



RESEARCH FOUNDATION 2018 OPERATING PLAN

May 5, 2017

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Research Foundation 2018 Operating Plan

Background

The 1977 Agreement between The Research Foundation (RF) for the State University of New York (RF) and The State University of New York (SUNY) calls for the submission of an annual financial plan for approval by the RF Board of Directors. The RF Fiscal Year (FY) 2018 Operating Plan (Operating Plan) presents the FY2018 budget and the targeted strategic initiatives for the year.

RF FY2018 Operating Plan Highlights:

Guiding principles for the FY2018 plan:

- 1) Engage campus stakeholders early and often in the process, recognizing that needs are different among the campus types and among roles within a campus.
- 2) Focus on the RF's core business of
 - sponsored programs administration and
 - technology transfer
- 3) Finish what we've started
- 4) Focus on projects that benefit the most faculty

In line with these principles, the FY2018 Operating Plan:

- Accounts for the challenging financial environment for our campuses, with this year starting the payback of the SUNY PACS and E-time Reporting projects to a total of \$850,000, the uncertain funding environment facing campuses, and moving beyond the "hold harmless" year of the RF's new cost assessment model. In response, the FY2018 plan adds only \$280,850 in new initiative dollars.
- Introduces only three new projects, with 12 rolling over from last year, demonstrating the commitment to finish what we've started and implement features and functionality that campuses need to do their jobs.
- Prioritizes projects designed to increase efficiency for campus principal investigators (PIs) and research administrators through automation. While the business side of research transactions occur largely at our campus research offices, centrally we can leverage economies of scale for more cost-effective system implementations. These include:
 - PACS for pre-award
 - E-time Reporting, Manager Self Service, SciQuest, and Report Center for award management
 - Oracle/Inteum integration for innovation and technology transfer
- Transitions four research growth initiatives to the SUNY Vice Chancellor for Research and Economic Development. These initiatives will be led by SUNY but still supported by RF staff.
- Remains consistent with past practice by reserving funds to provide the RF President with the ability to quickly react and respond to changes in RF environment, capitalizing on opportunities and responding to threats.

Refer to **Campus Initiatives** on **page 9** for a description of all FY2018 Operating Plan initiatives.

Funding the FY2018 Operating Plan

The following table presents the campus research and agency revenue for each of the periods presented. Projected amounts are primarily based on campus estimates.

	2015 Actual	2016 Actual	2017 Plan	2017 Estimate	2018 Plan
<i>Campus Activity</i>	(in millions)				
Grants and Contracts Direct Costs	776.1	792.1	761.6	798.3	692.4
Grants and Contracts Indirect Costs	123.2	128.2	131.7	133.4	133.2
Investment Income (gross)	8.5	(2.2)	10.6	10.7	10.0
Other Campus Activity (net)	40.5	34.2	28.9	24.4	22.2
<i>Total Campus Activity</i>	948.4	952.3	932.8	966.8	857.8
<i>Agency Activity</i>					
Agency Services Direct Costs	190.2	195.6	196.2	199.0	200.5
Agency Services Indirect Costs	7.3	7.6	7.5	7.0	7.4
<i>Total Agency Activity</i>	197.5	203.2	203.7	206.0	207.9
Total All Activity	1145.9	1155.5	1136.5	1172.8	1065.7

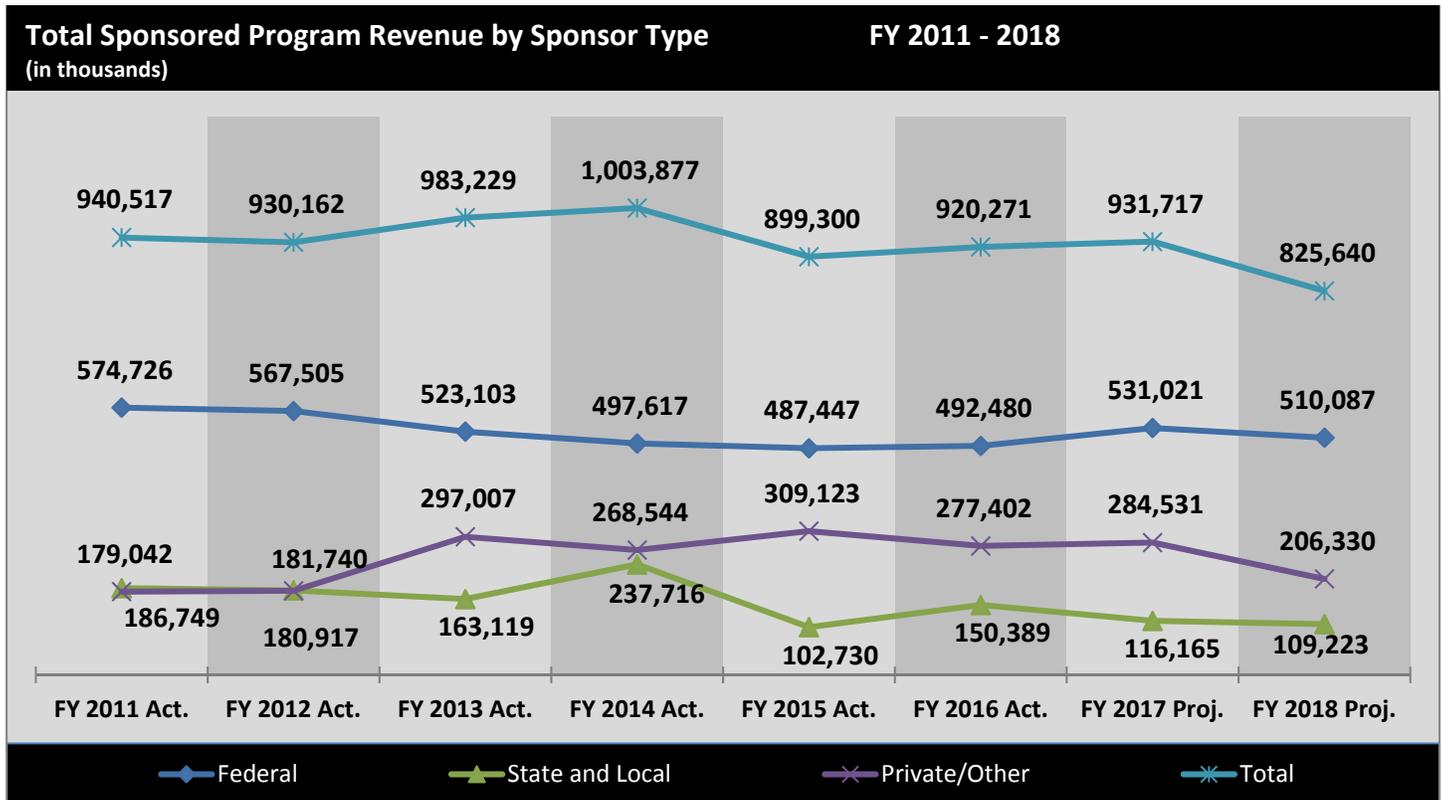
The following table presents the corporate chargebacks to the campuses to fund the Operating Plan.

