

## Sponsored Research Executive Expense Summary

This report presents an overview of expenditure activity for sponsored research projects at Washington University during the fiscal year of 2007 (FY07). The expense dollars reported are for all transactions that occur on or between July 1, 2006 and June 30, 2007.

### Data Sources

The data presented in this report was obtained from the Washington University's Financial Information System (FIS) and it reflects the expenditure activity incurred during the performance of sponsored projects. Excluded are expenses associated with projects supported by sales and service agreements and clinical trials. The report includes expenses related to training and the U.S. Department of Education's College Work-Study Program; however, these activities represent only a very small fraction of total expenditures.

### Expenditure Activity

The University's total research expenditures for FY07 amounted to \$537 million, an increase of 3% over FY06. This percentage increase is driven primarily from additional dollars (\$5.8 million) from the National Institutes for Health (NIH). The NIH continues to provide the single largest funding stream, thus the costs for those projects represent 77% of total expenditures during the fiscal year. In addition to the NIH, several large projects funded by the National Science Foundation contributed to the rise in the expenditure level (\$9.4 million).

The University maintained a strong position in sponsored research during FY07. Detailed schedules regarding this activity have been compiled this data in several formats, see Tables 1 – 12. Noted below are definitions and descriptions of the key expenditure categories.

#### Sponsor / Sponsor Type

##### **Federal Direct Agreements**

Expenditures incurred under sponsored agreements awarded by a Federal agency directly to the University.

- **DHHS** - Department of Health and Human Services (Agencies other than HRSA and NIH)
- **DOD** - Department of Defense (Includes Air Force, Army, Navy, DARPA, and ARPA)
- **DOE** - Department of Energy
- **EPA** - Environmental Protection Agency
- **HRSA** - Health Resources and Services Administration (A division of DHHS)
- **NASA** - National Aeronautics and Space Administration
- **NIH** - National Institutes of Health (A division of DHHS)
- **NSF** - National Science Foundation
- **USDA** - United States Department of Agriculture
- **USDE** - United States Department of Education

<b>Federal Subagreements</b>	Expenditures incurred under a subagreement from another entity (usually another university) that has received an award directly from a Federal agency. The University is considered a subrecipient of federal funds.
<b>Total Federal</b>	Expenditures incurred under direct agreements with Federal agencies and subagreements with other entities (that have received a direct award from a Federal agency). The figure(s) is the total of the Federal and Federal Subagreements categories noted above.
<b>Other Government</b>	Expenditures incurred under sponsored agreements with other city, county, state and international government agencies.
<b>Private Sources</b>	Expenditures incurred under sponsored agreements from industry, foundations and trusts, voluntary health agencies and other entities. <ul style="list-style-type: none"> <li>▪ <b>Industry</b> – Typically commercial (for-profit) entities that fund hardware, software, fabrication and clinical device projects. Entities would include companies such as Monsanto, Lockheed Martin and Hoffman La Roche.</li> <li>▪ <b>Foundations &amp; Trusts</b> – Sponsored agreements from non-profit entities such as; the James S. McDonnell Foundation, Robert Wood Johnson Foundation and the Juvenile Diabetes Foundation.</li> <li>▪ <b>Voluntary Health</b> - Sponsored agreements from non-profit health/disease specific agencies such as; American Heart Association, American Cancer Society and the National Multiple Sclerosis Society.</li> <li>▪ <b>Other</b> – Sponsored agreements and subagreements (excluding federal pass-thru funding) from other non-profit agencies such as: Schriners Hospital for Children, Howard Hughes Medical Institute and the St. Louis Zoo.</li> </ul>

### Project Type

<b>Research</b>	Projects and activities that discover new scientific areas, procedures and devices.
<b>Research Training</b>	Support provided to pre/postdoctoral students and fellows involved in research training programs.
<b>Other Sponsored Activities</b>	Other activities such as public service, patient service, conference grants, community outreach programs and student aid.

### Schools

School of Medicine

School of Arts & Sciences

School of Engineering

George Warren Brown School of Social Work

Other

School of Architecture  
School of Art

Sam Fox School of Design and Visual Arts  
John M. Olin School of Business

School of Law

### Cost Category

<b>Direct Costs</b>	Expenditures incurred that can be specifically identified to a particular sponsored agreement/project. Costs of this nature would include those such as; faculty & staff salaries (and applicable fringe benefits), consultants, consumable supplies, travel, subagreements and equipment. Direct costs are booked to the general ledger on a daily basis.
<b>F&amp;A Costs</b>	Abbreviated term for Facilities and Administrative (F&A) Costs (also known as indirect/overhead costs). F&A costs are defined as expenditures incurred for common or joint objectives which cannot be specifically identified with a particular agreement/project. Costs of this nature would include: utilities and building services, building and equipment depreciation, university/school/ department administration, research administration and the library. The University has negotiated F&A rates with our cognizant federal agency (the Department of Health and Human Services). The F&A costs are posted to the general ledger monthly, based upon the project's direct or modified direct (excludes capital equipment, subcontract expenses > \$25,000, patient care costs, tuition, and off-campus rent) costs and the applicable F&A rate.
<b>Cost Sharing</b>	<p>Defined as costs incurred under a specific cost objective which are not supported by the sponsoring agency. Cost sharing can be described as the dollar amount the University provides to support a sponsored project. The University will commit resources to support a project under the following conditions:</p> <p>The University monitors and maintains cost sharing expenditures by establishing separate accounts/funds in the general ledger. For each sponsored project, a specific cost sharing account will be established based upon the terms and conditions of the award. See Table 12 for a summary of the University's cost sharing contributions.</p>

### Facilities and Administrative (F&A) Rates

Sponsored projects awarded to the University provide funding for direct and F&A costs (see above). A percentage rate is applied to the direct costs in order to determine the F&A funding/expenses for the project. The Federal F&A rate for on-campus research can change at the start of a fiscal year, based upon our current rate agreement. Federal F&A rates are applied based on the competitive start date of the project. Non-federal sponsors will also provide funding for F&A costs, but the rates can vary based upon the internal policies of the sponsor. Noted below is a brief description of the major F&A rates.

- 54% Federal on-campus research rate for projects awarded during the period 7/1/01 – 6/30/02. Applied to modified total direct costs.
- 53% Federal on-campus research rate for projects awarded during the period 7/1/02 – 6/30/06. Applied to modified total direct costs.
- 52.5% Federal on-campus research rate for projects awarded during the period 7/1/06 – 6/30/07. Applied to modified total direct costs.
- 50% Base rate for non-federal sponsors. Applied to total direct costs.
- 26% Federal off-campus research rate.
- 8% Federal rate for research training and fellowship projects.

- Other Includes various rates from federal, private and other government sponsors.

## **Sponsored Projects Accounting**

The mission of Sponsored Projects Accounting (SPA) is to provide consistent and high quality financial stewardship, policy interpretation and compliance assurance to the University's research community and the sponsoring agencies. Members of the department strive to perform accurate and timely transaction approvals, financial analysis and reporting of costs incurred for sponsored projects. We monitor and maintain the accounting structure involved with revenue, expense and receivable transactions for sponsored projects so that these amounts are properly stated in the University's financial statements. In conjunction with Grants and Contracts and the Research Office, SPA develops a coordinated and consistent approach on institutional issues involving sponsored projects.

The office of Sponsored Projects Accounting reports to Barbara Feiner, Vice Chancellor for Finance and Chief Financial Officer. This report and other data is available of on the SPA website, see <http://www.spa.wustl.edu/>.