

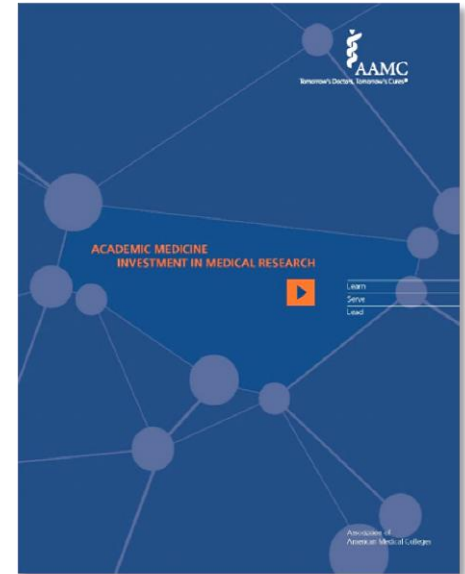


Academic Medicine Investment in Medical Research Results of AAMC Survey

**NECA Conference
September 29, 2015**

About the study

- The study originated to gather evidence regarding the full institutional investment in biomedical research.
- The AAMC partnered with business office and research leaders at US medical schools, and Huron Consulting Group to develop a data collection tool that defines and facilitates consistent reporting across major categories of investment.
- The full report is available at aamc.org/initiatives/research



About the data collection tool

The survey tool supports uniform reporting of:

- Sponsored program direct, indirect and total costs;
- Related institutional direct and indirect costs.

Data was collected for the institutional 2013 Fiscal Year

Sponsored program investments were also reported by source type:

- Federal-NIH
- Other Federal
- State and Local government
- Industry/Corporate
- Foundation/Not-for-profit
- Incoming subawards and subcontracts
- Other

Study timeline

November 2013: Developed draft survey tool; defined investment categories and methods; then piloted survey tool with 12 medical schools.

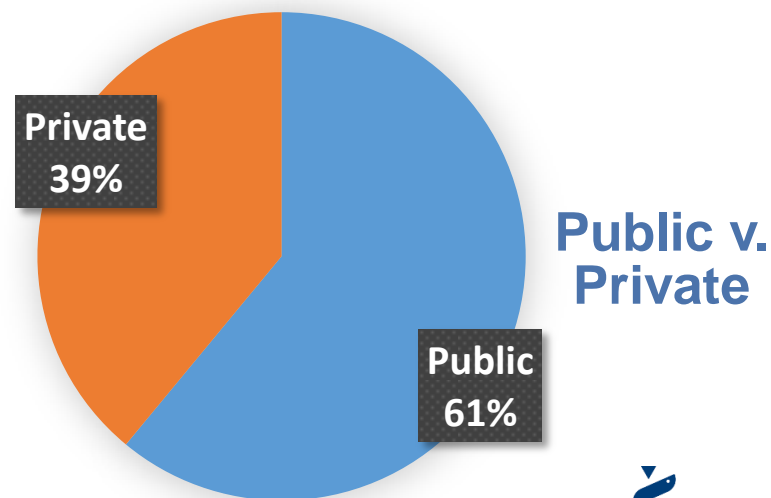
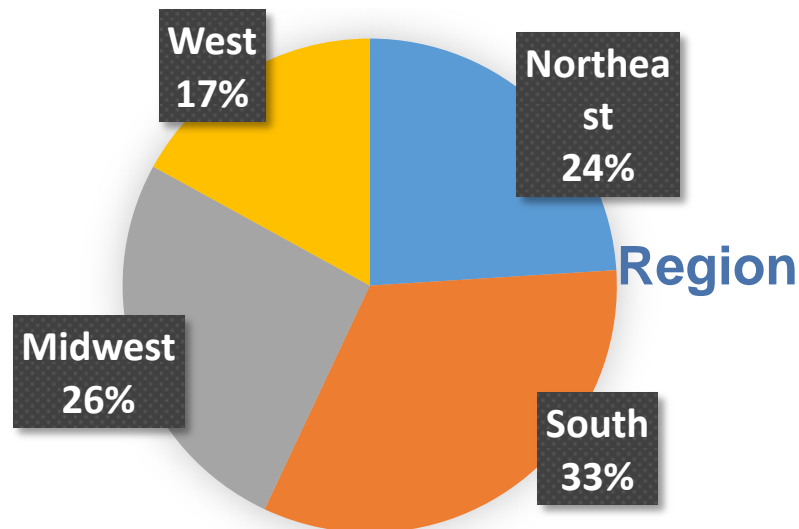
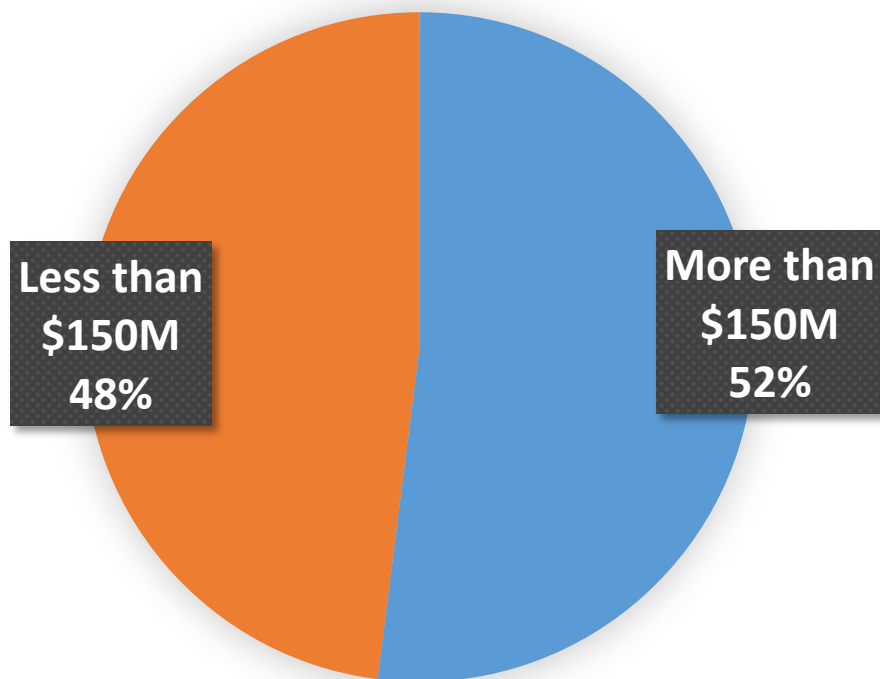
August 2014: Updated survey tool which was distributed to 57 medical schools, including original pilot sites.

September-October 2014: 46 institutions responded (Response rate: 81%). Huron Consulting Group confirmed the accuracy of data with each survey respondent. Data from 45 institutions were considered complete for purposes of study. Sample size for each calculation varied dependent on the availability of specific data fields.