	2015 Actual	2016 Actual	2017 Plan	2017 Estimate	2018 Plan
<i>Corporate Chargebacks</i>	(in millions)				
Central Office Cost Allocation	24.5	24.2	24.0	24.0	22.7
SUNY Strategic Plan Assessment	2.6	2.5	2.5	2.5	2.5
Agency Services Cost Allocation	2.9	3.2	3.2	3.2	3.2
Campus Initiatives	4.0	1.2	1.3	1.3	1.4
Investment Advisory & Treasury Operations	1.9	1.6	1.7	1.7	1.8
Corporate Reserve (funded by investment income)	2.1	0.0	0.0	0.0	0.0
<i>Total Corporate Chargebacks</i>	38.0	32.7	32.7	32.7	31.6

Campus Activity

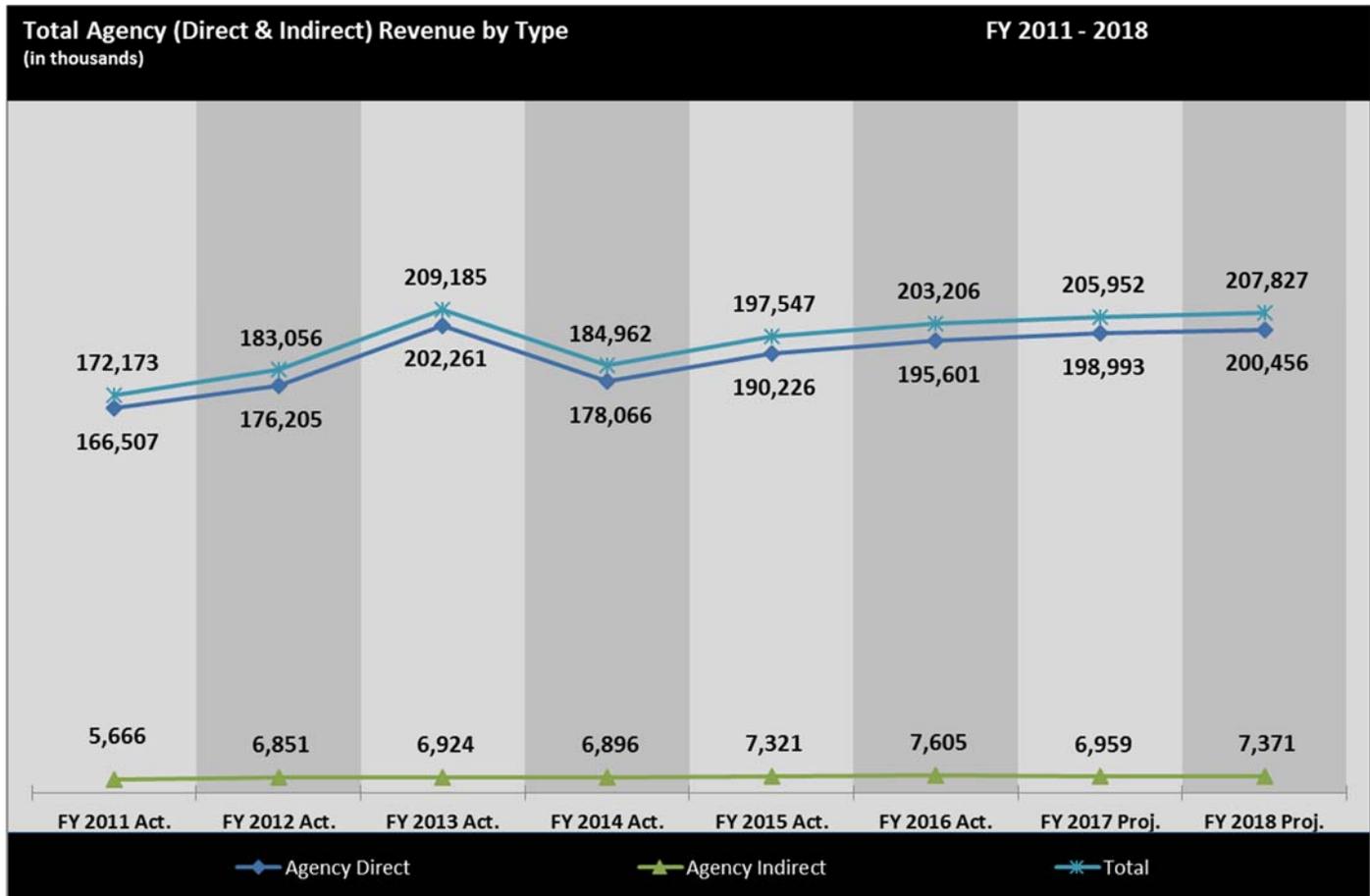
One of the essential services the RF provides to the SUNY research community is Sponsored Programs Administration. Campuses project five years of grants and contracts direct and indirect activity by sponsor type (see Appendix A on page 16 for campus projections).

Direct and Indirect Activity by Sponsor Type



Agency Activity

With systems already in place to support sponsored programs, the RF is able to generate funds by providing “agency services” to campus-related organizations. Agency services include human resources, payroll, and purchasing services provided to clinical practice plans, outpatient facilities, affiliated health care facilities, and campus-based foundations. Examples of campus related organizations are Stony Brook’s Clinical Practice Management Plan (CPMP) and the Binghamton University Foundation. Campuses project five years of agency services direct and indirect activity by source of funds.



