

Council of Principal Investigators (CPI)

Meeting Minutes

Thursday, November 18, 2021, 4:00 p.m. – 5:30 p.m., Microsoft Teams

Members in attendance: Armen Akopian, Gregory Collins, Lynette Daws, Katherine Dondanville, Charles France, Bess Frost, Randolph Glickman, Asma Khan, David Libich, Daniel Lodge, Mark Shapiro, Susan Weintraub

Members Absent: Susannah Nicholson, Darpan Patel, Adam Salmon

Guests: Sander Hacker (Director, Lab Animal Resources), Jennifer Potter (Vice President for Research, interim), Joseph Schmelz (Assistant Vice President for Research Administration)

The general topic of this meeting was to discuss the metrics used to set the new animal per diem rate schedule, as well as other Lab Animal Resources items. The meeting was opened by Dr. Lodge, who introduced Dr. Sander Hacker.

1. LAR presentation – Sander Hacker

- Sander Hacker started the presentation on per diem cost analysis and rate setting.
- Dr. Hacker explained the rationale for using the cost analysis and rate setting method:
 - Obtain reproducible and transparent results
 - Build confidence in the process
 - Comply with federal guidelines and use best practices
 - Forecast and perform break-even analysis
- There are four steps in managing the process:
 1. Collecting and managing data throughout the year, including:
 - a. Compile activity reports and daily animal room logs for a time-and-motion analysis
 - b. Determine the expenditure cost basis
 - c. Prepare equipment amortization schedules
 - d. Code all financial transactions for future cost analysis (~4,000 manually entered codes per year)
 2. Determining the expenditure base:
 - a. Gather all internally coded financials
 - b. Exclude all unallowable and unassignable costs per federal cost principles (a listing of unallowable and unassignable costs was presented)
 - c. Identify direct costs and internal support costs (a listing of direct costs and internal support costs was presented)
 3. Assign expenditures to species. This is done by allocating all assignable costs to each species via a “Q-factor” (the time factor per species). The time factor is calculated using the time-and-motion study (based on the animal room logs) to determine labor costs. The Q-factor is then used to allocate both assignable direct and internal support costs to each species.
 4. Calculate proposed rates. The total allocated cost per board-day for each species is then used as the species per diem rate (based on past expenditures,

as explained above). This calculation especially impacts species with low use numbers. The rates for high-use species may actually decrease. Future factors such as demand for services, changes to DLAR workforce, and inflation may be considered when setting rates.

- Current per diem chart by species was presented (slides were sent to CPI members)
- **LAR presentation – Joseph Schmelz**
- Dr. Schmelz explained that the current NIH guide is used for setting per diem rates [“NIH Cost Analysis Rate Setting (CARS)” which is a manual for animal research facilities].
- When the new per diem rates were proposed, a commitment was made by the VPR and President that the rates would not go into effect for two years to give time for further assessment of the rates and to permit investigators time to accommodate the new rates in future budgets.
- Dr. Potter observed that rates for rodents will likely decrease due to greater utilization of these species.
- **Discussion**
- Dr. Lodge asked how frequently changes in the per diem rates may be expected, and how much flexibility will be given to investigators to manage their animal expenses? Dr. Schmelz stated per diem rates have only been changed twice since 2014, but they were sizable rate changes both times. He asked for feedback regarding the impact of these changes on PIs. That is, should there be longer intervals between rate changes with larger increases or annual but smaller increases?
- Dr. Collins advocated “locked in” rates to budget grants accurately.
- Dr. Lodge said that knowing the trend of increases of animal housing costs would be beneficial for preparing budgets for grant proposals.
- Dr. Weintraub agreed that smaller annual increases would make it easier for budget considerations.
- Dr. Frost proposed an option to lock in per diem rates when first submitting a grant application. Dr. Hacker replied that he hadn’t heard of this strategy being used in the past and would need to ask the NIH if would be possible. However, he noted a downside to this approach in that a decrease in the rate would not apply to the investigator and it would be necessary to find a way to cover a rate increase.
- Dr. Potter suggested modeling the various scenarios to assess the institutional impact.
- Dr. Shapiro suggested exploring collaborations with other institutions, e.g. UTSA or Texas BioMed, for user of larger animals, so that animals are housed in only one place, possibly lowering the cost per animal. Dr. Hacker replied that only rodents are used at UTSA. Reciprocal arrangements are possible with Texas BioMed, but it is very expensive due to the 85% overhead rate at that institution.
- Dr. Glickman suggested setting up an emergency fund as a safety factor for large, unexpected increases to which PIs can apply for financial assistance in defraying these costs. Dr. Potter stated she likes the idea and feels it may be a practical solution.
- Dr. Collins stated there was general expectation of increases for rat per diem costs, but the new rate table shows no increase. Dr. Hacker explained that the increased utilization of rats in research resulted in decreased costs per animal.
- Dr. Lodge brought up the topic of rates set by the VA. His research uses rats, and the per diem rate for rats at the VA is \$2.53, while the rat per diem rate on a UT protocol is \$0.93. Dr. Schmelz explained that any change in the rates would have to be renegotiated since the VA rates are set by the VA. It would be ideal to have the same rates for all users.