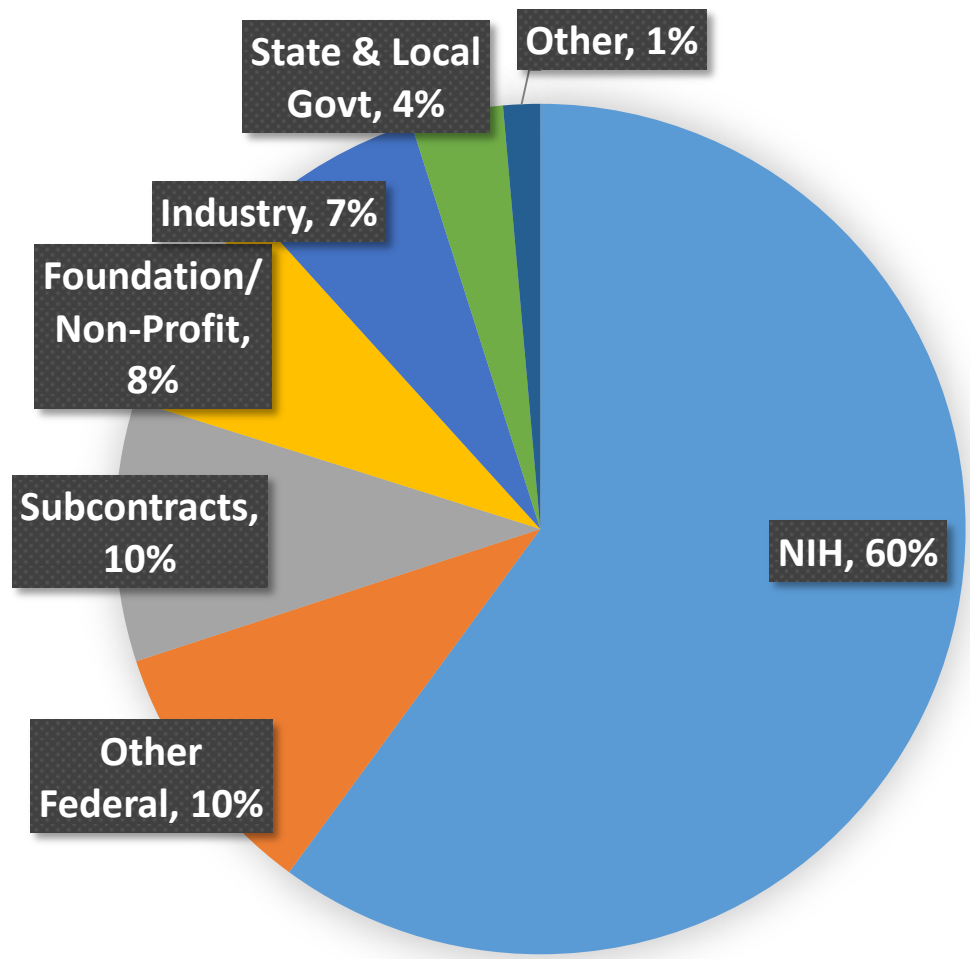
November 2014-March 2015: Analysis and verification of results, preparation of the report.

Characteristics of participating institutions

Total Direct Sponsored Research Expenditures



Sponsored Research Expenditures by Sponsor Type



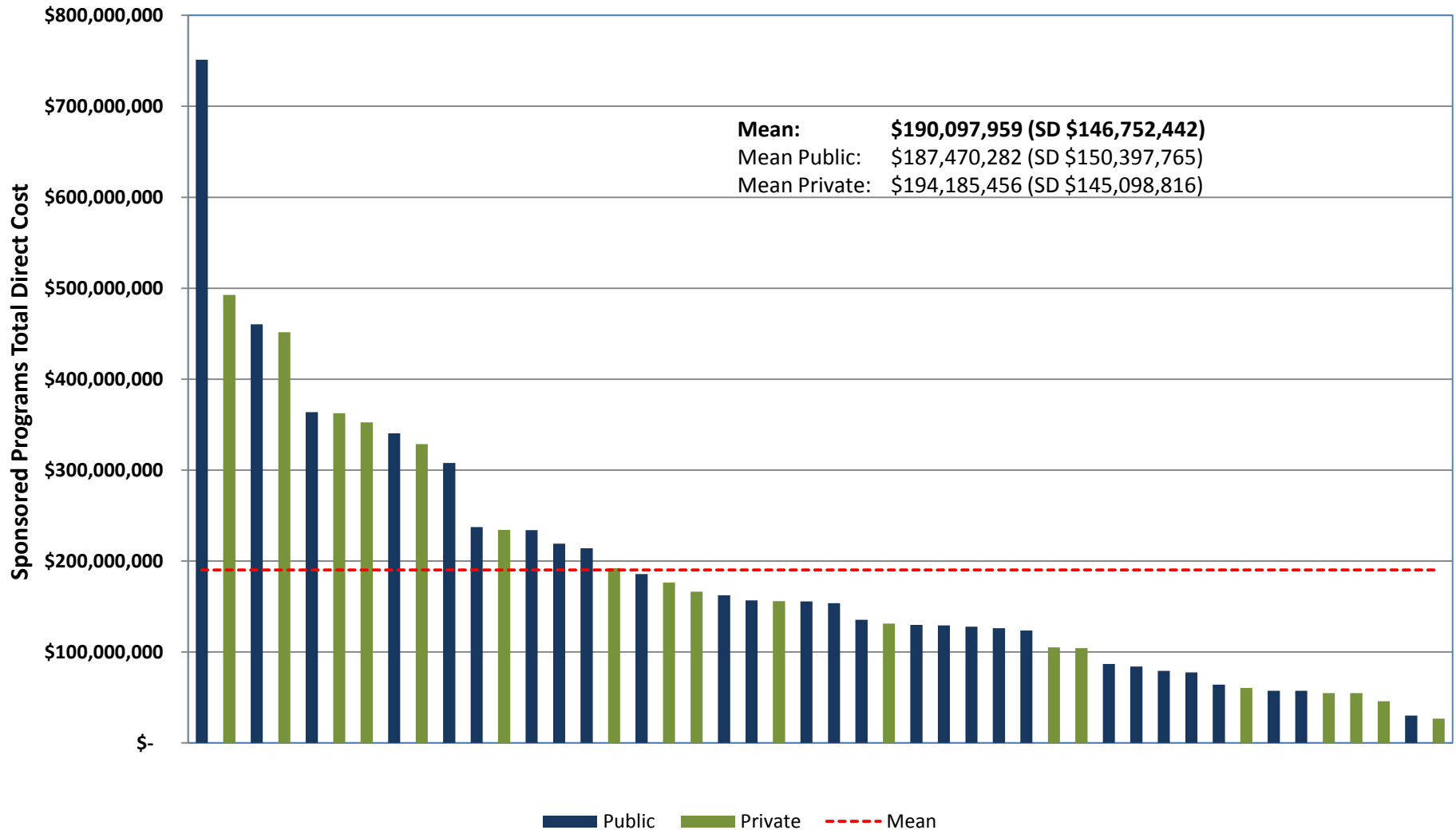
Average in thousands

NIH	\$146,980
Other Federal	\$21,729
Subcontracts	\$23,549
Foundation/Non-Profit	\$20,607
Industry/Corporate	\$17,481
State & Local Government	\$7,423
Other	\$4,093
Total	\$240,024

Totals includes direct and indirect (F&A) expenditures by sponsor type.



Sponsored Research Total Direct Cost



Major Findings

Institutionally Funded Research Expenditures

Institutionally Funded Direct
Research Expenditures +
Institutionally Funded F&A*
Expenditures

Sponsored Programs Direct
Cost Expenditures +
Sponsored Programs F&A*
Expenditures