Corporate Reserve

The following table shows the activity related to the corporate reserve:

Corporate Reserve (in thousands)	2017 Estimated	2018 Projected
Opening balance	\$9,454	\$9,454
Allocable from undistributed investment income ending balance	0	0
Ending balance	\$9,454	\$9,454

Investment Income and Undistributed Investment Income

The following tables show the projected activity related to investment income and the undistributed investment income balance:

Investment Income (in thousands)	2017 Estimated	2018 Projected
Investment income	\$10,731	\$10,000
Treasury/investment expenses	(690)	(690)
Net investment income	10,041	9,310
Funding to corporate reserve	0	0
Funding to campus initiatives	0	0
To undistributed investment income	\$10,041	\$9,310

Undistributed Investment Income (in thousands)	2017 Estimated	2018 Projected
Opening balance	\$338	\$16,517
Interest charge to campuses	6,139	6,382
Funding from investment income	10,041	9,310
Ending balance	\$16,517	\$32,210

Fringe Pool

The RF recovers the funds needed for the cost of employee fringe benefit programs, which include health insurance, retirement, Social Security, and other costs, by applying fringe benefit rates to accounts that fund employee salaries and wages. Included within the other costs charged to the fringe benefit pool are \$1.4 million incurred by the RF central office to administer and provide additional fringe benefits. These rates are negotiated each year with the U.S. Department of Health and Human Services.

Fiscal Year	Regular Employees	Graduate Students	Undergraduate Students	Summer Employees
2017	45.50	14.00	5.00	14.00
2018	40.00	14.00	5.00	14.00
2019*	41.00	14.00	5.00	14.00
2020*	42.50	17.00	5.00	15.00
2021*	43.50	17.50	5.00	15.00

* The 2019 rate is a provisional rate and the 2020 and 2021 rates are projections for budgeting purposes only.

Salary Plan

Based on current and projected economic conditions and sponsored research funding levels, campuses may authorize increases up to the following for RF employees:

Employee Type	Cost of Living	Discretionary Pool
Administrative	Up to 2%	Up to 2%
Sponsored Program	Up to 2%	Up to 2%

Campus Initiatives

Total Investment of 2018 Funds \$1,380,850

Increasing Efficiency through Automation \$1,054,250

Initiative/Program	Description	Investment
SUNY Pre-Award and Compliance System (SUNY PACS) – Finish Phase 1 and launch Phase 2: Integrate with Oracle and Report Center	<p>A new enterprise-wide pre-award and compliance system (Huron Click) implemented at the University at Buffalo (lead campus) and live or “rollout ready” for the remaining campuses.</p> <p><i>Phase 2 will involve analyzing the integration needs with:</i></p> <ul style="list-style-type: none"> • <i>Oracle Award Establishment to reduce duplicate data entry and</i> • <i>Oracle Report Center for tracking proposal data and other key metrics</i> <p>SUNY PACS will enable faculty and administrators to realize:</p> <ul style="list-style-type: none"> • Easier proposal development and faster proposal routing. • Improved and streamlined compliance. • Reporting on proposal data – submittals and wins. 	<p>\$800,000 (first year of 7-year payback plan)</p> <p><i>Total project budget is \$6.5 million</i></p>
E-time Reporting	<p>In FY2016 a campus/RF team designed and implemented an automated time and leave system. Demonstrating a commitment to stabilization and campus adoption of new system implementations, the RF committed resources in FY2017 to maintain this focus.</p> <p><i>The RF team will continue this work in FY2018, with a focus on implementing additional, campus-required functionality and rolling the system out to additional campuses.</i></p> <p>The system allows RF employees (faculty and project staff) to:</p> <ul style="list-style-type: none"> • Enter their own time and leave, eliminating an estimated 177,000 pieces of paper per year currently handled by campus HR staff. 	<p>\$50,000 (first year of 7-year payback plan)</p> <p><i>Total project budget is \$350,000</i></p>
Report Center Training * New *	<p>The Report Center serves as a gateway to RF business system data to many audiences across the campuses and central office, including principal investigators.</p> <p><i>Responding to campus feedback on the tool, FY2018 work will focus on widespread, comprehensive training and data dictionary documentation.</i></p> <p>This work will:</p> <ul style="list-style-type: none"> • Enable faculty, administrative staff, and central office staff to locate reliable, consistent data to answer questions. • Provide leadership with key performance indicators for evidence-based decision making. 	<p>\$75,000</p>

Increasing Efficiency through Automation (cont.)

\$1,054,250

Initiative/Program	Description	Investment
<p>SciQuest Western NY</p>	<p>A group of SUNY campuses in Western New York (University at Buffalo, Buffalo State, Geneseo, Brockport, Fredonia, Alfred State) are implementing SciQuest, an e-procurement system that automates low risk, transactional procurement activities. This is a SUNY-led project that includes RF in its scope for an "all funds" (RF and NYS dollars) implementation.</p> <p><i>While the SUNY project is already underway, system changes on the RF-side are currently being defined for FY2018.</i></p> <p>Successfully implemented at Stony Brook, the new system:</p> <ul style="list-style-type: none"> • Decentralizes purchasing to end-user departments, where principal investigators and administrators can access a marketplace catalog and online shopping cart. • Provides access to campus, regional, SUNY, and state contracts and pricing agreements. • Offers electronic invoicing. 	<p>\$0 new dollars in FY2018</p> <p><i>(plus \$63,750 rollover from FY2017)</i></p>
<p>Manager Self Service Support for Current Campuses</p>	<p>Manager Self Service is an Oracle product introduced as part of the last Oracle upgrade. This product enables human resources staff or a project administrator to submit and approve HR transactions online and upload into the Oracle business system without re-keying the data. At the time of rollout, five locations including central office implemented the product to varying degrees.</p> <p><i>There are many efficiencies to be gained using the system, but a few systematic bugs and one maintenance issue prevents the product from being used to its full potential. This will be the focus of FY2018 work and will ensure the successful adoption of the product by the five campuses and prepare for system-wide adoption.</i></p> <p>This work will:</p> <ul style="list-style-type: none"> • Further reduce time and paper by allowing just labor schedule changes to be updated after electronic approval. 	<p>\$129,250 new dollars in FY2018</p> <p><i>(plus \$64,000 rollover from FY2017)</i></p>

Increasing Efficiency through Automation (cont.)

