Capitalizing on Regulatory Reform to Reduce Administrative Burden

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Panelists

- Anthony DeCrappeo  
  *President, Council on Governmental Relations*

- Jeremy Forsberg  
  *Assistant Vice President for Research, University of Texas at Arlington*

- Lisa Mosley  
  *Assistant Vice President, Research Operations, Arizona State University*

- David Ngo  
  *Assistant Vice President for Research, University of Texas, Southwestern*
Key Reports and Initiatives

- Federal Demonstration Partnership (FDP) faculty burden survey (2005 and 2012)
- National Science Board (NSB) report “Reducing Investigators’ Administrative Workload for Federally funded Research” (2014)
- University Regulations Streamlining and Harmonization Act of 2016 (H.R. 5583)
- Promoting Biomedical Research and Public Health for Patients Act
Highlights of Key Reports and Initiatives

- **FDP Faculty Workload Survey**
  - PIs estimated that an average of 42% of their research time is spent on administrative tasks (most time spent on proposal preparation and post-award administration)

- **NSB Report on Reducing Administrative Burden**
  - Provided recommendations to reduce burden in several key areas including proposal development, award administration and regulatory areas such as IRB, IACUC and COI
  - Recommendations were directed to both federal agencies and institutions
  - “a culture of overregulation has emerged around Federal research, which further increases their administrative workload, ” and universities may baulk at changes due to “institutional concerns about liability.”
Highlights of Key Reports and Initiatives

- National Academies of Science report
  - Continuing expansion of federal regulations and requirements is diminishing effectiveness and return on investment of research
  - Recommends creating a Research Policy Board comprised of all stakeholders to harmonize and streamline policy requirements
  - Create a permanent position within Office of Science Technology Policy to facilitate strong ties between the research community, OMB, federal research agencies, OIG and Congress
Highlights of Key Reports and Initiatives

- **University Regulations Streamlining & Harmonization Act**
  - Creates a research policy board
  - Eliminates duplicative monitoring related to collaborations between US universities
  - Increases micro-purchase threshold from $3K (Uniform Guidance) to $10K
  - Creates a scientific database containing standard biographical information on researchers
  - Requires IG reports to Congress to include the cost to perform the audit as well as improve IG ability to influence policy at the federal agency
  - Requires OMB to make data-driven decisions related to ‘form completion’ times
  - Adds a requirement to an existing committee within OTSP to improve coordination between agencies related to open access polices of the agencies
Highlights of Key Reports and Initiatives

- Promoting Biomedical Research and Public Health for Patients Act
  - **Directs Secretary of HHS to:**
    - Lead a review of all regulations and policies to harmonize policies and reduce administrative burden
    - Implement measures to reduce administrative burdens related to subrecipient monitoring including, as appropriate, measure to exempt monitoring subrecipients subject to single audit
    - Evaluate financial expenditure reporting procedures and requirements for recipients of NIH funding to avoid duplication and minimize burden
    - The Director of NIH partner with the Secretary of Agriculture and Commissioner of FDA to complete a review of regulations and policies governing animal research and make revisions to reduce administrative burden while maintaining protections
    - Clarify flexibility for documenting personnel expenses under the Uniform Guidance
    - The OMB Director shall establish a Research Policy Board made up of both federal and non-federal members including representatives of academic and non-profit research institutions to modify and harmonize research regulations and policies
Highlights of Key Reports and Initiatives

- GAO report:
  - Directs heads of federal funding agencies to identify additional areas to standardize requirements
  - Reduce pre-award administrative workload and costs particularly for applications that do not result in awards
  - Better target requirements on areas of greatest risk
COGR Survey to Reduce Burden

- Possible areas to reduce administrative burden
  - Animal research/IACUC
  - COI
  - Human subject research/IRB
  - Financial Management
  - Proposal development/approval processes
  - Lab safety/radiation/biosafety
Balancing Compliance and Audit Risk

- Informed risk-based decisions
- Risk tolerance of institution
- One audit does should not set precedence
- Compliance vs. audit risk
  - Over prescribed policies and procedures
  - Focus on Key Controls
- Creating a culture of compliance through service
  - Training
  - Outreach to researchers
Strategies

- Improve and streamline business processes
- Modify policies/procedures that exceed regulatory requirements
- Develop/strengthen post-approval monitoring to focus on areas of higher risk
- Partner with other institutions to share best practices
An Example

▪ Alternative to effort reporting
FDP Project Certification Pilots

- Developed under Circular A-21 as an alternative to effort reporting
- 4 pilot schools:
  - Michigan Tech
  - George Mason University
  - UC Irvine
  - UC Riverside
- Audit findings of the pilots related to institution not following its own policy – methodology of project certification was acceptable
# FDP Pilot Data