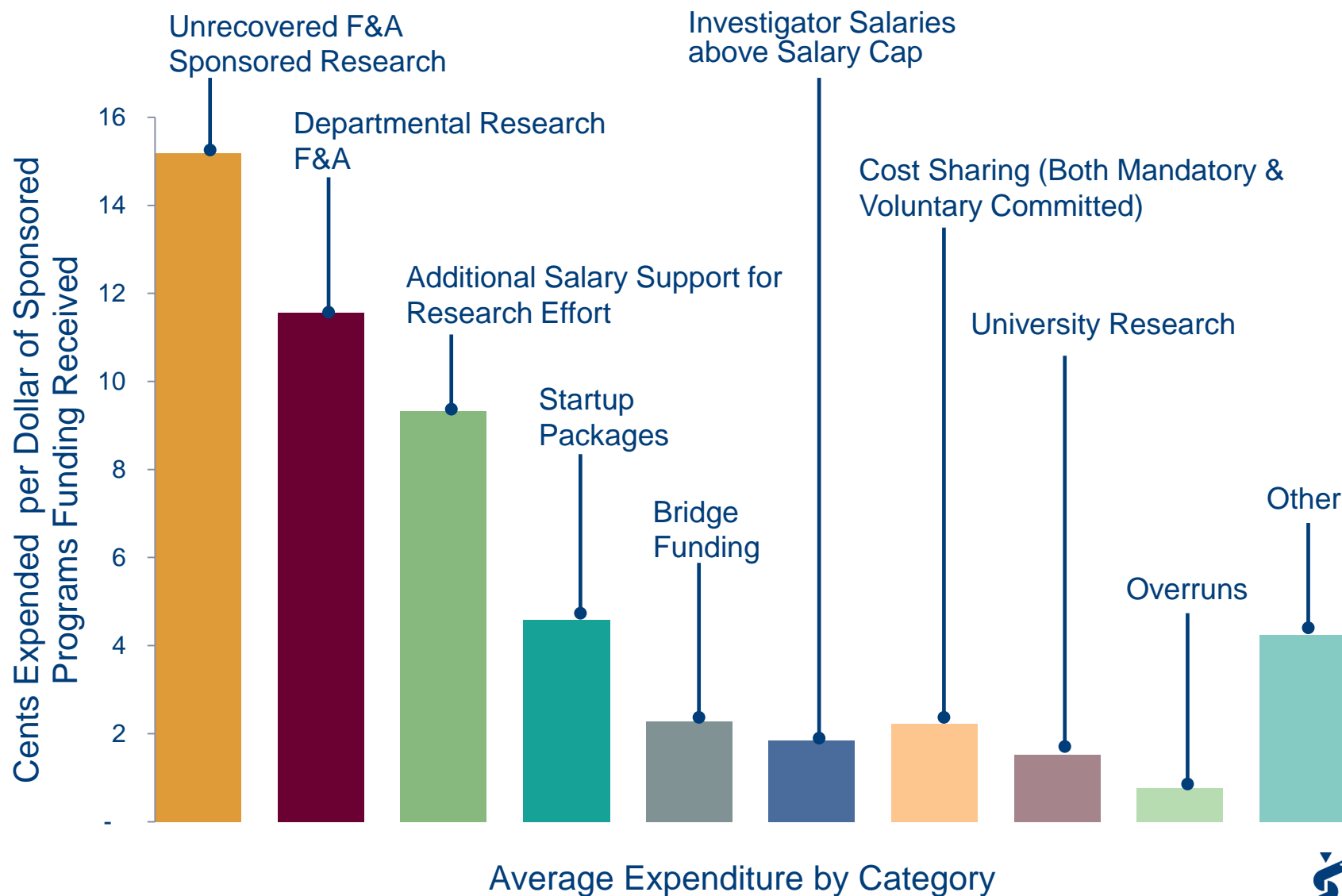
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Institutional investment
per dollar of sponsored
funding received

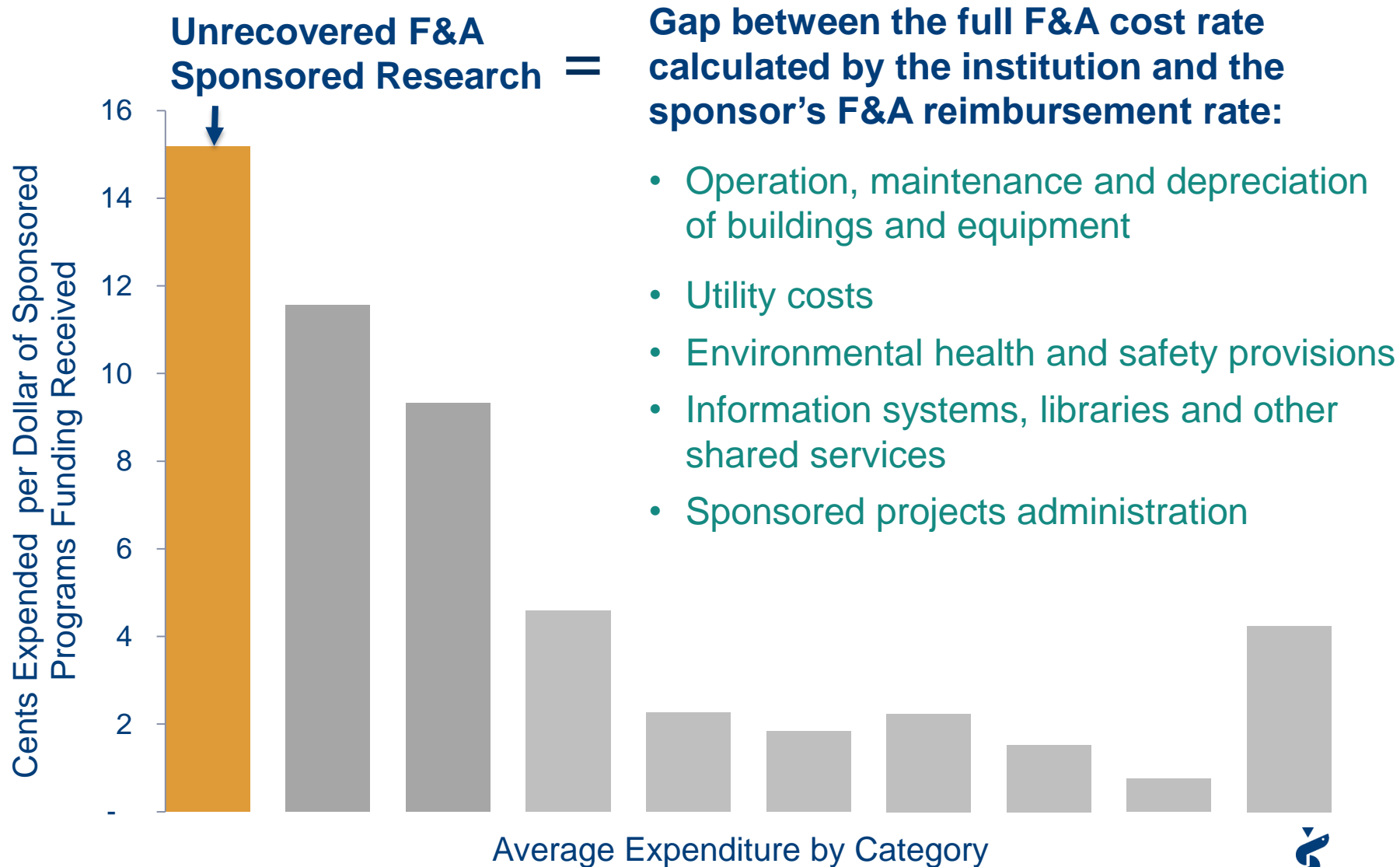
The average medical school investment is an additional \$0.53 for each dollar of sponsored research received (an average investment of \$111 million per medical school).

