The Faculty Council on Research met on Thursday, October 17, 2002, at 9:00 a.m. in 26 Gerberding Hall. Chair Asuman Kiyak presided.

**PRESENT:** Professors Booth, Heath, Kiyak, Ruzicka, Sarikaya, Stewart, Vogt  
*Ex-Officio* Blake, Camber, Kahl, Sjavik, Zuiches

**ABSENT:** Professors Gordon, Kartsonis, Tolnay, Troll, Vitaliano  
*Ex-Officio* Dworkin, Ghosh, Parks

**Guests:** Craig Hogan, Sandra Lier

**Synopsis:**
1. Welcome and Introductions
2. Approve Agenda
3. Approve Minutes
5. Rose Committee Report and Implications for FCR (Kiyak/Heath)
6. Business Services Survey (Sandra Lier, AVP, Business Services)
7. Upcoming Issues from Office of Research (Craig Hogan, VP for Research)

Kiyak called the meeting to order at 9:05 a.m.

**Approve agenda**
The agenda was approved.

**Approve minutes**
The June minutes were approved.

**Indirect Cost recovery (Ross Heath)**
Former chair Ross Heath described the Council's work last year on Indirect Cost Recovery (ICR), and cited three issues that remain unresolved from last year.

- Incremental dollar issue
- Concealed subsidies
- Lack of shared governance with College Councils

**Incremental Dollar Issue**
Prior to each biennium, the UW income forecast estimates Grant/Contract income plus Indirect Cost Recovery, and incorporates this projected income into the University budget. As the biennium progresses and the monies paid are taken into income, the actual totals are always higher than the budgeted figures. The question that Council tried to answer last year is what happens to the "delta" – the difference between budget and actual figures.

After asking a lot of different people in a lot of different ways, Heath said, all that Council was able to determine for certain is that the delta goes into the Provost's Discretionary Fund and is disbursed in multiple ways.

This means, Heath added, that there is an unknown amount of ICR money, not trivial, that makes the budget healthier than it appears to be. Mehmet Sarikaya commented that the money is probably spent for grant matching. Craig Hogan added that there is a rigorous accounting of how the money is spent. Heath agreed with both of these views, and said there is not much point in pursuing the issue because, while the
income is probably well spent, no one person knows where it all goes. His primary concern is with the budgets of Grant and Contract Accounting and Grant and Contract Services – unfortunately, these crucial offices' budgets do not automatically increase when more ICR money is received than was budgeted. Sue Camber thanked Ross for his efforts last year on behalf of the two offices, and said they expect to hear any day about one-time budget increases. It would be nice if the increases were automatic with the increases in ICR income, but Ross is correct in assuming that does not happen.

**Concealed subsidies**

Prior to 1983, all Indirect Cost income went to the General Fund in Olympia – in return, the University was allocated a budget that supported both its instructional and research activities. When the University later negotiated to keep the indirect costs, the UW budget was cut by the same amount and the University was directed to make up the reduction in budget from ICR funds. Among other things, this means that some ICR monies are now used to support tenured faculty – thus, some ICR money is used for instructional purposes rather than for research. Heath sees a need to separate ICR monies from the instructional mission of the University and use them just to support research. At present there are more instructional faculty at the UW than the State pays for, due to ICR funding.

Jan Sjavik commented that it would be hard to sell a financially strapped legislature on the idea that no ICR money should be used for instructional purposes, while the research that generates the ICR money is being conducted in state-built buildings. Is there, Sjavik asked, rough parity between funds being used for instruction and the rental value of the buildings to the research effort?

Hogan said that because there's no market for the buildings, costs are not tracked on the basis of rental value per square foot. Some universities charge a nominal rent, to encourage departments to use their space well. That might be a good thing for FCR to discuss in the future.

Jarda Ruzicka raised the question of the Graduate School, where grad students do research but also teach. He has been required to do some complex accounting based on space allocation to pay tuition for a grad student who was doing both teaching and research. Kiyak suggested that there should be some formula developed to determine this.

**Lack of shared governance in College Councils**

In the Faculty Code, Heath said, it is clear that College Councils are charged to advise Deans and Chairs on budget matters. Unfortunately, Councils are not always consulted and this advice does not always happen. "Shared governance works less and less well," added Heath, "the further down in the organization you go."

Use of ICR monies varies from college to college. In some schools and colleges, the Deans retain 3% of ICR and pass the rest back to the researchers. In others, there are major central facilities run by colleges and the ICR monies are used to support them. In those cases, some deans keep half their ICR money. College Councils should have an awareness of what the school and college policies are, and why. It would be nice if everything were treated the same, but that's not the nature of the University – at the very least, however, College Councils should know what's going on and be able to advise on budget matters, as mandated by the Code.

Sarikaya would like to see some equitable distribution of money, based on how much space researchers occupy and how much money they bring in. Hogan advocated opening all the books and revealing how it all happens. Heath would like to push for ensuring that College Councils get a clear accounting of what their colleges' policies are with respect to indirect costs, and what the numbers are. Cathryn Booth would like to see all faculty have access to this information, instead of having to dig for it. In her school this happens, but that's not true everywhere. Faculty should be able to see where the money comes from, and where it goes.

Hogan commented that there are extreme differences at the dean level in how much information is forthcoming. Kiyak asked whether this information could be obtained from GCA. Heath explained that the information is transparent until it gets to the college level – it is known exactly how much money each
college gets. But what is done with the money at the college level becomes more difficult to determine and College Councils are not always part of the process.

