



## Internal Audit Report

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# RESEARCH CENTER SURVEY

*Report No. SC-11-10*

July 2011

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ALISON GALLOWAY  
Executive Vice Chancellor

**Re: Internal Audit No. SC-11-10 – Research Center Survey**

Dear Alison:

Internal Audit & Advisory Services (IAS) has completed a review of campus Research Centers to determine overall compliance with applicable laws and regulations, and university policies and procedures.

Overall, research units we reviewed were individually well managed, operated in accordance with their intended purpose, and were in general compliance with financial policies and applicable federal contract and grant restrictions.

However, processes for establishing, naming, approving, monitoring, elevating or disestablishing non organizational research units (non-ORU's) were not widely known and practiced. Consequently, such research units were formed without central campus oversight and were not in compliance with system-wide and local policy.

A review of the relevancy of existing local policy and practices over non-ORU's is needed to determine if they are still applicable in addressing the desired level of oversight of these units, including the visibility of senior management and alignment with overall campus research goals.

Agreement was reached on all of the report's recommendations. Normal follow-up activity will be performed to verify completion of the agreements.

We would like to express our appreciation to your office, the Office of Research, the Academic Senate Office, and campus research accountants for their cooperation and assistance throughout this engagement in the identification and development of corrective actions contained in this report.

Sincerely,

A handwritten signature in blue ink, appearing to read "Barry Long", is positioned above the typed name.

Barry Long, Director  
Internal Audit & Advisory Services

Attachment

Alison Galloway  
July 27, 2011  
Page Two

Distribution:

Professor Gillman  
Director Harhen  
Principal Auditor Lane

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Vice Chancellor Delaney  
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Vice Chancellor Valentino

# RESEARCH CENTER SURVEY

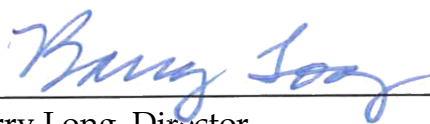
*Report No. SC-11-10*

June 2011



Dave Lane  
Principal Auditor

*Approved:*



Barry Long, Director  
Internal Audit & Advisory Services

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## I. EXECUTIVE SUMMARY

Internal Audit & Advisory Services (IAS) has completed a survey and limited review of research units managed by UCSC to assure overall compliance with applicable laws and regulations, university policies and procedures.

Overall, research units we reviewed were individually well managed, operated in accordance with their intended purpose, and were in general compliance with financial policies and applicable federal contract and grant restrictions.

As there was no current list of research units available, we compiled such a list to inventory campus research units for our review, (see Appendix A). Almost all research units identified were non-organized research units (non-ORUs), also referred to as Focused Research Activities (FRA's). This alerted us to opportunities for the campus to improve oversight of these units, highlight their accomplishments for campus development efforts, and establish procedures to ensure they are officially recognized for their efforts.

Currently, research units are not distinguishable by means of naming conventions and there are no formal processes to approve most research units, review their activities, elevate their status, or disestablish them when their life-cycle has finished.

The following issues requiring management corrective action were identified during the review:

- A. *Processes for establishing, naming, approving, monitoring, elevating or disestablishing non-ORUs are not widely known and practiced. Consequently, such research units are formed without central campus oversight, lack distinctions between research unit types, and are not in compliance with system-wide and local policy.*
- B. *One travel claim paid from a federal grant was unallowable per the specific agreement related to that grant.*

Observations and related management corrective actions are described in greater detail in Section III of this report. An unofficial list of research centers is identified in Appendix A, a list of research units we evaluated is listed in Appendix B, and the *UCSC Policy Concerning Research Units* is included in Appendix C.

## II. INTRODUCTION

### A. Purpose

The purpose of the audit was to identify the types and funding sources of campus research units, and assess controls to ensure that these research units were operating in accordance with their intended purpose and are in compliance with applicable policies and procedures.

### B. Background

A university research unit can be understood as being either an organized research unit (ORU)<sup>1</sup> or non-ORU. The UC policy on ORUs entitled *Administrative Policies and Procedures Concerning Organized Research Units (12/7/99)* describes them as follows:

*An ORU is an academic unit the university has established to provide a supportive infrastructure for interdisciplinary research complementary to the academic goals of departments of instruction and research. The functions of an ORU are to facilitate research and research collaborations; disseminate research results through research conferences, meetings and other activities; strengthen graduate and undergraduate education by providing student with training opportunities and access to facilities; seek extramural research funds; and carry out university and public service programs related to the ORU's research expertise.*

The main distinguishing features of ORUs are that they are officially approved by the university and are subject to policy standards and procedures including formal reviews. The principal benefit of being an ORU is to be officially sanctioned and recognized by the University. Accordingly, UC policy on ORUs defines naming conventions to distinguish between ORUs and research units that are non-ORUs. This is to help ensure that actual ORUs are appreciated for the standards they are held to and to safeguard the reputation of the university. UC policy states:

*It is important to distinguish between formally established ORUs and other units of a less formal character. In the solicitation of extramural funds for a research project by a unit that has not been granted ORU status, care should be taken not to use*

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<sup>1</sup> UC policy on ORUs further subdivides ORUs into single-campus ORUs (the acronym ORU commonly refers to these); and multi-campus research units (MRU). Since the promulgation of UC policy on ORUs, different types of MRUs have appeared, such as multi-campus research projects (MRP) that are more short-term research projects than other MRUs and include intercampus research programs (IRPs) and multi-campus research programs and initiatives (MRPI).