- Dr. Schmelz suggested that the CPI invite Dr. Amrita Kamat (Associate Chief of Staff/Research at the VA) to discuss the rates set for the VA, as well as their policies and plans.
- Dr. Shapiro requested that directional signage at the GCCRI/STRF complex be posted to help navigation around the complex, especially to the LAR facility. Dr. Hacker asked Dr. Shapiro to email him to suggest where signs should be located.
- **Town Hall**
- Dr. Potter thanked those attending the town hall presentation on human research. Dr. Schmelz described the next town hall as being oriented towards basic research, with emphasis on topics other than animal research, such as the research core labs.
- Dr. Potter explained that the town hall series was set up as a forum for receiving ideas and suggestions for improving the research mission. Information will be collected and utilized for planning the rest of the current fiscal year as well as future years.
- **Pest Control Issues**
- Dr. Hacker reported that the mites have been cleared from the animal housing rooms and that the wild black rats appear to have been eliminated. Facilities Management has sealed up penetration locations to prevent wild rats from getting into the buildings.
- **New Administrative Personnel**
- Dr. Potter informed the Council that Cynthia Perez is the new Finance Administrator for DLAR and Carlotta Bell is the new Director for Finance and Administration for the VPR's Office.

No other issues or questions were brought up so the guests left the meeting.

2. CPI Business

- October minutes were approved.
- Dr. Lodge reported that there had been a follow up meeting with Andrea Marks and Dr. Potter to discuss the EDGE initiative. The topics covered included:
 - How to administer remote workers, because many people still want to work remotely.
 - The general labor shortage is especially impacting HR across all tiers and is negatively impacting recruitment for many positions.
 - The goal for EDGE is to work together as a team and not in an "Us vs. Them" mode. One obstacle to this is that many faculty members do not know the EDGE personnel assigned to their department.
 - There was a consensus that there should be increased person-to-person contact to acquaint faculty with their EDGE support personnel.
 - It is important to revisit the ticketing system for EDGE support/issue resolution. The current arrangement makes the process less personable.
 - Dr. Glickman gave his personal experience with the EDGE grants submission process and acknowledged that the support from his EDGE representative was very helpful in organizing and assembling the files for the final proposal. However, he didn't know if this individual was his department's assigned EDGE representative. He said that a negative of the system was that different people kept getting involved with the process but there was no clarification of their roles and some problems occurred with version control. Clarification about who is the assigned EDGE representative and limiting the involvement of multiple different people without a clear chain of responsibility are essential to the efficiency of this system.

- Management of remote vs onsite employees was discussed, particularly important for departments such as HR and IT.
- Dr. Frost gave an update on the process for establishing English proficiency of international hires—specifically if they require a more rigorous English language competency check, such as the TOEFL exam or language classes. Dr. Lodge noted that an upcoming town hall would include discussion of this subject.
 - Dr. Libich suggested that the topic of English language proficiency deserves a more thorough evaluation and clarification; he cited an example of an Australian post doc having to document English proficiency.
 - The topic of language requirement/competency will be considered at a future CPI meeting, depending on what is brought up in the upcoming town hall.
- Dr. Shapiro raised the issue of supplements for post doc stipends. Some CPI members voiced support for revisiting the institutional post doc policy.
- **New Business**
- Heather Atkins and Kevin Howell will be invited to the next meeting to discuss the institutional website and its functionality.

No additional business was brought up, and the meeting was adjourned at 5:18 p.m.