\$1,054,250

Initiative/Program	Description	Investment
Patent Policy Implementation – <i>Oracle/Inteum Integration</i>	<p>This project continues RF work to adjust its administrative backbone and internal controls to adopt SUNY’s new Patent and Inventions Policy.</p> <p><i>In FY2018, the primary focus is on integrating RF’s Inteum databases with the RF Oracle Business System, allowing for a single accounts payable transaction for technology transfer payments.</i></p> <p>This work will:</p> <ul style="list-style-type: none"> Align RF business practices to SUNY’s new regulation. Mitigate risk related to new flexibility in industry-facing transactions. 	<p>\$0 new dollars in FY2018</p> <p><i>(plus \$54,400 rollover from FY2017)</i></p>

Sponsored Programs Administration/Compliance

\$0

Initiative/Program	Description	Investment
Documentation of Compensation for Personal Services (formerly Effort Reporting)	<p>With the new language in OMB Uniform Guidance regarding documentation of compensation for personal services, the RF has evaluated the controls required to ensure compliance and reduce audit risk and developed an alternative to the ecrt effort reporting system for the University at Buffalo’s request.</p> <p><i>The RF will continue this analysis in FY2018 in partnership with an established campus team and expects to have a recommended course of action by Spring 2018.</i></p> <p>This work will:</p> <ul style="list-style-type: none"> Ensure faculty and administrators are following Uniform Guidance regulations on documentation of compensation for personal services. Improve the existing effort reporting system to ensure the successful adoption of the system by current users. Provide an alternative solution for effort reporting for the University at Buffalo. 	<p>\$0 new dollars in FY2018</p> <p><i>(plus \$34,250 rollover from FY2017)</i></p>
Campus Learning and Development Needs Analysis	<p>The RF, under the direction of a new Learning and Development Manager, will perform a comprehensive learning and development needs assessment for campus staff, focused on campus-defined requirements related to the business of the RF, research administration, and activities that help RF staff do their jobs more effectively and efficiently.</p>	<p>\$0</p>

Keeping Fringe Benefit Rates Competitive

\$6,600

Initiative/Program	Description	Investment
<p>Fringe Benefit Implementation</p>	<p>Implementation of recommendations that resulted from the Fringe Benefit Rate Review project, which were approved by the RF Board of Directors on February 26, 2016 to:</p> <ul style="list-style-type: none"> • Use a private health insurance exchange for current and future Medicare-eligible retirees and dependents effective 1/1/17 (COMPLETE) • Add an additional tier (“Tier V”) to the Basic Retirement Plan for future employees effective 1/1/18 (work underway and continuing into FY2018) <p>The implementation of the approved recommendations provides a means to make the fringe benefit rate for the regular employee pool more competitive with RF peers and sustainable over time. At the same time, the recommendations allow the RF to continue to offer a competitive benefits package to attract and retain top talent.</p> <p>The changes will provide an:</p> <ul style="list-style-type: none"> • Estimated savings of approximately \$184,000,000 over the next 10 years. • Approximate 45% reduction in the post-retirement medical plan liability. 	<p>\$0 new dollars in FY2018</p> <p><i>(\$120,270 FY2017 budget charged to fringe pool¹)</i></p>
<p>Postdoctoral Employee Fringe Benefit Rate Implementation</p> <p><i>* New *</i></p>	<p>This project was initiated at the request of SUNY Vice Presidents for Research and other stakeholders to create a new classification for postdoctoral trainees with an associated lower fringe benefit rate. A review of postdoctoral fellows was also requested as these individuals are not considered employees or students and the cost of benefits cannot be paid for by the fringe pool and must be absorbed by the grant or the individual.</p> <p><i>Following a detailed review conducted in FY2017 and recommendations approved by the BoD (pending), this project would implement the recommendations.</i></p> <p>The goal is to:</p> <ul style="list-style-type: none"> • maintain SUNY’s competitiveness in the postdoctoral market. 	<p>\$6,600</p> <p><i>(remainder of \$146,100 budget charged to fringe benefit pool¹)</i></p>

¹ Direct costs of fringe benefits at all locations, as well as eligible costs for benefit administration, are charged against the RF-wide fringe benefit pool. Fringe benefit costs are assessed against salary and wage costs using the federally negotiated fringe benefit rate.

Technology Transfer

\$50,000

Initiative/Program	Description	Investment
Technology Accelerator Fund (TAF)	<p>TAF supports the commercialization of SUNY technologies by funding proof-of-concept and prototyping projects.</p> <p><i>RF will support the independent proposal assessment and customer discovery components of this program.</i></p> <p>Note: SUNY 660 account will fund \$200,000 for TAF awards.</p>	\$50,000

Corporate Initiatives

\$270,000

Initiative	Description	Investment
Measurable Continuous Improvement	<p>This project will institutionalize a discipline for measurable continuous and sustainable improvement for RF functions and processes, ensuring they are the most effective and efficient in the RF environment and that RF management can demonstrate high levels of effectiveness and efficiency. This is iterative work in which RF management:</p> <ul style="list-style-type: none"> • Evaluates, at the organizational level, its effectiveness and efficiency and the measures in place for tracking effectiveness and efficiency, • Establishes new metrics as needed, and • Implements process and organizational changes where warranted to improve overall effectiveness and efficiency. 	<p>\$0 new dollars in FY2018</p> <p><i>(Pilot for 3 functions funded through FY2017 RF Foundation Initiatives budget)</i></p>
RF Strategic Plan <i>* New *</i>	<p>With the new separation of duties between the RF President and the SUNY Vice Chancellor for Research and Economic Development, the Office of Strategy and Planning will drive a strategic planning process in partnership with the RF President, RF Leadership Team, and campus leadership to develop and implement a new Strategic Plan for the RF.</p>	\$20,000
Oracle Portal Analysis	<p>The RF Portal is an Oracle web-based application that provides Intranet services to campus and RFCO staff. The purpose of this project is to complete a detailed business analysis of the portal application and services portfolio. The analysis will ultimately culminate in a detailed business requirements document that will serve as a basis for determining a replacement solution (myRF, public website, etc.), determine cost for said replacement, and a project plan for replacement/decommission.</p>	\$0

Corporate Initiatives (cont.)

\$270,000

Initiative	Description	Investment
IT Services Analysis	<p>The RF's existing IT services agreement expires at the end of FY2019. The IT Services Analysis will serve as a foundation for determining whether the RF should continue to outsource its IT services; bring the services in-house; or some combination of both. The analysis will not only look at cost, but will also assess the quality of existing services that are provided.</p> <p>This work will ensure that:</p> <ul style="list-style-type: none"> • RF IT services are high quality and cost effective. 	\$0
Foundation Initiatives	<p>Support for growth and compliance initiatives that arise during the fiscal year. These funds provide RF with the ability to quickly react and respond to changes in RF environment, capitalizing on opportunities and responding to threats.</p>	\$250,000

Initiatives and Areas Transitioning to SUNY

The SUNY Vice Chancellor for Research and Economic Development will lead and manage the following initiatives previously led by the RF. FY2017 funds are rolled over as indicated in the table below. Future year funding will be part of the SUNY budget process.

