Fiscal Year 2009
F&A Space Usage Survey Training

Washington State University
April 2009

Recording date of this workshop is
April 17, 2009
Some of the information discussed in this workshop is subject to change.
Please check university resources before relying exclusively on this recorded presentation.

Presenters

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Introduction and Welcome

Barry Johnston
Asst VP of Business & Finance

Overview of Session

✓ Background/Understanding the Process
✓ Space Study Procedures
✓ Functional (Activity) Definitions
✓ Determining % Functional Use
✓ Frequently Asked Questions
✓ Discussion

Background – Why is the Space Study Important?

- For buildings with more than one function, Federal regulations require the allocation of facilities costs based upon functional use of space.
- Federal regulations require the allocations to be “appropriately documented in sufficient detail for subsequent review by the cognizant federal agency.”
- Facilities related costs represent a major component of the Organized Research rate.
- Space study is the statistic that allocates the facility related costs.
- Critical component of the F&A rate proposal.
Why this Survey is Important

- The quality of your response determines the accuracy and 
defensibility of the allocation of costs in the F&A Rate 
proposal.
- The allocation of costs determines the final F&A Rate 
computed and submitted to the Federal Government for 
negotiation.
- The accuracy and defensibility of the F&A Rate proposal 
submission determines the ultimate success of WSU in 
maintaining and/or enhancing the current F&A Rate.
- The final F&A rate negotiated determines the amount of 
money recovered by WSU to support the current and future 
resource requirements of the research enterprise.
- **IN SHORT, YOUR EFFORT WILL IMPACT THE 
FINANCIAL RESOURCES OF THE INSTITUTION.**

Background – What Impact Will You Have?

**Why conduct a Space Usage Study?**

- Annual F&A cost Reimbursement is over 
  $22.3 million.
- **One point on the rate is worth approximately $450,000 dollars.**
- **OMB Circular A-21, Cost Principles for Higher Education, states the survey rules:**
  Must identify research space in specific percentage terms. Cannot use 
predominant use.

Background – F&A Proposal Structure

**F & A Costs**

Overhead costs incurred to support Research activities:
- Depreciation of Research Buildings & Equipment
- Operation & Maintenance of Research Areas
- Research Areas Building Interest
- Administrative Services

$54,000

**Direct Costs**

Costs incurred in performing Research activities:
- Salaries/Benefits of Lab Personnel
- Research Supplies & Materials
- Travel
- Consultant Services

$100,000

F & A Cost Rate = 54%
Understanding the Process

- Survey Scope - Top Research Depts.
- Dept confirmation of floor plans.
- Departments complete the survey.
- Controller’s Office will provide assistance to Depts.
- Quality Control Assurance Review – BearingPoint:
  Will provide recommendations for reviewed Depts.

Handout Overview
- PowerPoint Presentation
- General Instructions
- Functional Usage Definitions
- List of Room Types
- Survey Form
Space Study Procedures

How Do I Complete The Space Survey

- Validate room demographic information
- Document the functional usage (activity) taking place in the room
- List grants (source of funding) for the activity in rooms with externally sponsored activities
- List all room occupants performing the activity in rooms with externally sponsored activities

Critical Success Factors

- First hand knowledge of how the space was used during fiscal year 2009 (7/1/2008 - 6/30/2009)
- An understanding of the activities performed in the room
- Information on funding sources related to the activities for the space (grants, contracts, departmental funds, etc.)
- Knowledge of the space and occupants of the space – may need to contact/meet PI’s to gather necessary information

Space Study Procedures - Validating Room Information

- Review room list for accuracy & completeness
  - Any FY 2009 Dept Rooms missing from list?
  - Any not used by Dept during FY 2009?
- Identify Occupants in columns provided
  - List Principal Investigator(s)/Lab Director etc.
- Confirm that Room Type is accurate
  - Note: For rooms involving other departments or affiliates – such as USDA or PNNL, Floor-plans will show total square feet while the survey form will only reflect Square Feet for the Dept being surveyed.
Room Type Codes

