Town Hall Meeting

ACUPAC & Per Diems

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ACUPAC

• Animal Care and Use Program Advisory Committee (ACUPAC)

• Purpose
  – The ACUPAC: Review Cornell’s (Ithaca Campus) animal care and use program, and advise Senior Vice Provost Robert Buhrman (Office of the Vice Provost of Research), on aspects of the program that might be considered for reorientation in answering the Essential Question
The Essential Question

- How can Cornell best support, in a fiscally responsible manner, the research and teaching needs of its faculty while ensuring the humane care and use of animals, upholding institutional principles and policies, and meeting external regulations and expectations of our federal research sponsors, regulators and the public?
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• Membership
  – Professor Buhrman appointed Professor Andrew Bass, Associate Vice Provost for Research/OVPR, as ACUPAC chair
  – Nine faculty members were invited in consultation with the Dean of the Faculty and Life Science deans and/or associate deans
    • Andrew Bass, PhD
    • Xingen Lei, PhD
    • Helene Marquis, PhD/DVM
    • Alex Nikitin, PhD/MD
    • Chris Schaffer, PhD
    • David Smith, PhD
    • Barbara Strupp; PhD
    • Alex Travis, PhD/DVM
    • David Winkler, PhD
  – Each of the colleges with Life Science faculty were represented
    • Arts and Sciences
    • Agricultural and Life Sciences
    • Engineering
    • Human Ecology
    • Veterinary Medicine
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– As well as researchers/Principal Investigators (PIs) using each of the major animal facilities
  • Baker Institute
  • Corson-Mudd Halls
  • East Campus Research Facility (ECRF)
  • Large Animal Research and Teaching Unit (LARTU)
  • Swine Farm
  • Transgenic Mouse Core Facility (TMCF)
  • Uris Hall
  • Weill Hall

– And major animal groups (rodents and other small mammals, large mammals, fish, birds)
At the October 14, 2010 meeting, ACUPAC discussed and agreed upon the following set of **GUIDING PRINCIPLES** for the animal care program, informed by the vision and goals developed and being applied broadly by the OVPR.

1. Enhance the ability of researchers to compete for and obtain sponsored funding
2. Enable researchers and the institution to adequately meet the requirements of conducting research
3. Minimize administrative burden on researchers
4. Implement programs to ensure integrity and compliance of research programs
5. Enhance staff expertise
6. Enhance communication with researchers; obtain and act on faculty input
• Recommendations
  – Continue to employ a stable, qualified workforce of permanent staff, as opposed to temporary employees
  – Actions taken
    • No temps
    • Cross-training staff
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• Recommendations (cont.)
  – Improve the **EFFECTIVENESS AND EFFICIENCY OF COMMUNICATION** with, and engagement of, the Cornell animal user community through:
    • Development of positive, collaborative relationships between PIs and administration
      – Actions taken
        • Vets assist in protocol writing
        • Teaching ethics in CALS & CVM
    • Better understanding and resolution of animal care issues, including those related to daily care, clinical health, facility infrastructure, compliance, and policy
      – Actions taken
        • Signage and notifications when any work is being completed within the facility
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- **Recommendations** (cont.)
  - Creation of new means of notifying and educating researchers of changes in policies and new training and guidance resources as they become available
    - Actions taken
      - CARE, IACUC, ORIA: Open help sessions
      - Establish periodic meetings at each animal facility among the PIs, facility manager, clinical veterinarians, and veterinary technologists
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• **Recommendations (cont.)**
  – Not close any major animal facilities as a means to reduce per diems, given the impacts that such closings and subsequent consolidations have on faculty and research groups with research animals housed at locations physically remote from research laboratory/procedure space
  – Facilitate the ability of PIs to add personnel to a protocol on a more rapid timeframe, including a stream-lined medical review and clearance process
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- **Recommendations** (cont.)
  - **Per Diem Rates**
    - Provide PIs with more information so that they can understand how per diems are calculated, for example, in the form of a PowerPoint presentation that could be made available to all PIs
    - Provide PIs with multi-year predictions of per diem rates
    - Minimize the impact of equipment depreciation in per diem rates by taking into consideration, whenever possible, underutilization of animal vivarium space
    - Discuss with a larger community of PIs the pros and cons of a single users fee for mice, which will reduce the volatility and provide better predictability of rates based, for example, on a single PI’s loss of funding or change in animal use
    - Discuss with a larger community of PIs the development of an equitable means of covering, through per-diem rates, costs of vehicle transportation of animals between central facilities and procedure locations of a PI’s laboratory
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- Recommendations (cont.)
  - Reduce impediments in the transfer of animals between the Weill Medical College and Cornell-Ithaca campuses
Costs of Conducting Research