*Facilities & Administrative (F&A) sometimes referred to as indirect costs

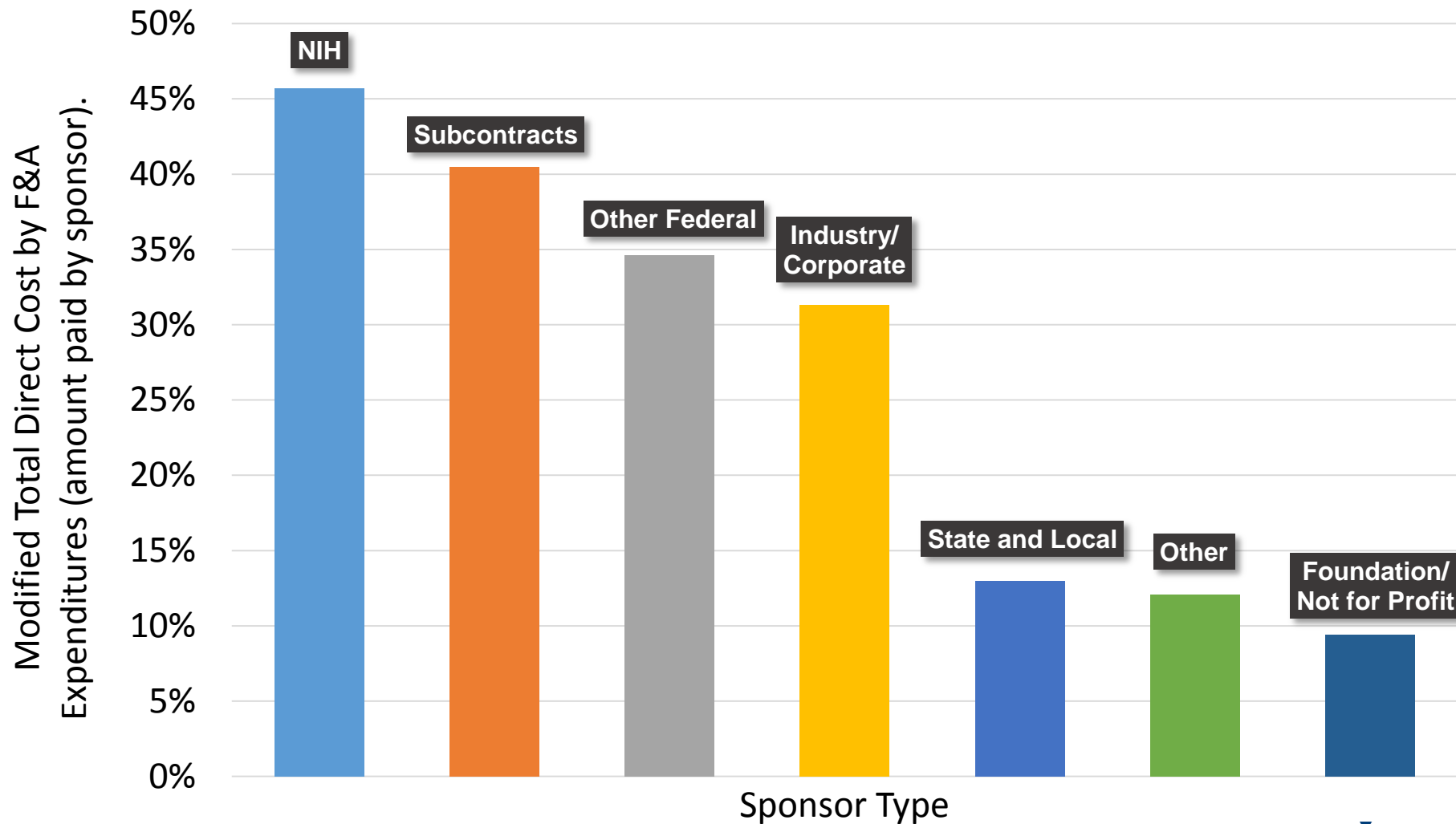
Investment Categories of the \$0.53



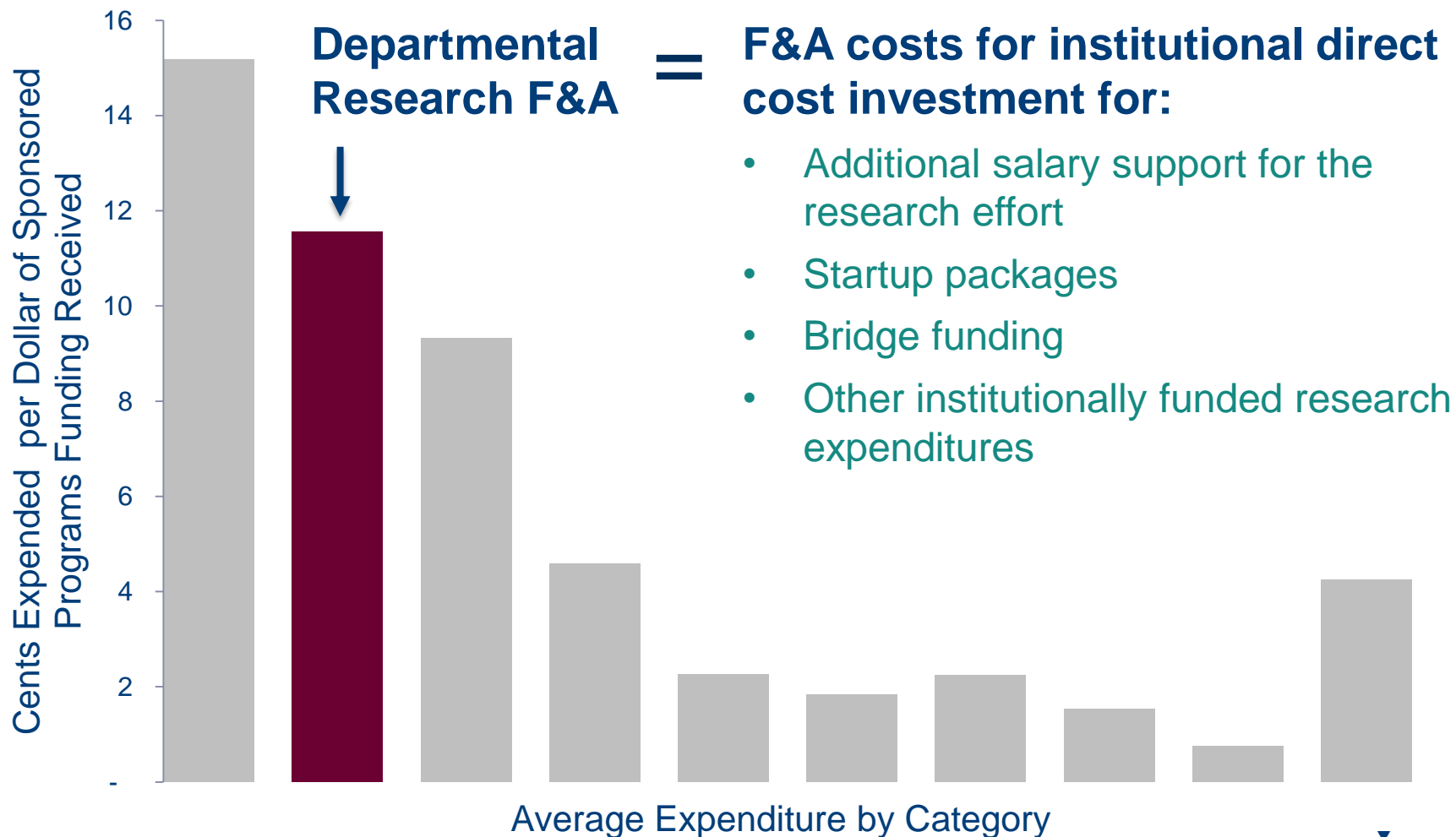
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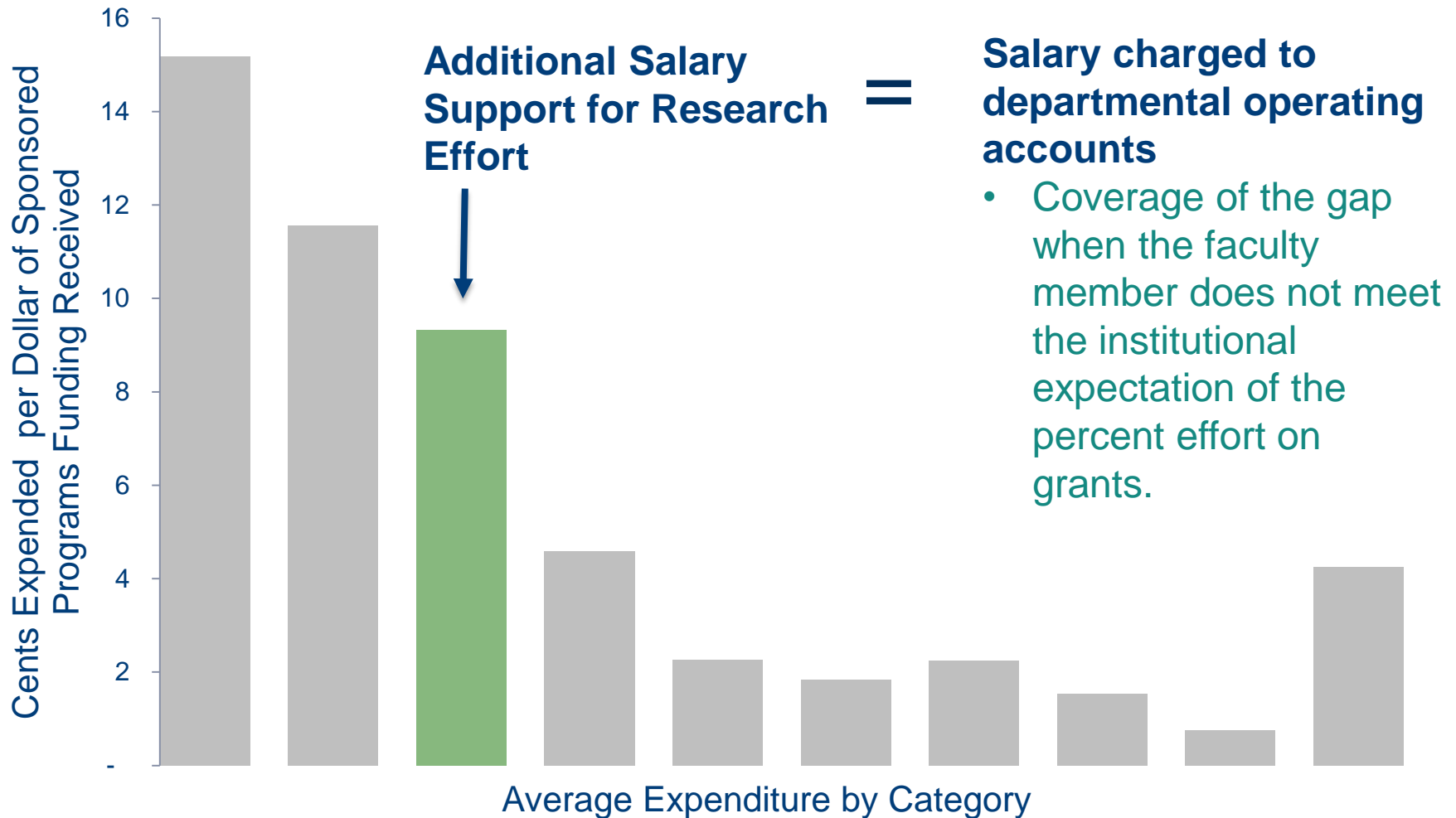
F&A recovery rate by sponsor type



