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Sent: Friday, October 03, 2003 4:28 PM
To: NSTC_RBM
Cc: bhil@columbia.edu; ess9@columbia.edu
Subject: NSTC Research Business Models Comments

October 3, 2003

Michael J. Holland
Office of Science and Technology Policy
1650 Pennsylvania Avenue NW
Washington, DC 20502

Nstc_rbm@ostp.eop.gov

Re: NSTC Research Business

Models Comments
Dear Mr. Holland:

I am pleased to respond to the August 6, 2003 Federal Register request for information regarding NSTC/Committee on Science/Subcommittee on Research Business Models on behalf of Columbia University. It is important to review the status of the research university partnership with the federal government but we wish to note that "research business models" are not truly applicable to universities.

As one of the first research universities, we value our partnership with the federal government immensely. Through the partnership Columbia and our sister institutions have had with the Federal Government, we have generated new knowledge which has contributed to the health and welfare of the nation, created jobs, economic growth and provided individuals and technologies for national security. Research universities are unique federal grantees as we advance the frontiers of knowledge while also training the next generation of researchers (as well as societal leaders). This dual role helps account for our success, but also complicates accounting and accountability.

The two central considerations for universities in the research business relationship with the federal government are costs, including how they are charged and compensated, and administrative regulations, including how they are imposed and complied with. We note below some specific areas of concern:

- Regulatory Requirements are Increasing, Without Reimbursements - A RAND report in 2000 concluded that the federal government could reduce its own payments for university facilities and administrative costs if it streamlined regulatory requirements, which would enable universities to lower their costs. But instead of reducing regulations, the federal government has added new regulatory and other requirements in such areas as the privacy of health information, the protection of biological agents and toxins, the protection of human subjects, and more. Many of these requirements serve important public purposes. But when the government adds responsibilities without providing additional funds to pay for their implementation, productivity suffers, as does the partnership.

- Agency Practices Should Be Consistent -/. exacerbate the problems

universities confront in providing effective, efficient reporting. A case in point is electronic grant applications, which hold promise for administrative simplification but have yet to be implemented in a common fashion. Indeed, while <grants.gov> is working towards electronic submission of proposals both the NIH (through the "Commons") and NSF (through FastLane) are continuing on their own paths, continuing to enhance their proprietary systems "until <grants.gov> has all the capabilities currently in" their systems. The Common Rule, which governs human subjects research, is an example of the benefits of providing cross-agency consistency.

- Basic Research Remains Critical to the Long-Range Scientific Enterprise Agencies target different kinds of research, ranging from NSF's focus on basic research to much more applied research at DARPA. While the benefits of applied research often are more immediately apparent, we cannot forget that it is basic research that provides the new knowledge on which applied research and development must build.

- Longer, Larger Grants Are More Efficient - NSF's relatively small grant size and short duration forces principal investigators to spend more time writing grants, leaving them less time to conduct research, in contrast to researchers supported by larger grants through some other agencies, including NIH. NSF's efforts to increase the size of grants, and lengthen their duration, deserve continued support.

- More Funding is Needed for Research Infrastructure - As reports for NIH and NSF have recently documented, research infrastructure needs additional funding if the federal government's investments in research are to be optimally utilized. Cutting-edge facilities and equipment are necessary to advance the frontiers of knowledge. As research becomes increasingly complex and interconnected across disciplines, the tools and support systems necessary to conduct cutting-edge research become ever more complex - and expensive. Meeting our growing infrastructure requirements and the accompanying costs will require innovative new federal programs and mechanisms through which to support cutting-edge scientific infrastructure.

- Limits on Cost Recovery Threaten the Research Enterprise - In 1991, the Office of Management and Budget placed a cap on the administrative costs for which universities can be reimbursed. Unfortunately the government has not stopped adding regulatory burdens that add to these costs - making it harder for universities to meet the costs of conducting high-quality research. Universities recognize the need for compliance programs that address valid societal concerns. To balance these competing demands, a new, comprehensive strategy for dealing with compliance costs is necessary. Given the critical importance of the nation's research enterprise and the mutual commitment of government and research universities to the success of that enterprise, there is a clear need to improve the balance between regulatory requirements and reimbursement of universities' compliance costs. The future success of the long-standing partnership between research universities and the government depends on it.

Thank you in advance for kind consideration of our comments. We look forward to working with you to improve our vital partnership.

Sincerely yours,
/signed/

Alan Brinkley

Provost