- **DIRECT**: Costs that can be determined, with a high degree of accuracy, to be related to one or more specific projects. Examples:
  - Graduate student stipend and tuition, research equipment, research staff, postdoctoral, and research associate salary
  - Chemicals, laboratory supplies, facility user fees
  - Animal husbandry, food, bedding (combined and charged via per diems)
  - Staff and some operating costs of research facilities (charged via per diems)
  - Veterinary and clinical care, program admin. (could be charged via per diems)
  - PI summer salary

- **FACILITIES AND ADMINISTRATIVE (F & A)**: Costs of supporting research that cannot be specifically associated with an individual project
  - Costs are pooled and charged to all sponsored awards as a percent of direct project costs
  - F & A is **UNDER RECOVERY** of actual costs even at full federal F & A rate (caps, negotiations, new facilities with recovery at old cost rate)
F & A

• INDIRECT COSTS
  – Research portion of INFRASTRUCTURE AND SERVICES that are shared among research programs and/or between instruction, research, student support, and administration; and
  – Those that the government has deemed to be standard, rather than project unique, services and goods
    • Building utilities and maintenance
    • Construction and debt service (principal and interest recovered through a depreciation calculation)
    • Finance/administrative/management staff – department, college, central
    • Office supplies, phone
    • Compliance
      – Including IACUC, ORIA, portion of veterinary time
Per Diem Rates

• Guidelines
  – Cover the costs (some or all depending on subsidies) associated with providing a particular good or service
  – Operate as a break-even entity
    • Rates are cost-based & cannot recover more than the estimated costs over a break-even period
      – Break-even period longer than 1 year to smooth large fluctuations (3 years at Cornell)
  – End of year variance, surplus or deficit, between estimated and actual per diem income and costs are included in rates for the next three years
    • Surpluses must be applied to future rates; may not subsidize other activities
Per Diem Rates

- Calculating Rates
  - Census projection: PI annual survey with facility manager review
  - Husbandry staff: Numbers based on census and study types
  - Other expenses: Determined based on census, projects, current/prior experience, projected inflation and savings, status of depreciation
Per Diem Rates

• Calculating Rates (cont.)
  – EXPENSE ESTIMATES are calculated for each type of service to create a budget. Typical expenses include:
    • Salary & Benefits
    • Communication – Shipping, postage, phone & internet fees
    • Lease, Repair & Maintenance – Equipment / Vehicle repair and service, fuel
    • General – Salary improvement, miscellaneous (membership, training)
    • Supplies – Feed, bedding, detergent, enrichment, lab supplies and PPE (personal protective equipment)
    • Services – On and off campus business, washroom, laboratory, equipment testing & certifications
    • Travel – Continuing education & meetings
    • Utilities, Rents & Tax – Vehicle fees, permits & memberships
    • e-Sirius – Vendor contract, IT staff time
    • Fixed Equipment Depreciation – Recover costs to replace/upgrade
    • Prior years surplus/deficit
  – Divide total expense projection for each facility and species, by the projected census
Per Diem Rates

• Calculating Rates (cont.)
  – Costs that are **SUBSIDIZED** by the university and could, although **ARE NOT** included in per diem rates:
    • Veterinarians and veterinary technicians
    • Clinical care
    • Animal care program management and administrative staff, veterinarians and vet technicians
    • Sentinel testing
  – The animal care program receives an annual subsidy in excess of $2 million
Per Diem Rates

• Rate Drivers
  – **CENSUS**: Faculty hires and departures, external funding
  – Institutional expectation for consistent compliance with animal care regulations and assurance of animal welfare
  – Consistency and standardization in facility management and animal care
  – Facility consolidation
  – Maintenance costs shifted to CARE (ex: end of washer warranty)
  – Equipment depreciation
Per Diem Rates

• Cost Containment
  – Effective cost management within the framework of providing appropriate research/teaching support and required animal care
    • Regular review of costs and work with PIs to identify potential savings (ex: bedding)
    • Ensure variable costs are quickly adjusted to match demand, minimizing over or under recovery, i.e., realignment of staff effort to match census
    • Enhance staffing and other efficiencies across current facilities, having the flexibility to move staff between facilities as the census fluctuates
    • Manage positions to provide 24/7, 365 days/year care to meet census needs
    • Equipment Depreciation – Increase life expectancy
    • Negotiate lower maintenance contract costs
Questions?
Comments?
CARE Mission Statement

For the benefit of human and animal health, the mission of CARE is to ensure quality animal care and welfare while serving the Cornell research and teaching community through education and collaboration.