<table>
<thead>
<tr>
<th>University</th>
<th>Individual Effort Reports Certified</th>
<th>Payroll Confirmed by Individual Projects</th>
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<tbody>
<tr>
<td>George Mason Univ.</td>
<td>2,700 / yr</td>
<td>700 / yr</td>
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<tr>
<td>Michigan Tech Univ.</td>
<td>6,700 / yr</td>
<td>700 / yr</td>
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<tr>
<td>Univ. of CA - Irvine</td>
<td>10,500 / yr</td>
<td>1,400 / yr</td>
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<tr>
<td>Univ. of CA - Riverside</td>
<td>5,058 / yr.</td>
<td>752 / yr</td>
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Compensation Methodologies

- **Effort Reporting**: Certifying individual’s percentage of effort is reasonable based on overall compensated effort.

- **Payroll Review by Project**: Certification, confirmation, or approval that all salaries/wages charged to the award are reasonable based on work performed based on a specific university interval.

- **Payroll as part of a System Internal Controls**: A system of Internal Controls provide reasonable assurance payroll charged is reasonable for the work performed.
Model Policy Development to Reduce Administrative and Faculty Burden

- Research project funded by the National Council of University Research Administrators (NCURA) (Mosley (PI), Forsberg, Ngo)
- Creates a cohort of universities to develop efficient and effective model policies, procedures, and practices designed to reduce administrative burden for both faculty and the institution
- Measure effectiveness and impact of documents created by the cohort
- Estimate cost savings of the institution
Areas of Focus

- Alternatives to effort reporting
- Federal Information Security Management Act (FISMA)
## Cohort Members for an Alternative to Effort Reporting

<table>
<thead>
<tr>
<th>Arizona State University</th>
<th>University of Connecticut</th>
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<tr>
<td>Arkansas Tech University</td>
<td>University of Florida</td>
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<td>Boston College</td>
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<td>Case Western Reserve</td>
<td>University of Minnesota</td>
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<td>University of Pennsylvania</td>
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<td>Emory University</td>
<td>University of San Diego</td>
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<td>Georgia College &amp; State University</td>
<td>University of Texas – Arlington</td>
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<td>Georgia Southern University</td>
<td>University of Texas - Austin</td>
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<td>Indiana University</td>
<td>University of Texas – Dallas</td>
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<td>Northern Arizona University</td>
<td>University of Texas – El Paso</td>
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<tr>
<td>Northwestern University</td>
<td>University of Texas Medical Branch</td>
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<tr>
<td>Nova Southeastern University</td>
<td>University of Texas – San Antonio</td>
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<tr>
<td>Ohio State University</td>
<td>University of Texas – HSC – Houston</td>
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<tr>
<td>Rutgers University</td>
<td>University of Texas SW Med Ctr</td>
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<tr>
<td>Santa Clara University</td>
<td>University of Virginia</td>
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<tr>
<td>Southern Illinois University Edwardsville</td>
<td>University of West Georgia</td>
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<td>University of Arizona</td>
<td>University of Wisconsin – Milwaukee</td>
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<td>University of Chicago</td>
<td>Washington State University</td>
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Documents Available

- Executive summary of regulatory changes for compensation
- White Paper on Alternatives to Effort Reporting
- Summary of Key Reports and Initiatives for reducing administrative burden
- Examples of implementation guidance at University of Texas Southwestern (UTSW)
- National Model Policy for Compensation (in Development)

- Cohort Member Only Documents:
  - Policy Matrix for FDP Pilots and recommendations to achieve compliance
  - Internal Control Framework for compensation
  - Analysis of FDP Pilot OIG Audits
Interesting Data Points – Cohort Survey

- 77% are investigating options
- 16% have selected an alternative
- 7% have already made the transition
- 15% will transition in next 6-9 months
- 37% will transition in next 9-18 months
- 15% will transition in next 18-24 months
- 33% will transition in more than 24 months
Interesting Data Points (continued)

- Of those planning to choose an alternative:
  - 48% plan on payroll certification by project (FDP pilot model)
  - 28% plan to rely solely on internal controls
  - 24% plan on traditional project certification based upon a standard institutional cycle (not project based)

- Primary concerns to implement an alternative to effort reporting:
  1. Untested audit environment
  2. Inadequate internal controls
  3. Resources needed to make the change

- Primary motivators to implement an alternative to effort reporting:
  1. Reduce administrative burden on faculty
  2. Reduce administrative burden on institution
  3. Reduce audit risk
  4. Increase compliance with Uniform Guidance
State of Transition

• UTSW – 9/1/16, Internal Controls (series of confirmation)
• ASU – January 2017, Internal Controls (negative confirmation)
• UTA – 2/1/2017, Federal Project based payroll confirmation

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Information on the Cohort: www.researchadmin.asu.edu/cohort
Thank you