*terminology nor make representations which suggest that the proposing unit is in fact a university-approved ORU or is about to become one.*

The names that are most often used to designate ORUs are institute, laboratory and center. For example, the Division of Physical & Biological Sciences has two ORUs: the Institute of Marine Science and the Santa Cruz Institute for Particle Physics. UC policy provides an exception for the use of the name center; it states:

*Non-ORU Center: The term center may be used for research units not formally constituted as ORUs upon approval by the chancellor or chancellor's designee after consultation with the divisional Academic Senate. Before approval is granted for a center that is not an ORU, the campus may stipulate terms and conditions, such as a process for appropriate periodic review, including administration, programs, and budget; appointment of a director and advisory committee; an appropriate campus reporting relationship; and progress reports.*

The *UCSC Policy Concerning Research Units* similarly states "With the approval of the VCR and relevant dean(s), FRAs may be called centers but not titles reserved to ORUs."

The *Compendium: University-wide Review Processes for Academic Programs, Academic Units, & Research Units (January 2011)*, prepared under the auspices of the Academic Planning Committee, describes the same naming conventions as the UC policy on ORUs. The Compendium articulates systemwide review processes for proposals to establish, transfer, consolidate, change the name of, discontinue and disestablish graduate degree programs, schools and colleges, and research units.

At one time, a criterion of ORU status was core funding from the campus. This is no longer the case and current policy and guidelines related to ORUs makes some statements about core funding and campus support that may no longer be accurate. Further, OP funding for types of multi-campus research activity is also in jeopardy due to budgetary concerns. The loss of guaranteed funding for organized research units, whether single campus or multi-campus, represents the loss of a significant advantage of ORU status. This also contributes to a blurring of the line between ORUs and other types of research units.

### C. Scope

The preliminary survey phase of the engagement included interviews with the Research Division and academic divisions to better understand the size, funding sources, and challenges for research units that were not formal ORUs. We compiled an unofficial inventory of UCSC campus research units. We asked research accountants to complete a brief questionnaire to gather specific fund, organization, account, program, activity, and location codes (FOAPAL) and background information about these research units. Based on the preliminary survey we selected a sample, judged to be the greatest risk to the campus based on size and/or funding restrictions, for a more in-depth evaluation of internal controls, central and divisional oversight, and compliance with applicable UC, state, and federal policies and regulations, see Appendix B.

## III. OBSERVATIONS REQUIRING MANAGEMENT CORRECTIVE ACTION

### A. Unclear Campus Process for Approval and Monitoring of non-ORUs

*Processes for establishing, naming, approving, monitoring, elevating or disestablishing non-ORUs are not widely known and practiced. Consequently, such research units are formed without central campus oversight, lack distinctions between research unit types, and are not in compliance with system-wide and local policy.*

Existing campus policy should be re-evaluated to determine if it provides appropriate campus processes for the establishment, approval, and oversight of campus non-ORUs. If the policy is no longer applicable, new policies and processes should be developed and implemented. If existing policy meets campus needs it should be more fully disseminated and enforced.

#### **Comments:**

We identified 60 research units at UCSC, composed of 54 non-ORUs, two ORUs and four MRPI/MRUs. 18 of the 60 research units were on the original list of "Current Research Units at UCSC" in June 2000, see appendix C. Ten of the non-ORUs were named institutes, which is contrary to UC and local policy because certain terms including institutes, are reserved for ORUs. The remainder were generally named centers but were not granted formal approval to use this term, see Appendix A. We were unable to confirm that authority to use the term center for non-ORU research

units had ever been delegated to anyone besides the Chancellor, as named in policy, although the 2000 UCSC policy states the vice chancellor of research (VCR) and relevant dean(s) can approve the use of the term center for a non-ORU.

UC policy on ORUs defines naming conventions to distinguish between ORUs and research units that are non-ORUs, and allows for the term “center” to be used for research units not formally constituted as ORU’s upon approval by the chancellor or chancellor’s designee, after consultation with the divisional Academic Senate. UC policy also allows the campus to stipulate terms and conditions for administering and reporting requirements of a non-ORU.

