A. A newly-established Center with strong research promise will be eligible for some institutional support (e.g., TRIF, RIF) for infrastructure needs (physical and personnel). The Vice President for Research, the Provost and the President may contribute funds to support newly-established centers.

B. At times, institutional and/or College funding may be sought by center directors for an extraordinary project or a major expansion of resources and productivity.

C. Requests for institutional support should describe their justification (in terms of institutional benefit) and discuss clearly the financial plan for the time following the end of the institutional support.
VI. **Salary Support for Research Faculty:**

A. Funding for research faculty may include contributions from the Center or from central university resources, as well as the expected external grant support.

B. A funding plan must ensure that research faculty have sufficient time supported on non-grant or non-project funds (e.g., F&A returns, general center support) to write proposals for future funding; 5-15% effort for that purpose should be funded on non-grant dollars.

C. New candidates for Research Faculty positions will be offered the opportunity to build a reserve fund for themselves equal to one (1) year’s salary. The purpose of the reserve fund is to provide a safety net for the individual. If the Research Faculty member receives startup funds, then funds should be added to the reserve fund to reimburse those costs, with the expectation that the startup costs will be reimbursed through a transfer of funds to the Center within 5 years. The amount of the startup cost should be established at the time the application for the position is approved. The money for the reserve fund will be provided from the central administration’s share of F&A collected on grants for which the Research Faculty member is a PI or co-PI. Half of the central administration’s 70% share of F&A will be provided for the purpose of building the reserve fund. Once the target amount is attained in the reserve fund, the central administration’s share will revert to back to 70%.

D. When the reserve is drawn down below one year of salary support (as a result of lack of external funding), the research faculty member may replenish the reserve fund again up to one-year’s salary in the same manner as described above (allowed for a period of up to three years).

E. If a research faculty member leaves NAU, the reserve money taken from central F&A reserves (the 35%) reverts to the central F&A fund.

VII. **Salary Differential for Key Researchers in the Center:**

A. Salary levels for research faculty should be negotiable independent of department/College/HR guidelines. Because research faculty are expected to support their own salary, it is reasonable that their salary rates be competitive with the market rather than with a percentage of CUPA standards for regular university positions. However, research faculty should understand that a higher salary will make full reserve funding (see section 6) somewhat more challenging.

B. There should be no assumption that research faculty will be absorbed by an academic department if that person does not become self-supporting through external grants within three to four years. This understanding must be clearly stated in any hiring paperwork or notice of appointment.

C. A research faculty member may be appointed to a College or a department. In the case of a College attachment, the Dean must approve an arrangement with the center director, and a yearly review procedure must be established by the College.

VIII. **Regular NAU Faculty Associated with the Center:**

A. A center with a strong interdisciplinary focus will, on occasion, want to draw on talented researchers who are active regular faculty. Recovered F&A distributions for regular faculty will be determined by the Category to which the center is currently assigned (section 4 above)
B. A center and college can negotiate buyout of regular faculty time for participation in grants filed through a center. This negotiated buyout can help compensate the College for earlier career investments, initial start-up costs, and loss of teaching/mentoring expertise. Consideration must be given to the needs of academic departments to maintain a population of productive researchers. Departments must not have their teaching capabilities adversely affected by faculty participation in center programs.

C. Departments and Colleges must also recognize that the full potential of their faculty members’ scholarship may require inter-academic unit effort and contributions or buy-out of teaching time. Individual department resources are frequently insufficient for interdisciplinary and large team approaches to research. Sharing faculty will immediately enhance NAU’s research base, and departments/Colleges should encourage and not restrict faculty opportunities.

IX. Periodic Review of Centers and Institutes

Every five (5) years, a center shall be reviewed for performance, contribution to university mission, and projected future contributions. The assessment will be used to determine whether a center or institute continues as a formal university unit and whether university support (especially financial support) shall be continued, increased, decreased, or eliminated altogether. The review shall be conducted by the Vice President for Research in collaboration with the Provost in a manner similar to that of Academic Program Review.

The center will prepare a self-study (i.e., description of its objectives and mission, the targets set originally or at the start of the 5-year period under review) addressing performance, financial viability, and the documentation of performance and accomplishments on relevant metrics. While the scope and complexity of the self-study and review will vary according to the characteristics of the center or institute, the review will normally include some component of external review (with or without a physical site visit). The center or institute will be expected to include updated business and strategic plans outlining proposed activities and any requested university support for the next five years. A further goal of the review process is that it not become overly burdensome and time consuming, yet still capture the major contributions of the Center’s work appropriately.

The Vice President for Research and the Provost shall consider:

A. continued relevance to university goals and mission;
B. the accomplishments of the unit relative to its previous targets;
C. the contributions to scholarship, educational and student experiences, and public service;
D. financial performance and business management.

X. Extraordinary grant productivity and associated F&A recovery can lead to negotiations for exceptions to the above policies.

XI. The President has the right to terminate any NAU Center or Institute unilaterally, or to add conditions or exceptions to any of the policies described in points 1-10.
Footnotes:

1Individuals in the following titles are considered “regular faculty”: Assistant Professor, Associate Professor, Professor, Visiting Assistant Professor, Visiting Associate Professor, and Visiting Professor. The following are not considered “regular faculty”: Assistant Research Professor, Associate Research Professor, Research Professor, Adjunct Faculty, Emeritus Faculty, Librarians and Associate Librarians, and all other non-teaching positions. Other types of faculty teaching positions are categorized depending on whether the position carries research expectations. If the position carries research expectations, they will be considered “regular faculty.” These include Lecturer, Instructor, part-time faculty, Assistant Professor of Practice, Associate Professor of Practice, Professor of Practice, Associate Clinical Professor, Associate Clinical Professor, and Clinical Professor. A “regular faculty” member may be exempted from the classification of “regular faculty” when, by agreement with the Department Chair and Dean, their job expectations exclude the teaching of courses as a long-term or permanent condition, so that the faculty member may focus their efforts on research activities associated with the center. Note that this definition of “regular faculty” is intended only for the purpose of determining the distribution of recovered F&A for center grants, and for no other purpose.

2This F&A return model is a modification of a 2008 policy that established a 25-5-70 (CEFNS-CSTL-Central) distribution when the PI is a Service Professional. Here the policy is revised to apply more generally to all PIs who are not regular faculty. The rationale for this policy was expressed in the 2008 memo as follows: “For faculty, [F&A] will contribute to the general CEFNS funds that support faculty in the following ways: faculty start up, equipment matches, faculty travel and renovations.” In addition it states “While Service Professionals will not receive CEFNS support in the same manner as faculty, it is recognized that they will benefit from space renovations, which is the rationale for the modest contribution of [F&A] from grants generated by Service Professionals. It is also assumed that, should the CSTL find itself in the position of having a short-fall of salaries for soft-funded positions, CSTL might seek temporary assistance from CEFNS.”

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