Initiative/Program	Description	Investment
SUNY Creates	Formerly the SUNY Networks of Excellence program, SUNY Creates will focus, based on campus feedback, exclusively on workshops and bringing faculty together for collaboration. Anticipated outcomes include: <ul style="list-style-type: none"> Increased proposal submissions, preferably for large center grants in support of campus Performance Improvement Plans. New faculty connections and research teams. 	\$125,000 (FY2017 rollover)
SUNY Clinical Trials Research Institute (formerly the SUNY Clinical Trials Alliance)	The SUNY Clinical Trials Research Institute seeks to bring together the SUNY Academic Medical Centers (Stony Brook, University at Buffalo, Upstate Medical University, and Downstate Medical Center), SUNY Optometry, and Binghamton University to form an integrated infrastructure for conducting clinical trials across SUNY. In the year ahead the program will be further defined and leading campuses identified. The primary goals of the alliance are to: <ul style="list-style-type: none"> Increase multi-site clinical trials across the SUNY system. Present a unified infrastructure – streamlined IRB, contracting, and budgeting and aligned policies, procedures, and training to industry to increase SUNY's ability to win multi-site trials. 	\$20,000 (FY2017 rollover)
Comprehensive and Technology College Research Agenda	The comprehensive and technology colleges seek to increase sponsored activity in this sector. The goals are to: <ul style="list-style-type: none"> Increase sponsored activity across this sector. Engage teaching faculty in research. 	\$25,000 (FY2017 rollover)
Graduate Student Research Incentive	The University Faculty Senate Graduate and Research Committee and the RF administered this program in FY2016 and FY2017, providing \$1,000 stipends to pre-doctoral graduate students applying for the NIH Ruth L. Kirschstein NRSA F31 or F31 grants after the student completed a prerequisite grant writing training. The program will be assessed in FY2018.	\$0 (no rollover funds)

Note: Research Foundation staff support the Vice Chancellor's initiatives.

Appendix A: Sponsored Program Revenue Projections

Campus Name	Actual						Projections		% Change 2011 to 2018
	2011	2012	2013	2014	2015	2016	2017	2018	
University at Albany	\$ 109,096,500	\$ 106,885,405	\$ 87,376,569	\$ 89,065,519	\$ 80,774,763	\$ 89,272,408	\$ 104,717,822	\$ 91,204,104	-16.4%
SUNY Polytechnic Institute (CNSE)	228,314,475	223,654,839	329,485,565	365,508,174	256,783,744	277,235,420	264,282,306	168,225,846	-26.3%
Binghamton University	38,645,532	40,196,877	34,903,689	31,662,356	35,727,510	36,737,676	39,309,000	41,701,000	7.9%
University at Buffalo	151,962,038	157,116,809	150,425,733	151,012,729	157,749,767	167,226,517	160,381,768	159,809,699	5.2%
Stony Brook University	183,970,738	182,737,698	175,639,643	160,122,436	169,066,924	160,520,047	167,592,840	167,592,840	-8.9%
SUNY Downstate Medical Center	60,585,838	62,361,048	61,788,121	60,631,230	49,440,828	48,434,001	48,359,729	49,590,887	-18.1%
Upstate Medical University	40,931,591	36,926,766	34,296,743	33,236,841	29,824,041	30,816,692	32,876,643	34,462,380	-15.8%
SUNY Brockport	4,451,481	6,147,853	4,281,365	4,788,443	4,695,668	5,217,542	6,627,371	4,851,485	9.0%
Buffalo State College	40,150,190	29,950,915	24,004,193	23,026,462	22,776,578	23,015,470	21,700,700	20,540,000	-48.8%
SUNY Cortland	3,491,912	3,455,923	3,058,875	3,867,115	3,171,049	2,963,936	1,984,000	1,984,000	-43.2%
SUNY Fredonia	2,686,824	2,853,575	2,680,722	2,625,962	2,599,925	2,653,669	2,832,996	2,861,323	6.5%
SUNY Geneseo	1,419,763	1,639,578	757,644	709,767	1,398,793	1,355,397	1,154,227	1,482,639	4.4%
Old Westbury	1,163,603	1,546,550	2,302,556	2,265,181	2,711,032	1,791,742	2,294,972	2,304,902	98.1%
SUNY New Paltz	4,111,858	4,001,070	3,778,594	3,662,523	3,619,884	2,614,831	2,207,203	2,364,074	-42.5%
College at Oneonta	5,888,543	7,022,350	6,471,584	5,787,779	5,423,984	5,751,914	6,328,248	6,298,632	7.0%
SUNY Oswego	4,176,424	4,924,695	4,938,662	5,804,016	5,481,440	4,902,706	4,759,175	4,901,951	17.4%
SUNY Plattsburgh	6,057,392	6,204,847	6,069,831	4,576,436	4,250,454	4,469,521	5,501,000	5,881,000	-2.9%
SUNY Potsdam	3,240,288	2,992,555	2,890,505	2,714,976	2,721,782	2,947,974	2,863,073	2,892,433	-10.7%
Purchase College	2,726,475	2,295,973	2,003,646	1,815,692	1,724,193	2,018,983	1,938,168	1,788,887	-34.4%
SUNY Polytechnic Institute (SUNYIT)	1,871,896	2,062,898	2,106,705	1,513,462	1,514,681	1,356,326	1,521,556	1,524,255	-18.6%
Empire State College	812,193	868,536	1,196,540	1,513,032	1,602,730	1,195,008	1,474,087	1,498,114	84.5%
Alfred State College	1,159,269	1,867,996	1,351,516	718,296	487,855	1,306,823	2,419,900	2,664,800	129.9%
SUNY Canton	1,833,641	2,164,314	1,773,152	1,412,600	1,339,904	1,235,132	1,371,892	1,358,323	-25.9%
SUNY Cobleskill	3,574,487	2,887,522	2,333,167	1,746,017	1,531,788	1,586,782	1,693,406	1,772,170	-50.4%
SUNY Delhi	375,657	505,187	250,140	253,642	283,628	317,494	244,000	205,800	-45.2%
Farmingdale State College	2,076,988	2,989,075	4,331,883	4,588,302	3,720,438	3,773,079	3,725,383	4,052,330	95.1%
Morrisville State College	2,653,379	1,585,262	1,215,347	1,102,903	1,032,745	866,385	1,000,677	966,604	-63.6%
SUNY ESF	13,356,043	15,073,421	14,439,487	14,563,048	15,645,173	15,307,676	15,304,778	15,552,020	16.4%
Maritime College	15,003	247,160	104,023	771,646	886,072	239,839	712,276	148,091	887.0%
College of Optometry	3,631,454	3,381,262	3,173,941	3,058,834	3,222,881	3,624,982	3,077,691	3,239,338	-10.8%
Sys. Admin - Provost	16,085,225	13,612,766	13,799,135	19,750,578	28,089,450	19,514,777	21,460,258	21,919,885	36.3%
Grand Total	\$ 940,516,702	\$ 930,160,728	\$ 983,229,277	\$1,003,875,997	\$ 899,299,704	\$ 920,270,746	\$ 931,717,145	\$ 825,639,812	-12.2%