The *UCSC Policy Concerning Research Units* issued in June 2000 by the Associate Vice Chancellor of Research was not widely disseminated and has not been actively enforced. Only one academic division we interviewed referenced this policy. The current Committee on Research was unaware of this policy and we found no evidence that it was ever sent to the Academic Senate, even though the Committee on Research is assigned responsibility to review non-ORU reports. The requirements of this policy, that has not been enforced at a campus level include:

- The VCR will maintain a current list of UCSC’s approved ORUs, MRU primary offices and formal branches, and FRAs.
- With the approval of the VCR and relevant dean(s), FRAs may be called centers but not titles reserved to ORUs. (e.g. institute). FRAs may be responsible to either a dean or the VCR. Hereafter this person is called the responsible administrator, and the other party is called the reviewer.
- FRAs will be reviewed at five year intervals unless discontinued. (*Note: some FRAs may have been reviewed internally within the respective Academic Divisions, but this testing was beyond the scope of our review*)
- The responsible administrator will solicit input for the review from the FRA membership and its Advisory Committee. The review committee will meet with personnel chosen by the responsible administrator including the reviewer and a representative of the Committee on Research. The report of the review committee will address the charge, including the performance of the director, and whether to continue or discontinue the FRA or propose it as an ORU. The report will be reviewed by the director, the responsible administrator and reviewer, and Committee on Research. Based on this information, the responsible administrator will make a decision about any needed changes and will summarize this decision in writing to the director, reviewer, and Committee on Research.

- Draft letters (will) be sent to the VCR during the summer for each continuing FRA. (*Note: example letter included in policy; see appendix C*)
- Only approved ORUs, MRUs, and FRAs as defined below will be listed in campus or UC Publications as UCSC research units. Research units awaiting approval as defined below will be referred to as "proposed".
- No campus research unit may be called a center unless it is an ORU, MRU, or FRA.
- The VCR will work with the public information officer to re-do and monitor the research section of the General Catalog using as headings "Organized Research Units and Multi-campus Research Units", "Other Campus Research Organizations"(=FRAs), and "Other Research Support Facilities and Activities".

In consultation with the chair of the Committee on Research, the executive director of the Research Grants Program Office at Office of the President (OP), and campus academic divisional administrators, we composed a list of benefits that could potentially be derived from an enforced and effective campus policy on research units. These include:

- Using the term "center" implies institutional support of the center and its mission. Regulating the formation of centers assures their stated missions and goals are in alignment with the university mission and goals. Allowing centers to form without oversight creates a potential risk that the center's goals and objectives will be in conflict with that of the university.
- A complete list of centers and standard review procedures would assure and facilitate regular reviews by the Committee on Research.
- A complete list of centers would facilitate publicizing UCSC research activities. The list could be useful both to the chancellor and senior management as well as development officers who might be able to use the information to solicit donations.
- A complete list of centers, with mission statements might facilitate the combining of smaller centers to achieve synergy and increase extramural funding opportunities.
- Regular review by tenured faculty assures a minimum standard of quality.
- Regular review can identify centers that are no longer meeting their goals and objectives and/or have outlived their usefulness to the campus.
- Units referring to themselves as centers may lead to the appearance that they are ORUs when they are not.

**Agreements:**

1. The EVC or designate will determine whether or not the current *UCSC Policy Concerning Research Units*, issued in June 2000 still meets the needs of the campus by August 31, 2011.
2. If the *UCSC Policy Concerning Research Units* is determined to require updating, the EVC or designate will establish alternate processes and policy in alignment with UC policy by January 1, 2012.
3. The EVC or designate will disseminate existing or updated policy concerning research units and ensure that policy is followed by June 30, 2012.

**B. Unallowable Transaction on Federal Fund Source**

*One travel claim paid from a federal grant was unallowable per the specific agreement related to that grant.*

Travel expenses incurred on federal grants should be changed to allowable fund sources.

**Comment:**

Travel expense were paid in the amount of \$1,876 to a federal employee of the National Marine Fisheries Service was an unallowable expenditure. The NOAA Administrative Special Award Conditions states:

*The recipient is prohibited from expending federal or non-federal grant fund, or in-kind goods or services, for purposes of providing transportation, travel, and any other expenses for any federal employee.*

UCSC provides unpaid appointments to some of the federal researchers at the National Marine Fisheries Service facility at Long Marine Lab so that they can obtain grants through the university and engage in collaborative research projects. The unallowable travel expense was tied to an unusual agreement and an unusual business arrangement and is not indicative of the other centers managed by the campus.

**Agreement:**

Physical & Biological Sciences have transferred the travel expense to an allowable fund source as of 4/8/2011

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**Appendix A: List of Research Units termed “Centers” as of June 13, 2011**