<table>
<thead>
<tr>
<th>Room Type Codes</th>
<th>Definitions on WSU Capital Planning website</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 Non-Assignable Area</td>
<td>500 Special Use Facilities</td>
</tr>
<tr>
<td>30 Unclassified Facilities</td>
<td>600 General Use Facilities</td>
</tr>
<tr>
<td>100 Classroom Facilities</td>
<td>700 Central Support Facilities</td>
</tr>
<tr>
<td>200 Laboratory Facilities</td>
<td>800 Health Care Facilities</td>
</tr>
<tr>
<td>300 Office Facilities</td>
<td>900 Residential Facilities</td>
</tr>
<tr>
<td>400 Library/Study Facilities</td>
<td></td>
</tr>
</tbody>
</table>

<http://www.cpd.wsu.edu/SpaceManagement/facilityUseCodes/>

Space Study Procedures—

Review Joint Use

Review shared Rooms 100% Joint Use

- All Conference Rooms, Lounges, Meeting Rooms, and Study Rooms will be pre-coded as Joint Use “JT” —

- All “Office Service” rooms, such as copy/fax room, mail room, office supply storage, employee lounge, departmental library – These will be pre-coded as Joint Use “JT” —

- All “Office Service” rooms that directly serve an office or group of offices as an extension of the activities in those rooms – Those rooms should be coded based on the activities in the rooms they are supporting.

Please review & mark “Not JT” if room should not be JT—
And Explain in Column provided. (Col M)

Space Study Procedures —

Identify Occupants in Labs & Lab Services

Documenting Rooms Where Sponsored Activity Is Taking Place — Identify Personnel

- List ALL personnel who occupied each Lab and Lab service room on a regular basis during Fiscal Year 2009 (e.g., Faculty, Research Staff, Post Docs, Technicians, Graduate Students, Undergraduate Students, Visiting Scientists).

- List any Unpaid Occupants.

Use “Occupants” & “Addtl Occupants” columns.
Space Study Procedures – Identify Accounts

Documenting Rooms Where Sponsored Activity Is Taking Place – Identify Sponsored Awards

- Identify the account numbers of the grant projects performed in each Lab and Lab services rooms during Fiscal Year 2009.

Space Study Procedures

Determine Functional Usage

- Space should be functionalized based on the activities performed in the space.
- When space is occupied by multiple individuals, the frequency and intensity of their presence should be considered in determining the percentage of functional activity.

Functional Definitions
Functional Definitions

**Instruction/Departmental Research (Inst/DR)**
- Teaching and Training – All regular University teaching and training activities, whether they are offered for credits toward a degree or certificate or on a non-credit basis. Includes classroom teaching, preparing instructional materials, preparing and grading examinations, etc. Includes sponsored training activities.
- Departmental Research – Research, development and scholarly activities that are not separately budgeted and accounted for on an individual project basis. It is research conducted by an individual that is not associated with any particular sponsored research project. It is supported by departmental funds, gift accounts and start-up funds that the University has discretion on how the funding can be utilized.

**Organized Research (OR)**
- Research activities that are separately budgeted and accounted for by federal and non-federal (state government and private sector/corporate) sponsors.
- Sponsored Research Projects – Research projects sponsored by Federal agencies and non-Federal organizations (e.g., states, cities, foundations, corporations, etc.) through grants, contracts, and cooperative agreements.
- Clinical Trials/Drug Studies – Sponsored by Federal agencies and non-Federal organizations (e.g., states, cities, foundations, pharmaceutical companies, etc.)
- University Research Projects – Research projects funded with University funds that are separately budgeted and accounted for on a specific project basis.
- Research cost sharing – Includes mandatory matching, voluntary committed, or cost sharing associated with the NIH salary cap on externally sponsored awards.
- Research training – Includes NIH K awards.
Other Sponsored Activities (OSA)

- Programs and projects financed by Federal and non-Federal agencies and organizations that involve the performance of work other than instruction and organized research.

Examples are community outreach, seminars and conferences, consulting services, and USAID.

