

## **Guidelines for the Establishment of Centers, Institutes, and Related Units**

### **Introduction and Definitions**

Universities commonly have a number of organizational areas outside traditional curricular structures. These areas are usually designated as centers or institutes, although other designations are used to allow faculty and staff to address specific topics or issues. West Virginia University has a variety of such entities. Their purposes and characteristics vary considerably and range from "letterhead" centers that give identity to a small interdisciplinary group to larger enterprises that involve significant commitments of staffing, space, overhead sharing agreements, and other resources. Throughout the remainder of this document the term "Center" is used to designate Centers, Institutes, and other similar units.

The purpose of this document is to establish processes for:

- Creating Centers.
- Evaluating them against established expectations.
- Decommissioning them when they are no longer active or meeting their objectives.

Two guiding principles for this document are to incentivize the creation of effective and vigorous centers, and retain flexibility in how they are structured and used. This document **does not** provide guidelines for units that are covered by the existing departmental review process, such as task-specific laboratories or performance facilities; clinical care centers whose primary purpose is to provide care to patients or clients; purely academic centers (e.g., a Writing Center); and those covered by the existing administrative unit review process, such as the Health Sciences Center, Student Recreation Center. Rather, this document **does** concern centers that involve the following efforts:

- Research, and production and dissemination of scholarly information.
- Sponsorship of programs that offer students the opportunity to develop skills in an applied setting.
- Development of grant and contract proposals and administration of grant- and contract-supported programs.

Such research-based centers are typically created for two reasons, 1) as a result of major federal or state funding acquired specifically to create a center, e.g., a US Department of Energy Frontier Research Center, or 2) to demonstrate the existence of a collaborative group of researchers who are seeking additional single investigator or multi-investigator research funding and a "Center" designation will increase their competitiveness for such funding. This document establishes the requirements for a specific class of large-scale, research-based Centers, designated as a "West Virginia University Center" (WVUC, and also describes minimum criteria for the establishment of all other research-based centers at West Virginia University. Providing support and incentives for faculty to invest the time and energy required to create and lead such Centers is an institutional priority. Therefore, the principal budgetary feature of a "West Virginia University Center" is that a fraction of the subsequent facilities and

administrative (F&A) costs brought into the institution by such centers after reaching an established threshold will be available for reinvestment into their operations. The current distribution of F&A costs for most colleges is 70% to the central administration and 30% to the colleges. In multi-investigator awards, the college distribution is prorated across academic units based on the distribution of tasks and college-specific rules for F&A sharing. For approved WVUCs that have met the threshold in external funding, 20% of the F&A accrued after reaching a set threshold can be directed specifically to the center, given an appropriate/approved budget for the use of those funds. The remaining F&A will be split between the central administration and the colleges according to existing agreements for distribution of F&A, i.e., the nominal split is 70% of central administration and 30% to the colleges. Note that any threshold for a college at which the F&A distribution switches, for example from 70%-30% to 30%-70%, based on a total level of research activity is unaffected by this policy as those calculations are based on the total level of research activity, including the F&A component. The distribution of the F&A funds returned to the colleges will proceed according to the distribution of tasks within each funded proposal. In the case of an existing center that already receives a portion of their budget from centrally allocated funds, the center should submit a plan to the University Strategic Research Council (USRC) regarding how the Center will become self-sufficient with returned F&A replacing the central commitment. The USRC will work with the director to determine what central resources will continue to be allocated.

### **Procedures to Establish a WVUC and Other Centers**

The **threshold** for establishing a WVUC is an annual externally supported expenditure level of \$1,000,000. The enhanced F&A return is not paid on the expenditures that were used to meet the threshold requirement. This threshold is established in 2014 and is expected to rise over time in accordance with the nominal rate of inflation. During formation of a WVUC, founding faculty can identify existing grants to be affiliated with a WVUC for purposes of meeting this threshold. The F&A distribution on these existing grants will not change when the WVUC is created; however, the incentive F&A distribution proposed herein (20% of total F&A) will apply to new funding obtained by the WVUC after the WVUC is approved and the threshold is met. In the case of a new WVUC created through the receipt of a large external grant, the anticipated incentive F&A return may be incorporated into the budget of the Center at the time of proposal submission. Faculty must identify a WVUC during the pre-proposal submission process for a specific proposal to be associated with and count towards the funding level for the WVUC, or multiple WVUC in rare cases (funds cannot be counted twice). Grants cannot be moved from WVUC designations once they are so identified. *See Appendix IV: Enhanced F&A for WVU Centers for more details on how the enhanced F&A works.* The only permitted use for F&A returned to Centers is to support the research and administrative activities of the Center.