Research Units <sup>2</sup>		X = Research Units Identified in June, 2000 N=Non-ORU MRPI/MRU	
<b>The Arts</b>			
1	Arts Research Institute (ARI)	N	
2	Digital Arts/New Media	N	X
3	Innovation and Design Lab (IDL)	N	
4	OpenLab Network	N	
5	Research Center for Social and Environmental Practice in the Arts (The HUB)	N	
6	The Center for Visual and Performance Studies (VSP)	N	X
<b>Business and Administrative Services</b>			
7	Monterey Bay Education, Science and Technology Center (UC MBEST)	N	
<b>Executive Vice Chancellor</b>			
8	Center for Teaching and Learning (CTL)	N	
9	The Center for Informal Learning and Schools (CILS)	N	
10	University Affiliated Research Center (UARC)	N	
<b>Humanities</b>			
11	Center for Cultural Studies	N	X
12	Center for Jewish Studies	N	
13	Center for Labor Studies	N	
14	Center for the Study of Pacific War Memories	N	
15	Center for World History	N	
16	Institute for Humanities Research (IHR)	N	X
17	Institute for Humanities Research Center of Mediterranean Studies/Seminars	MRPI/ MRU	
18	Linguistics Research Center	N	
19	Satyajit Ray Film and Study Center (RayFASC)	N	X
20	The Dickens Project	N	X
<b>Natural Sciences</b>			
21	Center for Origin, Dynamics and Evolution of Planets (ODEP)	N	X
22	Center for Remote Sensing (CRS)	N	
23	Dynamics and Evolution of the Land-Sea Interface (DELSI)	N	X
24	Institute for Marine Sciences	ORU	X
25	National Marine Fisheries Service	N	
26	Next-Generation Science Institute (NEXSI)	N	
27	Santa Cruz Institute for Particle Physics (SCIPP)	ORU	X
28	Study of Imaging and Dynamics of the Earth (SIDE)	N	X
29	Inter(Stellar+Galactic) Medium Program of Studies (IMPS)	N	
30	UC High-Performance AstroComputing Center	MRPI	
<b>Physical &amp; Biological Sciences</b>			
31	Bruce Initiative on Rethinking Capitalism	N	

32	Center for Educational Research in the Interest of Undeserved Students (CERIUS)	N	
33	Center for Justice, Tolerance, and Community (CJTC)	N	X
34	Pacific Rim Research Program	MRPI	
<b>Social Sciences</b>			
35	Center for Agroecology & Sustainable Food Systems (CASFS)	N	X
36	Center for Integrated Water Research (CIWR)	N	
37	Center for Collaborative Research for an Equitable California (CCREC)	MRPI	
38	Institute for Scientists and Engineer Educators (ISEE)	N	
39	Institute on Global Conflict & Cooperation (IGCC)	N	
40	The Center for Global, International and Regional Studies (CGIRS)	N	X
41	Santa Cruz Institute for International Economics (SCIIE)	N	X
42	The Chicano/Latino Research Center (CLRC)	N	X
43	The Sury Initiative for Global Finance and International Risk Management (SIGFIRM)	N	
<b>Baskin School of Engineering</b>			
44	Center for Bimolecular Science & Engineering (CBSE)	N	X
45	Center for Entrepreneurship (C4E)	N	
46	Center for Games and Playable Media	N	
47	W. M. Keck Center For Nanoscale Optofluidics	N	
48	Center for Information Technology Research in the Interest of Society (CITRIS)	N	
49	Information Technologies Institute (ITI)	N	
50	Center for Research in Intelligent Storage (CRIS)	N	
51	Genome Sequencing Center	N	
52	Center for Sustainable Energy and Power Systems (CenSEPS)	N	
53	The Center for Stock Assessment Research (CSTAR)	N	
54	Storage Systems Research Center (SSRC)	N	
55	The International Summer Institute for Modeling in Astrophysics	N	
<b>UCO Lick</b>			
56	Bio-Info-Nano Research & Development Institute (BIN-RDI)	N	
57	Center for Adaptive Optics (CfAO)	N	X
58	Laboratory for Adaptive Optics (LAO)	N	
59	Computational Astrophysics Consortium	N	
60	SciDAC Computational Astrophysics Consortium	N	

<sup>2</sup> This list reflects an approximate record of existing research centers as of June 13, 2011 and was generated by searching UCSC web pages for the words "center", "institute", and "consortium". The list was then discussed with research accountants in the respective academic divisions to verify its accuracy and to select the specific units for testing, as listed in APPENDIX B.

Some of the units listed are just now forming and others have used up their grants and exist with carry forward and/or limited campus funds only. Since no active policy and procedures exist to establish, define, recognize, and de-establish research units some units may be on the list that are not actively engaged in research projects. Units with no web presence or that create web sites not in the ucsc.edu domain may not be included on this list.

**Appendix B: Research Units Evaluated.**

Baskin School of Engineering	<ol style="list-style-type: none"><li>1. Institute for Scientists and Engineer Educators</li><li>2. Genome Sequencing Center</li><li>3. Center for Information Technology Research in the Interest of Society</li><li>4. Center for Bimolecular Science &amp; Engineering</li></ol>
Humanities	<ol style="list-style-type: none"><li>5. Institute for Humanities Research Center of Mediterranean Studies/Seminars - <b>MRPI/MRU</b></li></ol>
Physical & Biological Sciences	<ol style="list-style-type: none"><li>6. Institute for Marine Sciences (Seymour Marine Discovery Center) - <b>ORU</b></li></ol>
Social Sciences	<ol style="list-style-type: none"><li>7. Center for Agroecology &amp; Sustainable Food Systems</li></ol>



Appendix C: UCSC Policy Concerning Research Units.