Departmental Administration (DA)

- Administrative activities performed by academic departments to support the primary programs of instruction, research, and public service. This support includes the departmental chair and department-level administrative, secretarial, personnel, payroll, purchasing, and accounting activities.

- Examples: administering academic and staff personnel, planning curriculum programs, preparation of bids and proposals (including the typing of proposals, correspondence, telephone calls, etc).

Service Centers (SVC)

- Space related to organizational units or activities that perform specific technical or administrative services primarily for internal operations and which charge users for these services. The services provided represent the major purpose of the generating department. Examples of service centers include the DNA Analysis Facility and Cell Culture Facilities.

Other Institutional Activities (OIA)

- Auxiliary enterprises, such as the operations of residence halls, dining halls, student unions, intercollegiate and intramural athletics, bookstores, faculty housing, student apartments, guest houses, theaters, public museums, community relations and the Development office.

Joint Use (JT)

- Conference rooms and other multi-function rooms, such as copy rooms, employee lounges, and departmental libraries. Also, all offices, including faculty and graduate student offices.
**Functional Definitions**

**Unassigned (UN)**
- Public common areas such as hallways, stairwells, elevators and rest rooms.

**Vacant (VAC)**
- Only the space that is vacant for the entire year. If space is only vacant for part of the fiscal year, assign functions according to how it was used when occupied.

**Determining Functional Usages / Guidelines for Selected Room Types**

- Identify the activity taking place in the room during FY 2009.
  - If you do not have first hand knowledge, contact the party that does.
- For areas where sponsored activity is taking place, provide all the account numbers that fund the activities being performed in each room.
- For rooms where sponsored activity is taking place, provide all occupants that perform the activities in each room.
- Review the occupant and grant information to confirm that it supports the functional usage percentage.
- When space is occupied by multiple individuals, consider the frequency and extent of their presence in determining the percentage of functional activity.
- Consult with PI to confirm accuracy of information for labs.
## Guidelines for Selected Room Types

### LABORATORIES
- Percentage of functional activity must be supported with account and occupant information.

### LAB SERVICE ROOMS – Equipment rooms, Cold rooms, Microscope rooms, Dark rooms
- If room supports one specific PI, functionalize the same as the PI’s lab(s).
- If room supports multiple PI’s, a floor, or entire department – functionalize based on the activities of the labs it supports.

### SERVICE CENTERS/RECHARGE CENTERS
- Examples include: Electron Microscope, Engineering Lab, Wood Materials
- Functionalize as “SVC” and provide supporting account number in the “Comments” section.
- Will eventually be coded by Controller’s Office based on changes to users.

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## Guidelines for Selected Room Types

### OFFICES
- Confirm room type description and review coding as Joint Use (JT) – will be functionalized based on departmental S&W by Controller’s Office.

### OFFICE SERVICES
- Confirm room type description and review coding as Joint Use (JT) – will be functionalized based on departmental S&W by Controller’s Office.

### CONFERENCE and CONFERENC SERVICE ROOMS
- Confirm room type and review coding as Joint Use (JT) – will be functionalized based on departmental S&W by Controller’s Office.

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## Guidelines for Selected Room Types

### CLASSROOMS & TEACHING LABORATORIES
- Typically classified as Instruction
- If occupants present organized research results in this space, may include element of OR. Provide accounts and people to support OR reported activities.

### STORAGE ROOMS, CLOSETS
- Storage areas used for lab supplies (test tubes, beakers, gases) should be classified as lab service rooms – change room type description to "Research/Nonclass Lab Service" and indicate in "Comments" section to whom the room supports - will be functionalized by Controller’s Office.
- General storage areas (office paper and supplies) – Code as Joint Use (JT) – will be functionalized based on departmental S&W by Controller’s Office.