Kiyak suggested that the Research Council should push for College Councils being routinely given this information by their schools and colleges. She will bring up the question at an upcoming SEC meeting for action.

**Rose Committee**

Kiyak drew the Council's attention to their copies of the Rose Committee Report. The report reflects the push for shared governance between the administration and the Faculty Senate, and arose from a proposed reorganization of Faculty Councils. The Committee, chaired by Emeritus Norm Rose, concluded that University committees could be more effective and efficient if the administration and the Faculty Senate worked together.

Heath, who served on the Rose Committee, opened his remarks by describing two theoretical governance models at extreme ends of the scale:

1. Faculty and administration work together to share governance. All policies are thoroughly digested and discussed before action is taken by the appropriate decision-maker (President, Board of Regents, etc.)

2. An "industrial model," where there is no pretense of shared governance. This is essentially an adversarial model, with a faculty union and administration.

Heath described the present UW model as "Code-driven" shared governance (somewhere in between the two extreme models) - things only happen to the extent that they're required by the Code, Heath said. Faculty Councils, said Heath, are in many cases viewed as "speed bumps" by the administration (they are consulted because it's a requirement), and very often the first consultation occurs after a policy decision has already been formulated.

The Rose Report suggests that University Councils be appointed 50% by the Faculty Senate and 50% by the administration, and that they be advisory bodies to the decision-makers. Today, the Faculty Senate Councils don't match the way the University actually works. The new Council structure would be mapped so that every important administrator has some kind of advisory body – a much more one-to-one correspondence. If thorny issues come up, faculty and administration could caucus separately to develop strategies and solutions.

Heath sees this arrangement as a great simplification, and far superior to what we have now. On the one hand, faculty may give up autonomy and independence. On the other, the arrangement will test whether the will to shared governance truly exists.

Kiyak reported that the President is in favor of the new structure. Hogan speculated that it will be easier to recruit enthusiastic participation. Whether or not the reorganization happens, Hogan said, he has decided to have fewer meetings of the Research Advisory Board. He asked whether the size of the groups will double, or whether smaller groups will also be convened. Kiyak said that subcommittees and working groups are envisioned in the new plan, and that administrators would be given the vote.

In general discussion, Council members were favorably impressed by the new arrangement. Jan Sjavik observed that the faculty might give up some power, but would have a great deal more influence. Consensus, Sjavik added, represents much greater wisdom and a broad-based council has greater advantages. He would be willing to give up power in favor of more influence. "I harbor the silly and idealistic view," Sjavik said, "that most people are willing to listen to each other."

Council members agreed that, insofar as possible, all Senate groups should be represented on each of the new Committees. Kiyak will take this recommendation to the SEC meeting.
**Business Services Survey**
Kiyak introduced Sandra Lier, AVP, Business Services. Lier's departments include such diverse University bodies as Purchasing, Real Estate, UW Police, Stores, and Emergency Management. They provide client services, financial date and reporting, internal business processes, and people initiatives.

Because Business Services is trying to do more with less, they have commissioned a qualitative and quantitative survey to determine what the UW community thinks of their services. They want to focus those services to better serve the community. At present, only anecdotal information about their services exists. Business Services has hired a consultant firm that will develop client lists, create questions, conduct the survey, and analyze the data obtained.

The survey will be conducted through Catalyst - Lier asked Council members to support the survey by completing it if they are asked to participate. Focus groups will identify "customers" for each of the Business Service groups, so the survey questions are answered by knowledgeable users who do the most transactions with the various service groups. They would like, for instance, to develop a system similar to Amazon.com, where small, repetitive transactions are user-driven, leaving Purchasing experts free to concentrate their efforts on large complex transactions such as purchasing a research vessel or equipping a building.

Because faculty members get so many survey requests, Kiyak suggested that Business Services send a "heads-up" email to potential participants, letting them know they have been selected to participate. Cathryn Booth suggested that Business Services offer a prize for participating – this was very effective in a previous survey by the Libraries. Lier will pass these comments on to the consultants as good ideas.

**Upcoming Issues from Office of Research**
Craig Hogan, Vice Provost for Research, advised of a study on the Royalty Research Fund awards – his office will be surveying previous recipients and creating revised guidelines for the awards. Should there be an award for taking faculty research and making it into a venture capital package – something that is marketable? Should the rules about travel awards be liberalized? There may be some people who are disenfranchised from the current system because travel is not included in the awards. There may also be ways to fund internal colloquia or guests for departments, or to provide sabbatical support. Hogan would like Council members to think about changes that might occur in this program.

Sarikaya would like to see better reporting on the outcomes of RRF grant applications, including information on whether or not the grants resulted in larger external funding. Hogan said that the Web site will be expanded to include this kind of information, as soon as they can hire a Webmaster. Brent Stewart was in favor of using RRF for sabbatical support, especially for mid-career transitions. Ruzicka favored including travel in the awards.

Hogan invited the Council to an internal symposium to be held Saturday, November 16, entitled "The Human-Dominated Planet." The symposium will cover climate, population, disease, policy, biodiversity, and other topics. Invitations are being sent via email. Sometime in Winter Quarter, Hogan's office will also be organizing a symposium on "Data-Intensive Science," to discuss data mining, networking, etc.

Before adjourning the meeting, Kiyak asked Jan Sjavik to talk about budget concerns at the next meeting. Sjavik suggested that Dick Thompson and perhaps Harlan Patterson be invited as well, to provide additional perspectives. Kiyak will follow up.

The meeting was adjourned at 10:35. *Minutes by Linda Fullerton, Recorder.*