Marked to depts / files, umc  
6/21/00

YUG ✓ ORUs/MRUs: 6mo  
SANTA CRUZ: OFFICE OF THE  
ASSOCIATE VICE CHANCELLOR FOR RESEARCH

12 June 2000

To: Deans Chemers, Hankamer, Houghton, Kliger, and Mantey

From: AVCR Gill

RECEIVED OFFICE OF THE DEAN NATURAL SCIENCES UCSC
JUN 15 2000
ACTION: Cm. 10
XC: depts; research units

Re: Administration of Campus Research Units

Dear Colleagues:

I enclose a final copy of the new campus policy governing research units. Thank you for your cooperation this year to complete the revision. Please now forward a copy of this new policy to each of your department chairs and research unit directors. It will be posted on the Research Office website soon.

I also enclose a complete list of what I believe we have agreed to be the current research units, annotated about work to be done to bring them into conformity with the new policy. This will be the official list of "Campus Research Units" that will be maintained, by category, on the Research Office website, and used by the campus Public Information Office and UCOP for campus and Systemwide publications.

Starting next year, the VCR will work with PIO to re-do and monitor the research section of the General Catalog using as headings "Organized Research Units and Multi-campus Research Units", "Other Campus Research Organizations" (=FRAs), and "Other Research Support Facilities and Activities". Please use the current Catalog as a base for advising the VCR during the summer about what to include from your division under that third heading.

Finally, I also enclose a draft letter for you to send to the VCR during the summer for each continuing FRA. We agreed that the minimum conditions for each continuing FRA are that it has a budget, has been active during 1999/00, involves multiple faculty, and is facilitating good research. Future decanal actions to create a new FRA should use a similar letter. In future cases, we agreed to refer to the unit as "Proposed" until the VCR receives the letter.

The equivalent of this letter for MRUs is the MOU signed by both the campus and UCOP. The Research Office does not have this MOU for either Dickens or UCO.

Per our last email exchange, the VCR will await a letter from Marty about the dis-establishment of the Bilingual Research Center, and from Dave about the future of the Nonlinear Science Institute. Past FRAs not listed on the attachment are assumed not to meet the minimal conditions for an FRA.

Starting in the Fall, the Research Office will contact you about scheduling a meeting between yourself, the unit director, and the VCR for each of your research units.

Attachments

Cc: Chancellor Greenwood (w/o enclosure)  
EVC Simpson

## Current Research Units at UCSC

### Arts

Digital Arts/New Media [FRA]  
 Performance Practice and Context in the Arts [FRA]  
 Satyajit Ray Film and Study Collection [FRA] [with Humanities]  
 Shakespeare and Early Drama: Text, Interpretation, Performance [FRA]  
 Visual and Performative Studies [FRA]

### Engineering

Center for Biomolecular Science and Engineering [FRA] [with Natural Sciences]<sup>1</sup>

### Humanities

Center for Cultural Studies [FRA]  
 Center for Humanities Research [FRA/ORU]<sup>2</sup>  
 Dickens Project [MRU Home]

### Natural Sciences

Center for the Molecular Biology of RNA [FRA]  
 Center for Adaptive Optics [FRA]  
 Institute of Geophysics and Planetary Physics [MRU Branch]  
     Center for Dynamics and Evolution of the Land-Seas Interface [FRA]  
     Center for Origin, Dynamics, and Evolution of Planets [FRA]  
     Center for the Study of Imaging and Dynamics of the Earth [FRA]<sup>3</sup>  
 Institute of Marine Sciences [ORU]  
 Santa Cruz Institute for Particle Physics [ORU]  
 University of California Observatories/Lick Observatory [MRU Home]

### Social Sciences

Center for Agriculture and Sustainable Food Systems [ORU]<sup>4</sup>  
 Center for Global, International, and Regional Studies [FRA]  
 Center for International Economics [FRA]  
 Center for Justice, Tolerance, and Community [FRA]  
 Center for Research on Education, Diversity, and Excellence [FRA]  
 Chicano/Latino Research Center [MRU Branch]

### Notes:

<sup>1</sup>Proponents of this unit and their deans need to recommend to the EVC a “responsible administrator” and a “reviewer” from amongst the two deans and VCR.

<sup>2</sup>This unit should become an ORU if it receives ≥\$50,000/y in non-grant funding. When it attains ORU status it can use the noun “Institute”.

<sup>3</sup>This unit needs to be formed out of the current Institute of Tectonics.

<sup>4</sup>This unit should be an ORU if it receives \$50,000/y in non-grant funding from campus sources.

Re: [FRA name]

Dear VCR:

I have created the [FRA name] following campus policies and after consultation with my division's research committee or the equivalent -- OR -- The [FRA name] was created in [year]. Its goals and objectives are.... The background information about the unit required in Section 7 of the campus policy governing FRAs is provided in the attached [proposal or equivalent document.] [Note that this information is listed on p.4 of the Systemwide policy concerning ORUs/MRUs.]

I have appointed [name] as Director of the unit for a term that will last until [date]. Its Advisory Committee consists of [names]. The affiliated faculty, other researchers, and staff, and their departmental association, are listed on an attachment.