Appendix B: Central Office Operations

What is Central Office?

The RF central office exists to support SUNY faculty, staff, and students at 30 SUNY campus locations as well as programs around the world. Staff at central office in Albany N.Y. provide the administrative, legal, financial, regulatory, and technical infrastructure required to manage sponsored programs and technology transfer that otherwise would have to be performed at individual sites, necessitating additional FTEs, equipment, tools, and systems at each location.

What Services does Central Office Provide to Campuses?

1) Central office provides a **Central Shared Infrastructure** that supports campus research activities at all 30 RF locations, including:

- Automated business systems (Oracle modules, Inteum, ecrt, etc.)
- Policies and procedures
- A strong internal control framework
- Advice and counsel
- System-wide services such as F&A rate development and internal audit
- Activities that support RF as a private, nonprofit corporation with functions such as Board of Directors support

The central office also plays a strong facilitative role in bringing all constituents together. This community approach allows for sharing of best practices and continuous improvement to maximize effectiveness and efficiency across the enterprise. Central office also provides support to SUNY System Administration, including assisting with strategic growth of research and innovation across the system.

This central shared infrastructure allows the RF and the campuses it serves to **take advantage of economies of scale** and to **manage corporate risk**.

Refer to **pages 19 through 26** for a description of RF functions.

2) Central Office Provides Services for Specific Campuses – processing sponsored programs transactions and technology transfer activity, including:

Sponsored Programs Services for 23 Campuses: <ul style="list-style-type: none"> • Award & Contract Review and Negotiation • Award Establishment and Maintenance • Accounts Receivable 	Payroll Services for 8 Campuses: <ul style="list-style-type: none"> • Payroll Data Entry
Technology Transfer Services to 22 Campuses <ul style="list-style-type: none"> • Disclosure • Evaluation • IP Protection • Customer Discovery • Partnering • Product Development • Public Use & Financial Returns 	

Campus by Service Type Matrix (blue indicates campus does not use service)

Campus	Central Shared Infrastructure (see function descriptions by business area on pages 19 through 26)	Shared Services		
		Sponsored Programs	Technology Transfer	Payroll Input
1) Albany	X			
2) Binghamton	X			
3) University at Buffalo	X			
4) Poly	X			
5) Stony Brook	X			
6) Downstate	X	X		
7) Upstate	X			
8) ESF	X	X	(Binghamton)	
9) Optometry	X	X	X	X
10) Alfred	X	X	X	X
11) Brockport	X	X	X	
12) Buffalo State	X	X	X	
13) Canton	X	X	X	X
14) Cobleskill	X	X	X	
15) Cortland	X	X	X	
16) Delhi	X	X	X	X
17) Empire State	X	X	X	X
18) Farmingdale	X	X	X	
19) Fredonia	X	X	X	
20) Geneseo	X	X	X	X
21) Maritime	X	X	X	X
22) Morrisville	X	X	X	
23) New Paltz	X	X	X	
24) Old Westbury	X	X	X	X
25) Oneonta	X	X	X	
26) Oswego	X	X	X	
27) Plattsburgh	X	X	X	
28) Potsdam	X	X	X	
29) Purchase	X	X	X	
30) SUNY System	X			

Function Descriptions

(Note: The transactional activities for functions highlighted in yellow are also offered as a shared service to specific campuses as noted in table on page 18)

Business Area	Central Function/Service
Audit	<p>1. Internal Audit/Advisory Support: Assists management at all RF locations in the fulfillment of its responsibilities to maintain an adequate system of internal controls. Internal Audit provides independent appraisals, recommendations, and analysis on the financial and operational controls of all offices.</p>
Communications	<p>2. Communications and Messaging: Creates and advises on consistent messaging in RF communications to internal and external stakeholders, including articles, reports, presentations, project communications, etc.</p>
	<p>3. External Information Requests (FOIL/FOIA/Media): Manages, in partnership with campuses OMs, campus communication staff, and SUNY System Administration as may be necessary, RF responses to media, FOIL, FOIA, and other external requests.</p>
	<p>4. Promoting SUNY Research – Content Development, Presentation and Distribution: Manages the development, presentation, and distribution of content that helps to promote SUNY research.</p>
	<p>5. Public Website Content Management and Website Maintenance: Responsible for RF public website content management and training.</p>
	<p>6. Social Media, Sponsorship and Conference Planning: Oversees outreach and engagement through social media platforms and conference and sponsorship planning.</p>
	<p>7. Web Governance: Responsible for the RF’s public and internal online presence and the tools used to maintain and support them. In addition, ensuring the people, processes, and budget are in place to sustain the web presence.</p>

Business Area	Central Function/Service
Compliance Services	8. Corporate Ethics and Values: Manages and provides oversight over the RF Code of Conduct, Conflict of Interest, Ethics Hotline management, Fraud policy, and all other corporate ethics policies and procedures.
	9. Information Security: Ensures adequate security protocols are in place to protect RF systems and data.
	10. Internal Controls and Risk Management: Oversees the Enterprise Risk Assessment, mitigation plans, and the RF's internal controls program.
	11. Policy and Procedure Administration: Oversees policy development and governance.
	12. Privacy and HIPAA: Ensures RF programs and systems are in compliance with HIPAA.
	13. Research Compliance: Oversees compliance over export controls, misconduct in science, human subject protections, use of animals in research, select agents, and regulatory compliance. This function is primarily campus and SUNY based.
Finance	14. Accounts Payable: Manages the disbursement of payments to suppliers for all RF operating locations.
	15. Cash Receipts/Banking: Performs all cash managing and monitoring activities for the RF and establishes and maintains RF bank accounts.
	16. Federal Rate Development (Indirect Cost Proposal/ Special Rates): Develops and negotiates the Facilities and Administrative (F&A) cost proposals with federal agencies to establish the rates charged for overhead on federal awards, and develops special rates, including service center rates.
	17. Financial Planning & Analysis: Provides planning, analysis, direction, and management for the functions of corporate reporting, central office planning, budgeting, and spending.
	18. Fixed Asset Management: Oversees all aspects of RF property management and the property control system to assure compliance with regulatory and sponsor guidelines.