### LIBRARY SPACE
- Departmental libraries – Code as Joint Use (JT) – will be functionalized based on departmental S&W by BE/Controller’s Office.
Frequently Asked Questions / Helpful Hints

Graduate Students, Post-Doctoral Fellows & Unpaid Students

- Frequently occupy space in laboratories where Organized Research is performed
- If the individuals are paid with organized research funding, the functional usage should be Organized Research
- If the individuals are paid with institutional funding, the functional usage should be Instruction/Departmental Research
- If the individuals are unpaid, the functional usage should be Instruction/Departmental research

Undergraduate Students

- Frequently occupy space in laboratories where Organized Research is performed
- May only be present a small portion of the year
- If not departmental personnel, please list their names and frequency of presence in “Occupants” columns
- Functionalize their activities based on the guidelines for Graduate Students, Post Docs, and Unpaid Students

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### Visiting Scientists

- Space which is used by visiting scientists not paid by the University should be coded Other Institutional Activities.

**WHY?** Because there will be no salaries/wages for these individuals included in the University’s organized research F&A rate calculation, their space cannot be coded as Organized Research.

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### 100% Organized Research Rooms

- Federal government negotiators pay particular attention to rooms coded as 100% OR
- A "yes" response to any of the following usually indicates that a room should not be coded 100% OR:
  - Are there any unpaid students or students paid from general institutional funds who use the room?
  - Are there any non-research lab tests performed in the room?
  - Is the room occupied by visiting professors who are not paid by WSU or any other non-University employees?

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### Arbitrary Coding of Rooms

- Federal Government negotiators pay particular attention to rooms which appear to be coded arbitrarily (e.g. 50/50 splits over large groups of rooms)
- Avoid falling into a pattern of assigning rooms arbitrarily without careful consideration of the actual activities and functions being performed
**Vacant and Inactive Areas**

- Includes areas under renovation or vacant rooms that have been idle for the 12 months of FY 2009 (7/1/08 - 6/30/09)
- If occupied for any portion of the 12 months, functionalize the room based on the activities performed during the period of use
- It is rare to find rooms vacant or inactive for the entire 12 months of a fiscal year!

**Some Simple Examples**

**Research Lab, Room 505**

One occupant only.

Lab used for work on NIH research awards R01ABC and R01XYZ.

Occupant is paid 50% from ABC and 50% from XYZ.

**Answer:** 100% Organized Research

(1 FTE working 100% on OR while in the lab.)
Research Lab, Room 529

One occupant only.
Lab used for work on NIH research awards R01ABC and R01XYZ.
Occupant is paid 25% from ABC and 25% from XYZ while in her lab and 50% from departmental funds while in other space.

Answer: 100% Organized Research
(1 FTE working 100% on OR while in the lab.)

Research Lab, Room 540

Two occupants only.
Lab used for work on NIH research awards R01ABC and R01XYZ.
First occupant is a post doc, paid 50% from ABC and 50% from XYZ while in the lab.
Second occupant is a .50 FTE graduate research assistant, paid 100% from department operating funds while in the lab.

Answer: 67% OR & 33% Inst/DR

Rm 540 Lab – Example Math

Two occupants:
One post doc, paid 100% from grants while in the lab.
And .50 FTE graduate research asst. paid 100% from department operating funds while in the lab.

Answer: 67% OR & 33% Inst/DR

<table>
<thead>
<tr>
<th>FTE in Lab</th>
<th>OR</th>
<th>Inst/DR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Post Doc</td>
<td>1.0</td>
<td>1.0</td>
</tr>
<tr>
<td>Grad Res Asst</td>
<td>0.5</td>
<td>0.5</td>
</tr>
<tr>
<td>1.5</td>
<td>1.0</td>
<td>0.5</td>
</tr>
<tr>
<td>100%</td>
<td>67%</td>
<td>33%</td>
</tr>
</tbody>
</table>
**Research Lab, Room 612**

Two occupants only.
Lab used for work on NIH research awards R01ABC and R01XYZ.

First occupant is a post doc paid 50% from ABC and 50% from XYZ while in the lab.

Second occupant is a lab technician paid 50% from ABC and 50% department operating funds while in the lab.