I have assigned xxxx sq. ft. of space to this unit in [space list]. I have allocated a budget of \$\$ recurring (exclusive of faculty salaries) and \$\$ one-time funds to the unit. Of this, \$\$ was allocated to my division in [date] as new funds specifically for this research unit.

I understand that there is a 5-year review cycle for research units at which time the unit will prepare a written self-study and will be assessed by reviewers unaffiliated with the unit. Such a review was last conducted in [year] and I propose that the next review occur in [year].

Decanal pleasantries and signature

## UCSC Policy Concerning Research Units

Research units at UCSC shall be one of the following: Organized Research Units (ORUs), Multicampus Research Units (MRUs), or Focused Research Activities (FRAs). All are governed by this policy as defined in Chapters A, B, and C, respectively. UCSC policy affecting ORUs and MRUs is largely a local adaptation of Systemwide policy embodied in the document "Administrative Policies and Procedures concerning Organized Research Units" dated December 7, 1999 (hereafter, "UC Policy"). That policy is included as Appendix 1 and applies to UCSC as interpreted below. FRA policy is wholly local in character but is patterned after UC Policy.

It is the expectation of this policy that new ORUs, MRUs, and FRAs will continue to be created at UCSC, and old ones discontinued. The distinction between ORUs and FRAs is one of magnitude or duration. ORUs will be larger, will involve significant campus funds and therefore warrant greater campus review, may continue for fifteen years or longer, and will be listed in the UC Systemwide Directory of ORUs. They are UCSC's premier research units. FRAs will be smaller or experimental, warranting less oversight and review. FRAs may evolve into ORUs but need not. ORUs may contain multiple FRAs.

Research units funded wholly by external funds are subject to the terms of their award documents. The circumstances of their creation, governance, and termination may, therefore, differ from those described below on a case by case basis. In no case, however, will they be proposed to an external sponsor without the written approval of the relevant Dean(s) and VCR, and they will be directly responsible to one of those officials. They may be either FRAs or ORUs depending on the level of campus resources, review, and oversight.

Only approved ORUs, MRUs, and FRAs as defined below will be listed in campus or UC publications as UCSC research units. Research units awaiting approval as defined below will be referred to as "Proposed". No campus research unit may be called a Center unless it is an ORU, MRU, or FRA. The VCR will maintain a current list of UCSC's approved ORUs, MRU primary offices and formal branches, and FRAs.

Chapter A below applies to ORUs, Chapter B to MRUs, and Chapter C to FRAs. Each chapter follows the UC Policy in format, i.e. in numbered sections. The entry "As is" means that UC Policy applies to UCSC without modification.

June 2000

## Chapter A. Organized Research Units

This Chapter normally applies to research units that receive >\$50,000 annually on a recurring basis from any combination of UCSC general funds, indirect cost funds, or endowment funds, excluding faculty salaries. The VCR may make exceptions. The advantages of being an ORU rather than FRA include status, money, or longevity: i.e., the opportunity to use titles reserved to ORUs and be listed with ORUs on campus and Systemwide, receive more campus funding, or have greater likelihood of permanence.

**Sections 1-3.** As is. An ORU may be an umbrella organization that includes multiple FRAs or that spans the research activities of one or more departments

**Section 4.** The Chancellor's designee will be either a Dean or the Vice Chancellor for Research (VCR). Hereafter the designee is termed the responsible administrator and the other party (Dean or VCR) is called the reviewer. When all the research activity lies within one Division, the responsible administrator usually will be the relevant Dean. When the research activity lies in multiple divisions, the EVC will assign the VCR as either the responsible administrator or reviewer, and one of the relevant Deans as the other.

**Section 5.** The ORU is accountable to the responsible administrator. The responsible administrator and the reviewer will meet with the ORU Director at least annually to review all aspects of ORU performance including budget.

**Section 6.** Once provision is made for the ORU in the campus budget these funds must be used for that ORU or returned to the VCR for some other research unit, unless the VCR makes an exception.

**Section 7.** As is.

**Section 8.** The proposal shall first be submitted to the Chair of all relevant departments who will summarize departmental opinion in a letter to the relevant Dean(s). The Dean(s) will forward the proposal, departmental opinions, and their own recommendation to the VCR. The VCR will consult with the Academic Senate Committee on Research, Committee on Planning and Budget, and Graduate Council. Based on this advice, the VCR will make a recommendation to the EVC who will decide about establishment and resources. In the case of establishment, the EVC will appoint a responsible administrator, will summarize the terms and conditions of establishment in writing to that person, and the VCR will inform the UCOP Vice Provost for Research about the decision.

**Section 9.** To appoint a Director, the responsible administrator will form an ad hoc committee drawn from technically relevant faculty who are not members of the Advisory Committee. At least one member of the ad hoc committee will not be affiliated with the ORU. The responsible administrator will name a chair from amongst the ad hoc committee. The ad hoc committee will solicit applications and nominations of candidates widely, including from the Advisory Committee in the case of an existing ORU, and will recommend name(s) to the responsible administrator who will appoint. The Director will be a tenured member of the UCSC faculty. The normal term of service will be five years. Among other duties, the Director is responsible to monitor the performance of non-faculty researchers who serve as Principal Investigators on external awards submitted through the ORU.