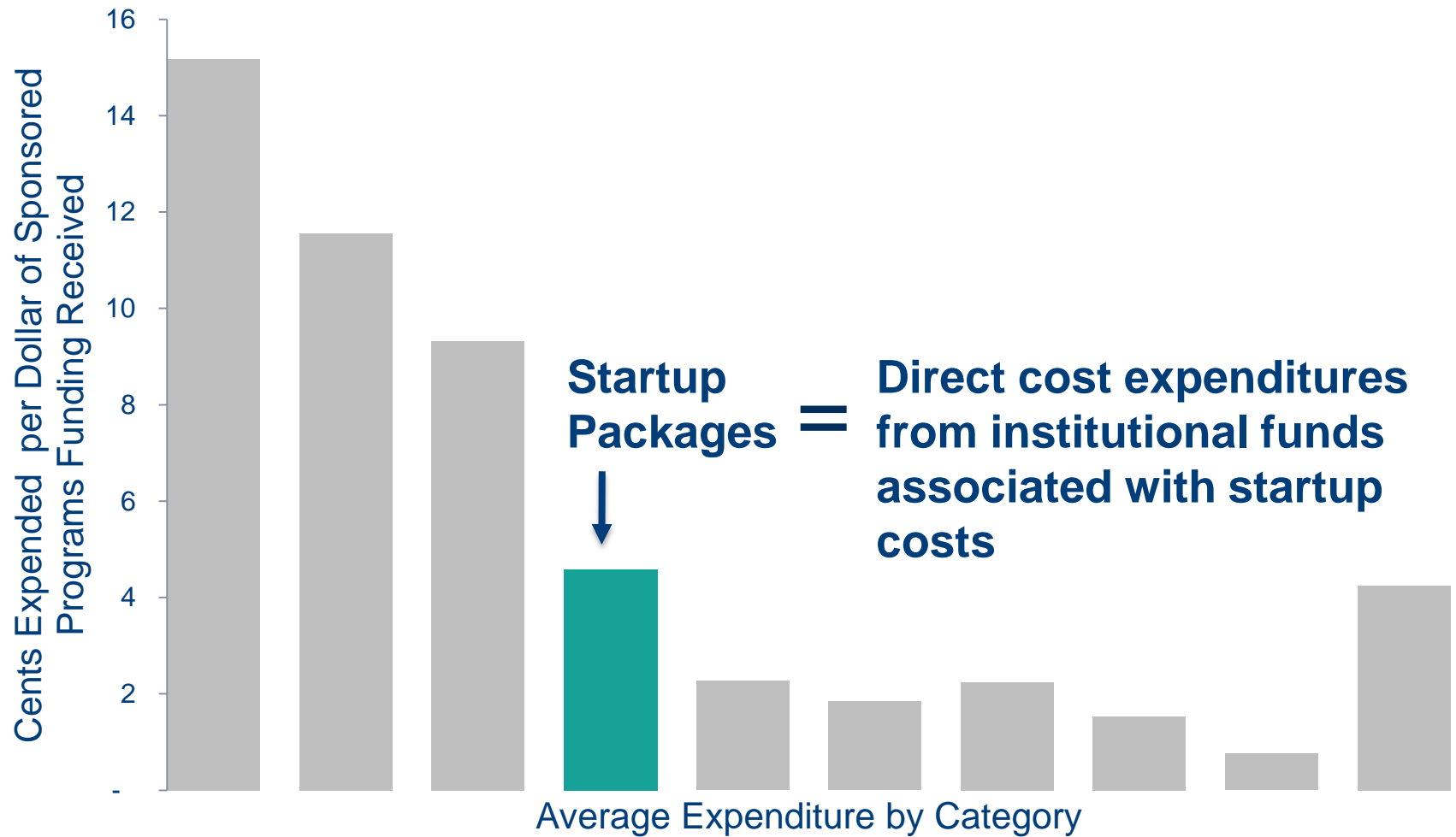
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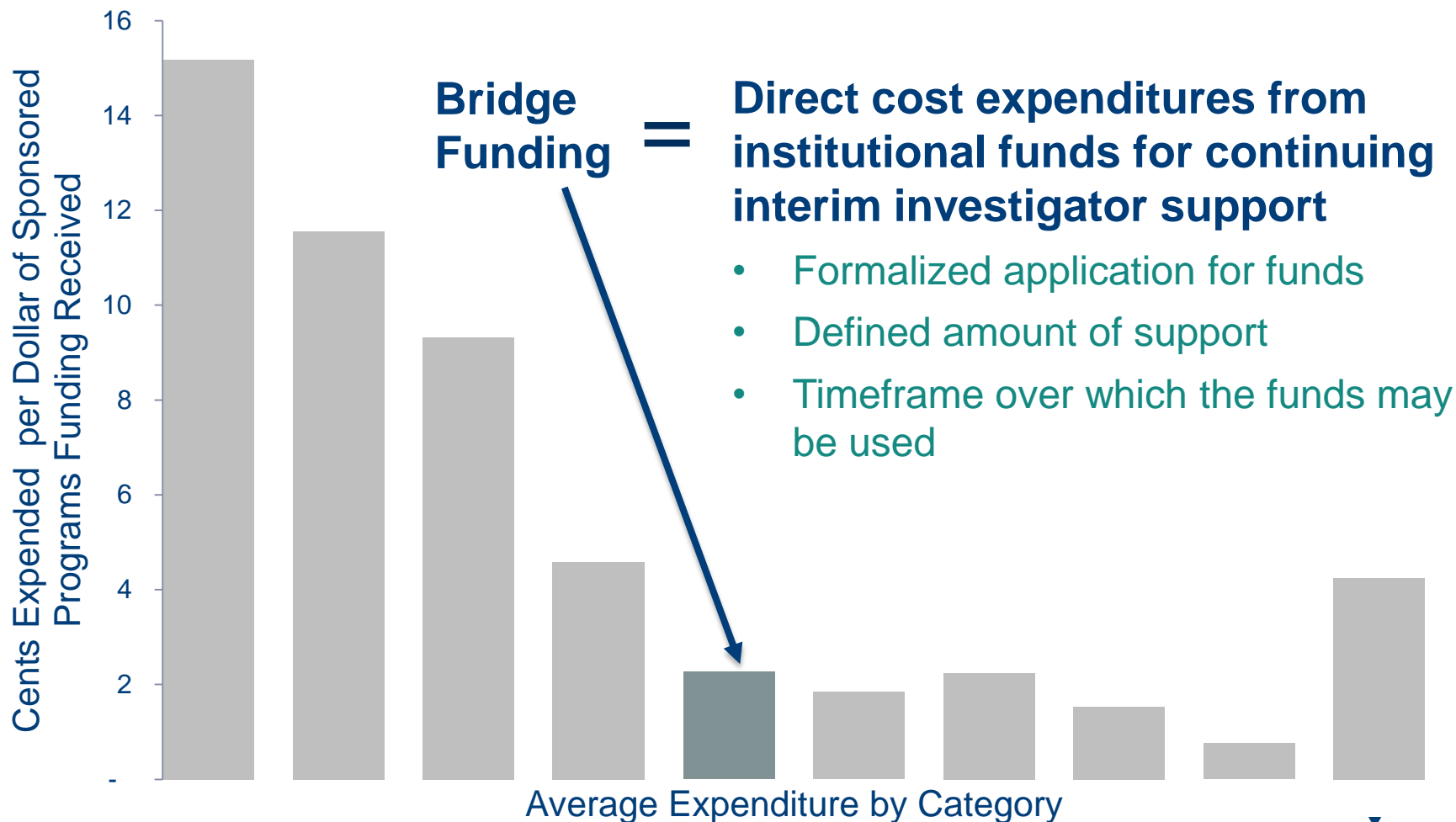
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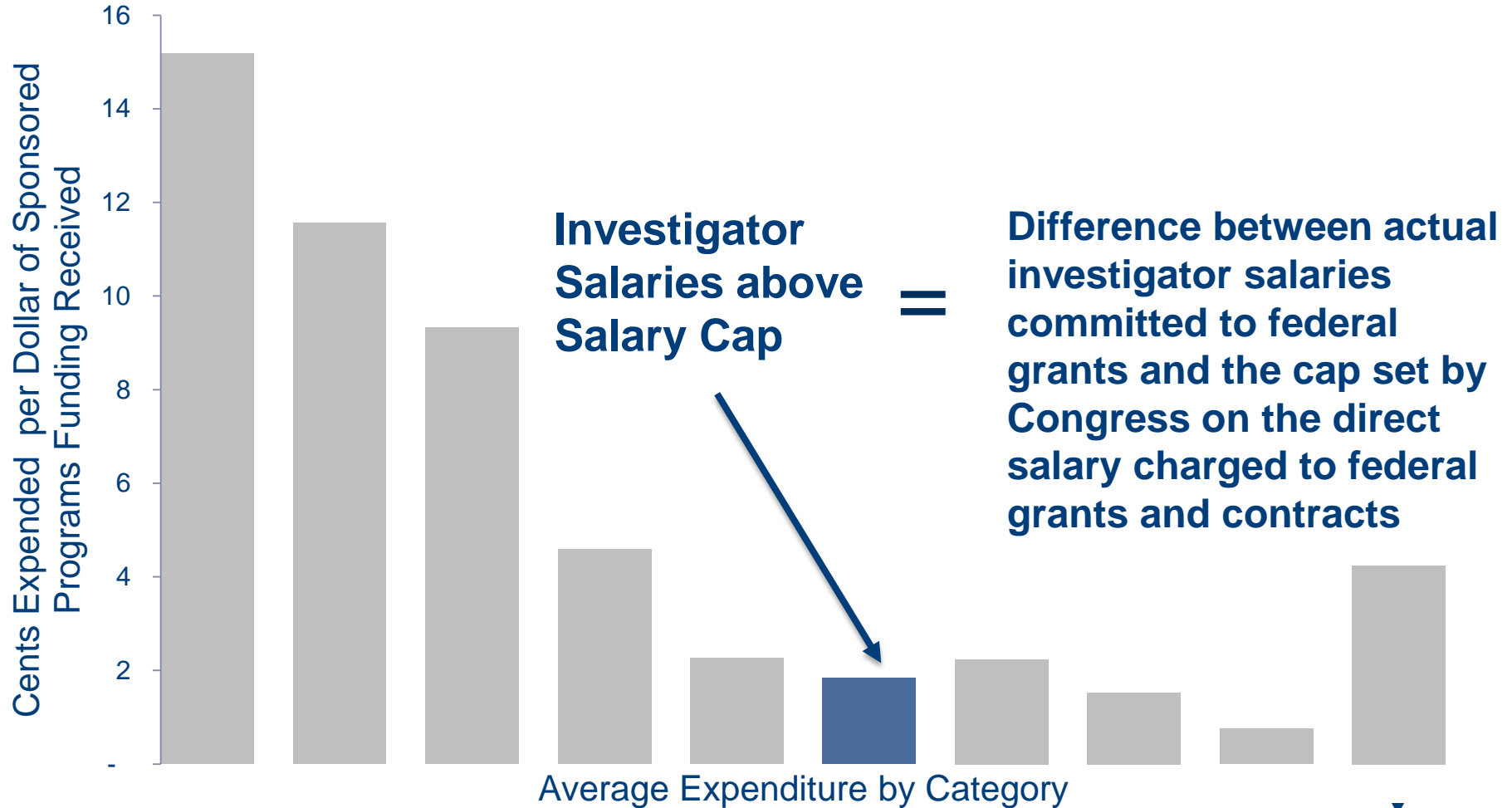
