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November 28, 2011

TO: Office of Information and Regulatory Affairs
Office of Management and Budget
Docket Library

FROM: Suzanne Plimpton
Reports Clearance Officer
National Science Foundation

SUBJECT: Amendment to OMB clearance 3145-0100, "Survey of R&D Expenditures at Universities and Colleges"

Attached for your records is the electronic submission of the amendment to the OMB clearance until 10/31/13 of the following collection:

- 3145-0100, "Survey of R&D Expenditures at Universities and Colleges"

This amendment concerns the FY 2011 Higher Education R&D (HERD) Survey questionnaire. The change requested is to modify two items on the HERD survey.

The survey change will expand questions 7 and 8 to include more categories of pass-through and subrecipient entities in order to obtain more detail requested by data users about the various types of pass-through arrangements. During the survey redesign, there was considerable interest at the data user workshop in obtaining more detail about industry and university collaboration, but no consensus was reached on how best to measure the collaboration. Due to the number of other changes planned for the survey during the redesign, we did not focus on any possible changes to the pass-through and subrecipient questions. However, once the project had concluded we were approached by data users from the Michigan University Research Corridor who emphasized that data on pass-throughs to universities from industry was very important and should be captured if possible. A more detailed breakout will be able to show the collaboration taking place between universities and other universities, businesses, or nonprofit organizations. These data are also valuable for universities and states to benchmark against each other. For example it will show how well each is doing in winning subcontracts from these sources in addition to prime awards.

Based on these discussions, NSF decided that expanding the categories on the pass-through and subrecipient funding questions would greatly increase the usefulness of the data with minimal increase in burden. Because the institutions already need to be able to sort the pass-through and subrecipient expenditures by entity (grouping by higher education entities vs. all others), we know that the entity type is tracked in their accounting systems in some form. However, we recognize that some institutions may need to add more specific accounting codes in order to provide the precise detail and may not be able to report fully for FY 2011. Therefore, we have included a special notice under the instructions for each question stating if the breakout is not easy to provide, they should continue to report by the previous categories of higher education institutions and all other entities. Just as in earlier years when new items have been added such as federal agency detail or non-science and engineering R&D, we will publish tables showing institution level detail for those who can report by the additional categories, and show N/As as needed for those institutions unable to report the detail. We will not impute for missing responses to these categories in the FY 2011 publicly released data.

We have also revised the instructions in two areas on the FY 2011 HERD survey based on feedback received after the FY 2010 survey cycle. The definition of institutionally funded research was clarified to include anything expended from an account dedicated to research. This definition was reworded due to confusion over the term “institutionally financed organized research” in the FY 2010 survey which prompted several requests for clarification from survey respondents. A few large research institutions reported that their definition of organized research for OMB A-21 purposes only includes projects that have a proposal and award process (much like externally sponsored projects). NSF has always been interested in all current operating expenditures used for research, including faculty start up funds and bridge funding, but prior to FY 2010 we were unaware of the differences in interpretation surrounding the term “organized research” when it involves institutionally funded projects. The goal of revising the instructions is to reduce ambiguity in the definition used and increase the comparability of the institutional funds reported across institutions. The other change to the instructions was to add a bullet under the R&D Does Not Include list on page 2 reminding respondents that unrecovered indirect costs above their institution’s federally negotiated rate should not be included. This was due to confusion expressed by a few respondents about whether to calculate unrecovered indirect costs based on their actual (proposed) rate or their final negotiated rate. This instruction already exists under question 1, we added the instruction to the R&D Does Not Include list simply to increase visibility.

Based on discussions with respondents regarding the new items, we expect a minor increase to the burden estimate due to these changes. We estimate these new questions should require an average of no more than 30 additional minutes per respondent for the FY 2011 survey. This increase totals 404 hours of additional burden. The HERD questions 7 and 8 expansion is optional and should only be reported if it does not require significant additional time to manually compile from the institutional data systems. Because this increase in average burden is estimated to be under one hour, we have retained the current burden estimate listed in whole hours on the survey form.

Please note we are continuing to collect actual burden reports from all survey respondents in order to provide OMB with a report on the one-time versus recurring burden as part of the next request for Information Collection clearance.

If you have any questions, please call me at 703-292-7556.

Form 83-C

Attachment 1: FY 2011 Higher Education R&D Survey instrument