Answer: 75% OR and 25% Inst/DR

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**Rm 612 Lab – Example Math**

Two occupants:
Post doc paid 100% from grants while in the lab.
Lab technician paid 50% from ABC and 50% department operating funds while in the lab.

Answer: 75% OR & 25% Inst/DR

<table>
<thead>
<tr>
<th>ROOM 612 LAB</th>
<th>FTE in Lab</th>
<th>OR</th>
<th>Inst/DR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Post Doc</td>
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<td>1.0</td>
<td></td>
</tr>
<tr>
<td>Lab Tech</td>
<td>1.0</td>
<td>0.5</td>
<td>0.5</td>
</tr>
<tr>
<td></td>
<td>2.0</td>
<td>1.5</td>
<td>0.5</td>
</tr>
<tr>
<td></td>
<td>100%</td>
<td>75%</td>
<td>25%</td>
</tr>
</tbody>
</table>

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**Research Lab, Room 715**

Two occupants only.
Lab used for work on NIH research award R01ABC and “exploratory/start-up” research.

First occupant is a graduate research assistant paid 50% from ABC and 50% from departmental operating funds while in the lab.

Second occupant is a lab tech paid 100% department operating funds while in the lab.

Answer: 25% OR and 75% Inst/DR
**Example Math**

First occupant is a graduate research assistant paid 50% from ABC and 50% from departmental operating funds while in the lab.

Second occupant is a lab tech paid 100% department operating funds while in the lab.

Answer: 25% OR and 75% Inst/DR

<table>
<thead>
<tr>
<th>ROOM 715 LAB</th>
<th>FTE in Lab</th>
<th>OR</th>
<th>Inst/DR</th>
</tr>
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<tbody>
<tr>
<td>Grad Res Asst</td>
<td>1.0</td>
<td>0.5</td>
<td>0.5</td>
</tr>
<tr>
<td>Lab Tech</td>
<td>1.0</td>
<td>1.0</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2.0</td>
<td>0.5</td>
<td>1.5</td>
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<tr>
<td></td>
<td>100%</td>
<td>25%</td>
<td>75%</td>
</tr>
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**Summary**

Carefully review detailed instructions.

Space functionalization is the most critical part of the F&A proposal.

Sample of space **WILL BE** reviewed by DHHS/DCA negotiators.

Carefully review and functionalize your space.

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**Potential Federal Review**
FY 2009 Project Team

- Departments
- Controller’s Office
- BearingPoint, Inc.

Potential Federal Review

Be Prepared to Defend Your Work in a Formal Meeting and Walk-thru with Federal Representatives

Their Goal:
Reduce SqFt Assigned to Organized Research

WSU’s Goal:
Successfully Defend Credibility of Study

Key: Take and keep notes on reasoning behind functionalization and percentages.

Potential Federal Review – Typical Federal Walk-through Questions

- How was the survey conducted?
- Did you attend a training session?
- What are the department’s sources of funds?
- What are the number of faculty, post docs, graduate students, undergraduate students, lab technicians, visiting professors?
- Are there ever any undergrads in the Labs?
- Are there ever any visiting scientists in Labs?
- How were functional usages determined for each Lab and Lab services room?
Potential Federal Review

**BearingPoint/Controller’s Office will provide Pre-Meeting with Departmental Administrators ahead of DHHS/DCA On-site Review:**

- We will spend time on preparation together; and we will be there with you.
- We will review list of potential questions, and be there as support during the process.

Timeframes / Deadlines

**Formal Training: April 16th – 17th**

- Hands-on Survey Lab: April 23rd
  - Thompson Computer Lab, 1:30pm

**Deadline for completion: May 31st**

**BearingPoint/Controller’s Office Quality Control review: By June 30th**
Contacts to Help You

For questions, contact:

Karen Breese  kbreese@wsu.edu
509-335-2056
Business Services/Controller’s office
F&A Rate Specialist

Discussion
WSU employees attending this session via videoconferencing and who wish to have it recorded on their training history must notify HRS within three days of the session date:

hrstraining@wsu.edu