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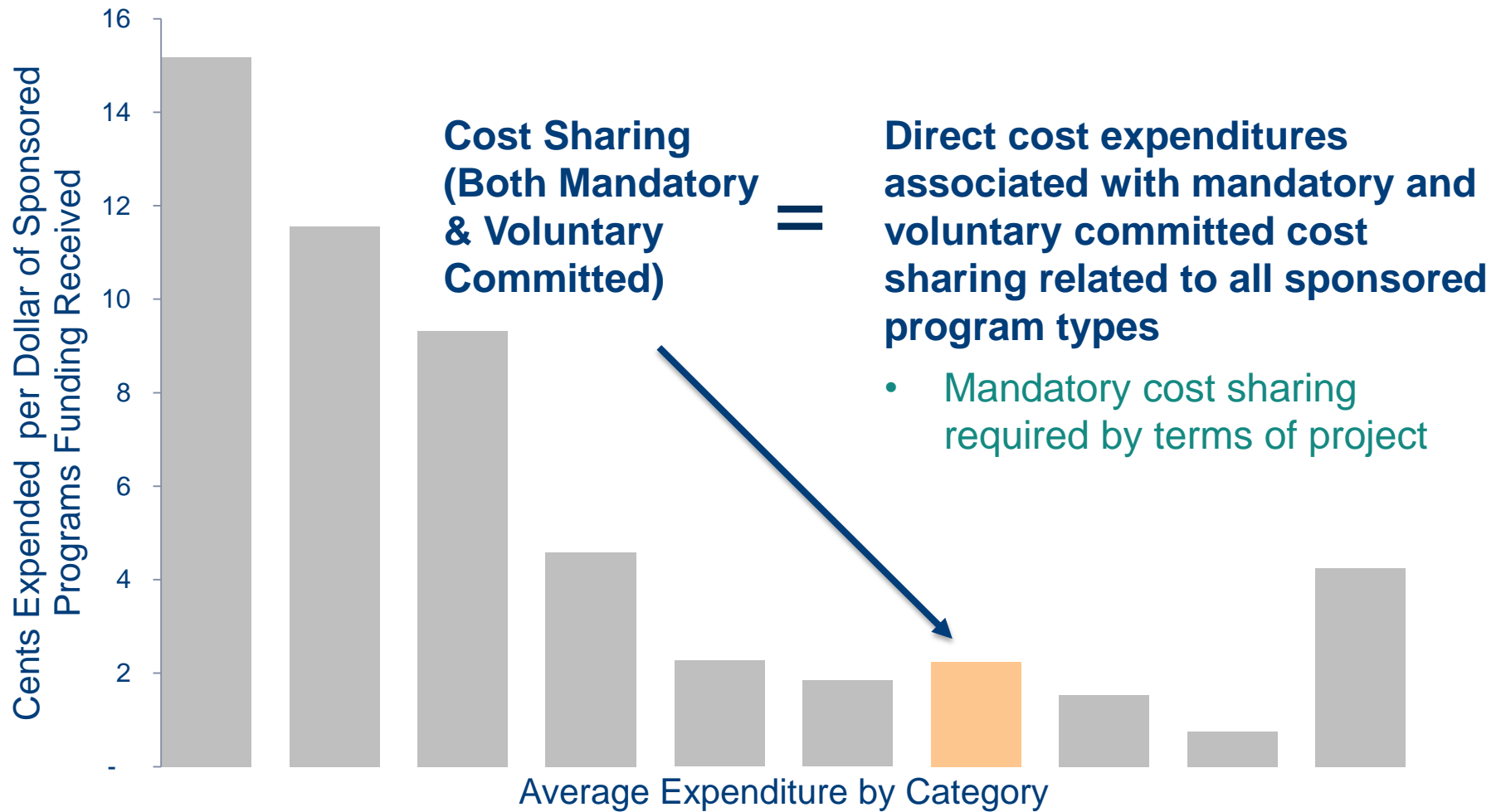
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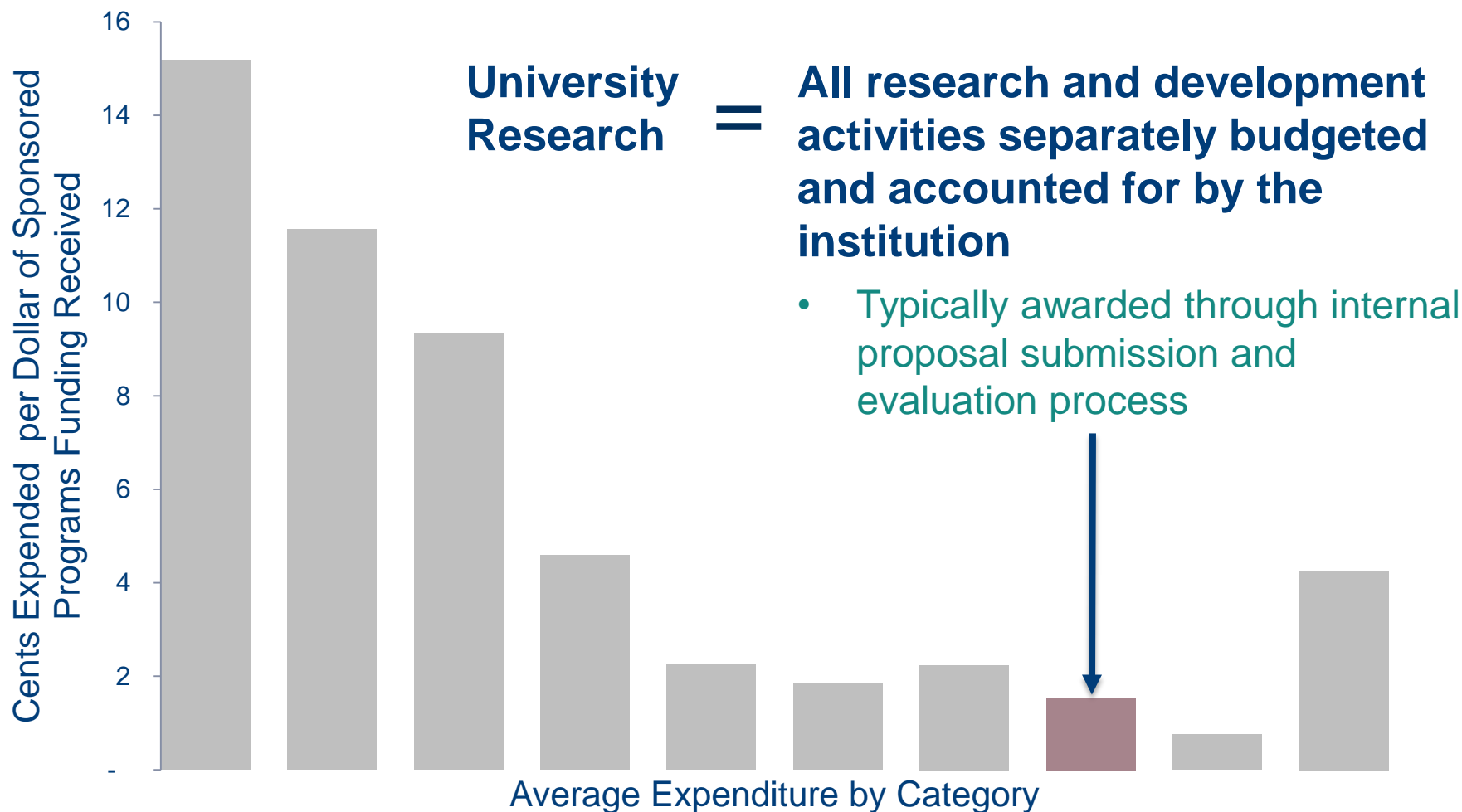