**Section 10.** Periodic reviews will be undertaken by the reviewer who will consult with the responsible administrator and Committee on Research to determine when the review will occur. Reviews will commence with a Self-Study prepared by the ORU Director. The Self-Study will address the topics in Section 10 and any other matters determined by the reviewer. The reviewer will appoint and charge the review committee in consultation with the ORU, responsible administrator, and the Committee on Research, and will solicit input to the review from the Advisory Committee. CPB will be invited to comment on the charge to the review committee. The review committee will meet with personnel chosen by the reviewer, including a representative of the Committee on Research. The report of the review

committee will be reviewed by the Director, responsible administrator, and Committees on Research, Planning and Budget, and Graduate Council. Based on this information, the reviewer will make a decision about any needed changes and will summarize this decision in writing to the Director, responsible administrator, Committees on Research, Planning and Budget, and Graduate Council, and EVC.

**Section 11.** Disestablishment proceedings may commence as a result of an external review or whenever the responsible administrator concludes that the ORU is failing to meet its objectives. The responsible administrator will first consult the reviewer, Director, membership, and Advisory Committee. If the responsible administrator, reviewer, Director, a majority of the membership, and a majority of the Advisory Committee agree on disestablishment, then the reviewer will advise the EVC who may disestablish. If there is disagreement, then the reviewer will solicit written opinion from the responsible administrator, Director, membership, Advisory Committee, relevant department chairs, and the Committees on Research, Planning and Budget, and Graduate Council. The reviewer will synthesize these opinions and advise the EVC who will decide whether or not to disestablish. The VCR will notify the UCOP Vice Provost for Research about any disestablishment. Any central funds provided to the responsible administrator for the ORU after 1999 will be returned to the EVC upon disestablishment.

**Sections 12-14.** As is.

**Section 15.** The nine bulleted items in Section 15, plus two others listed below, will be submitted in a written report only bi-annually. In alternate years, the Director will orally summarize this information, especially the last four items, in the annual meeting referred to in Section 5. The ORU is expected to post the first five items on its Website and to update the information regularly. The additional two items are (a) any other information that is relevant to the evaluation of the unit's effectiveness, including updated five-year plans, and (b) exciting developments that may be of interest to potential sponsors.

**Sections 16-17.** As is.

## Chapter B. MRUs.

This Chapter applies to: (a) MRUs having their primary administrative office at UCSC; (b) formal MRU branches at UCSC explicitly authorized by UCOP; (c) group activities at UCSC that receive block funds from an MRU on a recurring basis; and (d) UCSC representation on the governing bodies of MRUs and similar Systemwide research units based elsewhere. All primary MRU offices and formal MRU branches have dual responsibilities to, and commitments from, the University Office of the President (UCOP) and the campus. These responsibilities and commitments will be summarized in a Memorandum of Understanding signed for UCOP by the Vice Provost for Research, and for UCSC by the VCR and any Dean(s) whose resources are committed to the MRU. Primary MRU offices and formal MRU branches at UCSC will be governed by the same policy as for ORUs (see Chapter A) except as noted elsewhere in this Chapter.

**Sections 1-3.** Not applicable.

**Section 4.** The Chancellor's designee for MRUs based at UCSC, formal MRU branches, and group activities at UCSC that receive block funds from an MRU on a recurring basis, will be either a Dean or the Vice Chancellor for Research (VCR). Hereafter the designee is termed the responsible administrator and the other party (Dean or VCR) is called the reviewer. When all the research activity lies within one Division, the responsible administrator usually will be the relevant Dean. When the research activity lies in multiple divisions, the EVC will assign the VCR as either the responsible administrator or reviewer, and one of the relevant Deans as the other. UCSC representation on the governing bodies of MRUs and similar Systemwide research units that are based elsewhere will be coordinated by the VCR who will select the UCSC representative in consultation with the appropriate Dean(s).

**Sections 5-7.** As is.

**Section 8.** Proposals for a new MRU to be hosted by UCSC or for a new formal MRU branch will follow the same process as for new ORUs in Chapter A, unless no new central campus resources are required. In that case, proposals will be submitted to the VCR who will seek advice from the Research Advisory Council and the Committee on Research. The Chancellor's designee in the Systemwide adjudication process will be the VCR.

**Section 9.** The VCR will provide nominations for Search Committee membership to the UCOP Vice Provost for Research on behalf of the Chancellor after consultation with the Deans and campus representative to the MRU.

**Section 10.** The VCR will provide nominations for ad hoc review committee membership, and comment on the Five-Year Review report, to the UCOP Vice Provost for Research on behalf of the Chancellor after consultation with the Deans and campus representative to the MRU.

**Section 11.** If disestablishment initiates at UCSC, the VCR submits the request to the UCOP Vice Provost for Research after consultation with the relevant Dean(s) and the Committees on Research, Planning and Budget, and Graduate Council.

**Section 12.** As is.

**Section 13.** A name change proposal for an MRU hosted by UCSC will be reviewed by the relevant Dean, Committee on Research, and VCR. The VCR will summarize campus opinion to the MRU Director.