Business Area	Central Function/Service
Finance (cont.)	19. Fringe Rate Development: Develops and negotiates fringe benefit rates with the Department of Health and Human Services (DHHS).
	20. Generally Accepted Accounting Principles ("GAAP") Financial Accounting/Reporting: Provides accurate, complete, valid and timely information to internal and external users of financial information, including sponsors, legislators, the public, RF leadership, SUNY, and the RF board of directors on the RF's financial health in accordance with GAAP.
	21. Income Fund Reimbursable: Oversees the IFR and cost sharing for personnel costs (related to SUNY payroll) processes in the RF business system.
	22. Insurance: Oversees all insurance activities for the RF, including equipment and property insurance at central office and the campuses.
	23. Investments: Oversees RF investments, investment income, and the vendors hired to manage RF investments.
	24. Labor Distribution: Oversees the labor distribution processes in the RF business system that ensure an employee's salary is distributed to the appropriate award.
	25. Payment Taxation Compliance: RF corporate tax reporting, including year-end statements (W-2, 1099, 1042s), quarterly/yearly tax returns, and tax status for proper withholdings.
	26. Payroll ² Running payroll through the RF business system, and distributing and reporting on RF payroll.
	27. Purchasing: Oversees all activities related to procuring goods and services across the Research Foundation.

² The transactional activities for functions highlighted in yellow are also offered as a service central office provides to specific campuses as noted in table on page 18

Business Area	Central Function/Service
Finance (cont.)	<p>28. The Research Management and Support Fund Administration: Develops key inputs to the annual RF Operating Plan and provides financial oversight and analysis of spending and funding against the plan. FPA allocates approved Operating Plan estimates to campus accounts and performs a true up at the end of the fiscal year. Research Management and Support (RMS) allocations are unrestricted funds allocated to campuses through the Operating Plan approved by the Board of Directors. The Operating Plan outlines how the RF will earn and allocate unrestricted revenue during its fiscal year that runs from July 1 through June 30.</p>
	<p>29. Risk Tolerance Management: Monitors and evaluates campuses who are not within pre-established tolerance ranges for the percent of at risk receivables to working capital, SPAR, and total activity.</p>
	<p>30. System Admin 660 Administration: Review, approval, and preparation of payments for System Admin expenditures (Campus Code 660).</p>
	<p>31. Treasury Management: Manages cash for the corporation and oversees the RF's short term investment accounts.</p>
Human Resources	<p>32. Benefit Administration: Oversees all RF benefits programs and benefit program administration.</p>
	<p>33. Benefit Programs: Develops and implements benefit programs for the RF.</p>
	<p>34. Classification and Compensation: Responsible for the RF Salary Plan and position and employee classification and compensation.</p>
	<p>35. Diversity and Inclusion: Oversees RF activities that support SUNY's Policy on Diversity, Equity and Inclusion.</p>
	<p>36. Employee Relations and Affirmative Action Infrastructure: Provides guidance on employee relations issues and oversees affirmative action for the RF.</p>
	<p>37. Learning and Development: Responsible for the development, delivery, and curation of training resources that assist employees in all areas of RF operations as well as leadership and professional development.</p>

Business Area	Central Function/Service
Human Resources (cont.)	38. Non-Citizen Employment: Manages all activities related to non-immigrant visas and the employment of non-citizens outside the U.S.
	39. Staffing and Appointments: Responsible for employee classification, recruitment, and all activities related to employee appointments.
	40. Time and Leave Administration: Oversees leave administration and time reporting, ensuring RF compliance with the Federal Labor Standard Act (FLSA) and New York State wage and hour administration.
	41. Union Relations: Monitors campuses for unionization risk and supports campus stakeholders during unionization campaigns.
Innovation & Partnerships	42. Enterprise Technology Transfer³: Supports and empowers campuses to engage in effective and efficient technology transfer through customer relationship management and a disciplined risk management protocol.
	43. Innovation Analytics: Provides data collection and analysis relevant to RF's technology transfer activities to inform strategic decision-making at all levels of the organization.
	44. Technology Transfer – Discovery⁴: Educates administrators, faculty, staff, and students on the technology transfer process (e.g., delivering presentations and training) and their engagement in the process; provides assistance at proposal development stage; pre-disclosure assistance and guidance (e.g., commercialization plan review); invention management; compliance with public and private sponsor requirements or regulations.
	45. Technology Transfer – Disclosure: Intake and processing of new technology disclosures (e.g., docketing); use of RF's Inventor Portal; sponsorship verification and diligence; ensuring required documentation is complete; routing of disclosure to appropriate campus stakeholders.

³ The transactional activities for functions highlighted in yellow are also offered as a service central office provides to specific campuses as noted in table on page 18

⁴

Business Area	Central Function/Service
Innovations and Partnerships (cont.)	46. Technology Transfer – Evaluation: ⁵ Develops marketing and patentability assessments and uses the same to make strategic business decisions regarding disclosures.
	47. Technology Transfer – IP Protection: Develops and manages an IP protection and enforcement strategy for inventions (e.g., patent application drafting and prosecution, copyright registration)
	48. Technology Transfer – Customer Discovery, Partnering & Investor Development: Outreach to and engagement of technology commercialization partners (e.g., licensees, VCs, angel investor networks, pre-seed fund managers, entrepreneurs, business mentors) to enhance the success of SUNY startups and innovation; testing invention value propositions; developing business models; seeking end-user and customer input; marketing of inventions; startup formation and support; drafting, and negotiation of various types of agreements.
	49. Technology Transfer – Product Development: Ensures partners are using diligent efforts to commercialize inventions.
	50. Technology Transfer – Royalties Management: Ensures the royalty provisions of SUNY Patents and Inventions Policy are adhered to; making the appropriate royalty distributions to inventors; administration and management of various types of agreements (i.e., licenses, options, MTAs, Industry Sponsored Research, LLC Operating Agreement, Stock Purchase Agreement)
	51. Joint Ventures – Affiliated Corporations & Startup Formation: Supports the development of partnerships by providing the framework and controls for corporate establishment and oversight.