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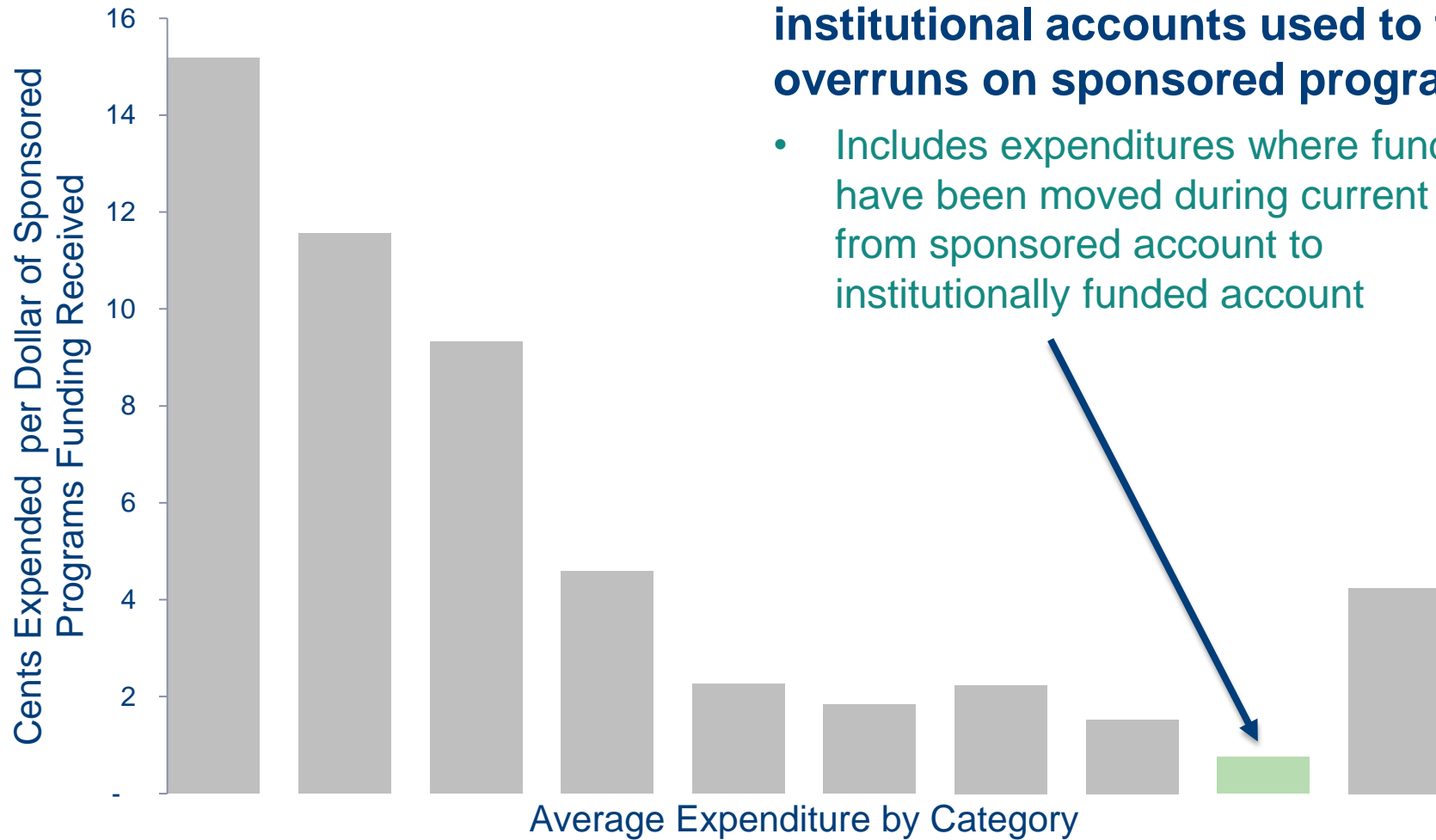
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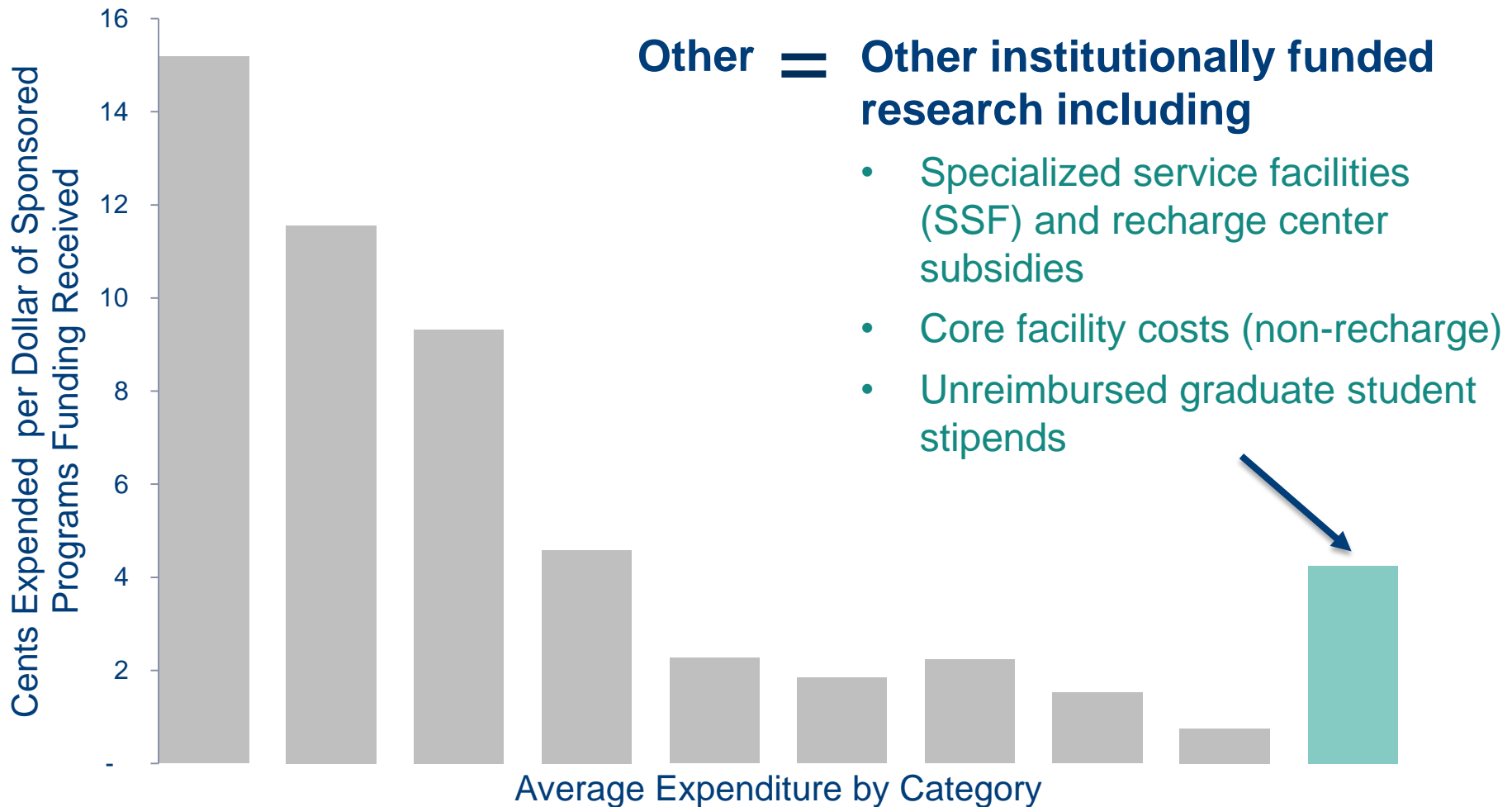
Investment Categories of the \$0.53