**Sections 14-15.** As is.

**Section 16.** The VCR will provide nominations for ad hoc review committee membership, and comment on the Fifteen-Year Review report, to the UCOP Vice Provost for Research on behalf of the Chancellor after consultation with the Deans and campus representative to the MRU.

**Section 17.** As is.

### Chapter C. FRAs

**Section 1.** Focused Research Activities are research units formed using the resources of one or more Division(s), the Research Office, or external funds. Normally they are smaller than ORUs (i.e., have fewer personnel appointed solely to the research unit) or experimental in character. FRAs will not normally receive >\$50,000 annually on a recurring basis from any combination of UCSC general funds, indirect cost funds, or endowment funds, excluding faculty salaries. Exceptions may be made by the VCR when such funding is on a cost-sharing basis for an extramural award. In other respects FRAs have similar functions as ORUs. FRAs must involve multiple UCSC faculty.

**Section 2.** FRAs will be listed separately from ORUs in campus and Systemwide lists of research units.

**Section 3.** With the approval of the VCR and relevant Dean(s), FRAs may be called Centers but not titles reserved to ORUs. Other nouns for FRAs include Activity, Group, and Studies.

**Section 4.** FRAs may be responsible to either a Dean or the VCR. Hereafter this person is called the responsible administrator, and the other party is called the reviewer. When all the research activity lies within one Division, the responsible administrator usually will be the relevant Dean. When the research activity lies in multiple divisions, the EVC will assign the VCR as either the responsible administrator or reviewer, and one of the relevant Deans as the other.

**Section 5.** Each FRA is headed by a Director who is a tenured faculty member and who may receive course relief or an administrative stipend or both in accordance with Chapter A. The Director is aided by a standing Advisory Committee chosen by and reporting to the Director. The Advisory Committee will include scholars who are members of the FRA.

**Section 6.** The responsible administrator provides the FRA's budget and other resources, and arranges administrative support by a service center. All permanent positions may be

established and filled only in accordance with University policies and practices and after specific review by the responsible administrator.

**Section 7.** Faculty submit an FRA proposal to, or prepare an FRA proposal with, the responsible administrator, addressing the issues in Section 7 of Chapter A for ORUs.

**Section 8.** The responsible administrator will consult about the proposal with the divisional research committee, Department Chairs, or a similar standing body of faculty, and then decide whether to create the FRA. Establishment of an FRA must carry with it a commitment of space and funding adequate to the mission of the unit. The responsible administrator will inform the reviewer and the EVC of the establishment at which time the VCR will add the FRA to the list of approved campus research units.

**Section 9.** The responsible administrator will appoint a Director from among the proponents of a new FRA. In the case of an existing FRA, the responsible administrator will solicit applications and nominations from the FRA membership and its Advisory Committee before appointing. In the case of FRAs that are part of an ORU, the responsible administrator of the ORU may delegate this authority to the ORU Director. Among other duties, the FRA Director is responsible to monitor the performance of non-faculty researchers who serve as Principal Investigators on external awards submitted through the FRA.

**Section 10.** FRAs will be reviewed at five year intervals unless discontinued. The review procedure will be broadly similar to that for ORUs but the primary responsibility lies with the responsible administrator. Reviews will be initiated and overseen by the responsible administrator. Reviews will commence with a Self-Study prepared by the FRA Director. The Self-Study will address the topics in Section 10 and any other matters determined by the responsible administrator who will appoint and charge the review committee in consultation with the reviewer. The review committee usually will consist of tenured UCSC faculty but may include similar external members. The responsible administrator will solicit input to the review from the FRA membership and its Advisory Committee. The review committee will meet with personnel chosen by the responsible administrator including the reviewer and a representative of the Committee on Research. The report of the review committee will address the Charge, including the performance of the Director, and whether to continue or discontinue the FRA or propose it as an ORU. The report will be reviewed by the Director, the responsible administrator and reviewer, and Committee on Research. Based on this information, the responsible administrator will make a decision about any needed changes and will summarize this decision in writing to the Director, reviewer, and Committee on Research.

**Section 11.** Any decision to discontinue the FRA will be made by the responsible administrator and conveyed to the reviewer and the EVC. Appeals will be heard by the VCR in the case of FRAs supervised by a Dean, and by the EVC in the case of FRAs supervised by the VCR. Final decision rests with the responsible administrator. Any central funds provided to the responsible administrator for the ORU after 1999 will be returned to the EVC upon disestablishment.

**Section 12.** As for ORUs.

**Section 13.** A name change proposal for an FRA must be approved by the responsible administrator.

**Sections 14.** As for ORUs.

**Section 15.** The responsible administrator will meet with the FRA Director at least annually to review all aspects of ORU performance including budget. In addition, the responsible administrator may require any of the annual or biannual reporting as for ORUs.

**Section 16.** As for ORUs. A fifteen year review will be conducted by the reviewer following the same procedure as for ORUs. *Continuation of an FRA beyond 15 years will be uncommon.*

**Section 17.** As is.