⁵ The transactional activities for functions highlighted in yellow are also offered as a service central office provides to specific campuses as noted in table on page 18

Business Area	Central Function/Service
Information Technology	52. Business Analysis and Application Portfolio: Software application development, RF Business System maintenance, and business analysis in support of systems, software, and process reengineering.
	53. Data Services: Business intelligence application development, maintenance, and support. The function manages the RF Report Center, a robust analytical application for the user community to aid in data delivery and process reengineering through business automation for operational efficiencies.
	54. Infrastructure and Operations: Implements all aspects of the RF's IT program, ensuring that the lights remain on, data in the systems are secure, and business processes are in place to ensure data security, disaster recovery, and superior end user support.
Legal	55. Legal Services: Responsible for all activities related to the legal support of all other RF functions.
	56. Board of Directors Support: Planning, coordinating, and facilitating three in person directors' meetings per year plus more frequent meetings of the Board's committees. RF central office's primary liaison to the Board of Directors and Board's source of resources and assistance throughout the year.
Contracts & Grants: Pre and Post Award	57. Accounts Receivable: Manages invoicing and collecting funds from sponsors.
	58. Award & Contract Review and Negotiation: Processing and ensuring the compliance of sponsored programs agreements for the Research Foundation.
	59. Award Establishment and Maintenance: Establishes and monitors awards from sponsors to conduct research at SUNY campuses.
	60. Sponsored Programs Administration and Compliance: Manages grant or sponsored program funds once an award has been accepted and ensures compliance with university, sponsor and government policies and procedures.

⁶ The transactional activities for functions highlighted in yellow are also offered as a service central office provides to specific campuses as noted in table on page 18

Business Area	Central Function/Service
Contracts & Grants: Pre and Post Award	<p>61. Pre-award Systems: Responsible for overseeing the identification of award opportunities, the preparation and submission of proposals, and the SUNY PACS system. This function is primarily campus based.</p>
Strategy & Planning	<p>62. Strategic and Annual Operating Plans: Develops the RF strategic and annual operating plans, monitors corporate projects, and ensures timely response to changes in the environment, appropriate use of resources, enterprise-wide planning, and quality customer service.</p>
	<p>63. Strategic Planning Analysis/Key Performance Indicators: Collects, analyzes, and reports key metrics in support of data-driven decision making by RF and SUNY leadership.</p>
	<p>64. Vice Chancellor for Research and Economic Development Support: Supports the SUNY Vice Chancellor for Research and Economic Development through programs, meetings, and developing research collaborations and partnerships.</p>
	<p>65. Customer Relationship Management (CRM): Ensures appropriate continuous engagement between RF central office, campus stakeholders, and SUNY System stakeholders. Included is oversight of the appointment, orientation, delegation of authority, training & development and review of RF Operations Managers (OMs) on campuses.</p>

Research Foundation Fiscal Year 2018 Operating Plan

The following tables provide a reconciliation of the Corporate Chargebacks per the Operating Plan to the funding of the central office budget. The surplus is to address contingencies, partially fund the transition to a new assessment model, or be returned to the campuses.

	2017 Plan	2017 Estimate	2018 Plan
Funding of Central Office Budget	(in millions)		
Corporate Chargebacks	32.7	32.7	31.6
SUNY Strategic Plan Assessment	(2.5)	(2.5)	(2.5)
Corporate Reserve	0.0	0.0	0.0
External Borrowing	1.6	1.6	0.0
Total	31.8	31.8	29.1

	2017 Plan	2017 Estimate	2018 Plan
Central Office Budget Expenses	(in millions)		
Salaries (including Fringe and net of reimbursements)	17.2	16.1	17.1
Campus Initiatives and External Borrowing	2.9	1.8	1.4
IT (outsource and pass thru)	6.9	6.4	6.6
Facilities	0.8	0.8	0.8
Insurance/Fees	1.0	1.1	1.1
Other Costs	2.0	2.0	2.1
Total	30.8	28.2	29.1

Carryover for Projects to Continue in 2018	0.0	1.1	0.0
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Surplus	1.0	2.5	0.0
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Glossary

Agency Services Direct Costs

Campus-related organizations using RF human resources, payroll, and purchasing services (for example, clinical practice plans and campus-based foundations).

Corporate Chargebacks

In fulfilling its responsibilities, the RF charges the campuses for the services it provides through either an assessment formula, allocation of costs, or direct offset to investment income.

Corporate Reserve

The RF maintains and periodically funds a corporate reserve to provide additional liquidity to cover cash flow and contingencies.

Equity Distribution from Brookhaven Science Associates

The RF is a partner in Brookhaven Science Associates LLC (BSA), which runs Brookhaven National Laboratory. The LLC provides equity distributions to the members.

Fees Paid by Third Parties for Service Centers

The RF recovers costs from businesses and industries using RF-owned facilities, such as an MRI facility or nanotechnology clean room.

Grants and Contracts Direct Costs

Grants and contracts to faculty researchers and scholars provide direct dollars for expenditures that can be identified with a particular sponsored project. Examples include salaries, supplies, equipment and travel.

Grants and Contracts Indirect Costs

Grants and contracts to faculty researchers and scholars provide indirect costs for overhead, or “facilities and administrative” costs. Cost recoveries come in the form of reimbursements by sponsors for things that cannot be directly and uniquely assigned to any particular project such as utilities and libraries.

Investment Income

Investment income is projected based upon an assumed average investment balance and a targeted long-term investment return.

Royalties from Licensees

Intellectual property commercialization generates royalties from companies that have licensed RF-owned intellectual property.

Royalties Paid to Inventors

The SUNY Patent Policy dictates that 40-45% of royalties be paid to the inventor of intellectual property.

SUNY Strategic Plan Assessment

SUNY System Administration receives a formula-based allocation that may be used in support of its strategic plan.