Overruns = Direct cost expenditures from institutional accounts used to fund overruns on sponsored programs

- Includes expenditures where funds have been moved during current year from sponsored account to institutionally funded account

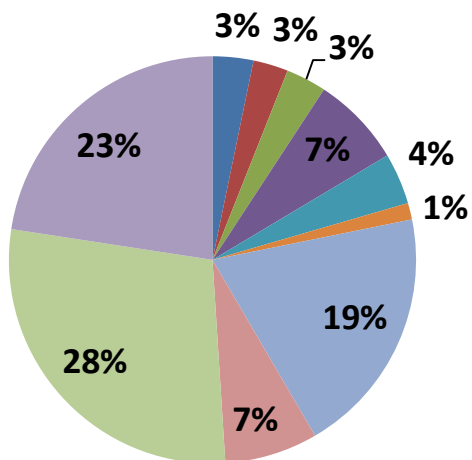


Investment Categories of the \$0.53

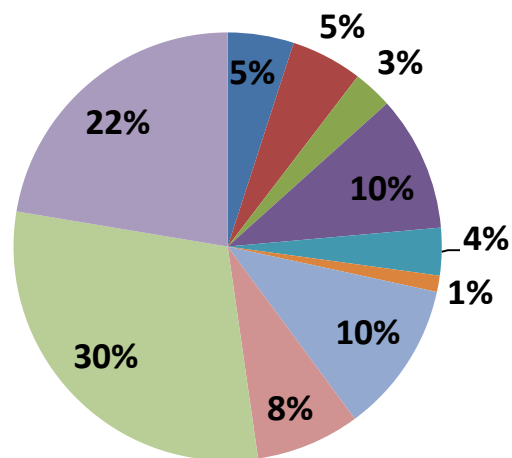


Institutional Research Expenditures by Category

**Institutions < \$150M
Sponsored TDC**



**Institutions > \$150M
Sponsored TDC**



- Mandatory/Voluntary Committed Cost Sharing
- University Research
- Bridge Funding
- Additional Salary Support of Research Effort
- Unrecovered OR/OSA F&A Subsidy

- Over the Salary Cap Cost Sharing
- Startup Packages
- Cost Overruns
- Other Institutionally Funded Research
- Departmental Research F&A Expenditures

What can institutions do to manage these costs/investments?

- Establish policies that limit the ability to waive indirect costs or commit cost sharing that is not required by the sponsor
- Evaluate funding mix and ability to continue to accept grants from sponsors that consume significant resources and do not provide much funding for facilities and administrative costs.
- For foundation support, ensure that costs are recovered as appropriate to sponsor mechanisms, e.g. some items may be included as direct expenditures.
- For faculty in both clinical and research enterprises, there is often a need for more clarity in the expectations for productivity for the various roles in the institution.
- Facilities are a big driver of the investment. Institutions should analyze space utilization and F&A recovery, and develop mechanisms to prioritize resource allocation to the more productive research programs.
- Develop mechanisms to more formally establish and monitor core facilities, including establishing rates that recover full costs and share resources (vs. duplicate) across the enterprise to optimize utilization.

Contact Information

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