Clearly, active and vigorous centers with annual expenditure budgets under \$1,000,000 exist in many disciplines. Scaling the annual expenditure threshold for a WVUC by specific disciplines would artificially complicate the formation of interdisciplinary WVUCs and is not consistent with specifically incentivizing large, externally-funded Centers. A campus-wide threshold and a campus-wide nominal F&A return level are intended to reduce the cross-

college barriers to WVUC formation. Centers with annual research expenditure levels below the WVUC threshold may negotiate with the Colleges from which they draw faculty for re-investment of F&A from the fraction of F&A returned to the colleges by the institution. In other words, the funding level threshold for a WVUC does not preclude Deans or Chairs from negotiating separate modifications to the F&A return policies within their units to encourage the creation of smaller Centers.

No centers are permitted to incur a negative operations budget and all research and support personnel employed by any Center must have contracts that permit termination of employment or support in the absence of sufficient funds. Any agreements that provide financial support to academic faculty participating in a Center must clearly terminate in the absence of Center funding. Any Center entering into equipment or other maintenance contracts must have demonstrated resources sufficient to cover the cost of the contract over the entire length of the contract period even if the funding used to pay for the contract expires before the contract period ends.

### **Approval of Centers**

Centers housed entirely within an academic unit, e.g., a department, college, or HSC, and that do not require resources beyond those controlled by the academic unit will require approval from the unit in question and one level of administration above. For example, a department level Center such as a “Center for European History” would require approval by the chair of the department of history and the Dean of the Eberly College of Arts and Sciences. **Any Center requesting designation as a WVUC, any Center seeking physical space that is not controlled entirely by colleges, and any Center that includes faculty from multiple colleges must be approved by the Strategic Research Council after approval of the deans of the colleges involved.** Centers proposed by faculty and staff in non-academic units will require approval of the Vice President of Research. All Centers must be approved by the Provost.

Proposals for the establishment of new centers must include the standard approval page and follow the guidelines identified in *Appendix I: Required Elements for a Proposal for a Center or Institute*. The approving authority typically will make the final determination on the establishment of the Center within one month, although there may be extenuation circumstances that lengthen the time to approval. *See Appendix III: Establishing a WVU Center in Kuali for information on how to obtain a DA number for a Center.* We strongly encourage departmental and college level Centers to obtain a DA number for the Center to ease tracking of external grants associate with the Center; WVU Centers are required to have their own DA number.

### **Evaluation of Centers**

Annual reporting requirements generally follow the management structure outlined above. For example, a Center based entirely in a single college will report to the Dean of that college. Reporting of multi-college Centers can be through the Deans of the colleges with final approval

by the University Strategic Research Council (USRC) or through the USRC as approved in the Center proposal. Each College will develop a schedule in which Centers in existence at the time of the promulgation of these guidelines will be reviewed so that all existing Centers will have met these guidelines within a five year time frame; all existing Centers are required to submit annual reports at the end of each academic year. Briefly, the report should highlight the Center's activities in research, scholarship, and service/community engagement. Goals and objectives for the upcoming year should be outlined and a brief financial report should be appended to each annual report.

## **Director**

Once a proposal for a Center has been approved, the process outlined in the proposal for the appointment of a Director will begin. Depending on the complexity of the center, the center Director's annual workload, in the case of faculty directors, might be modified to reflect their additional administrative duties. Such modifications to the annual workload and any administrative supplements to salary for a faculty member must be approved in writing by the Dean of the College in which the Center Director's primary faculty appointment resides. If a center is terminated after failing to meet the evaluation criteria established in the center proposal, the director position will be eliminated at the same time. The managing authorities, as outlined in the approved management plan for the Center, have sole discretion in the appointment of the Director. Staff from the Office of Research Project Management may be contracted by the Director for consultation regarding project management and related assistance.

Directors will be appointed for a term of two to five years. Directors may serve consecutive terms. Once appointed, the Director has responsibility for securing external funding, promoting the work of the Center, overseeing the budget, and supervising personnel. The Director submits an annual report to the appropriate managing authority and a five-year report, as described below.

The performance of Centers and Directors will be reviewed annually by the managing authority (as defined in the approved proposal). Each year the managing authority shall provide the director's home department with a review of the center's performance. This review shall be placed in the director's annual file by the department chair. The center-related activity of any faculty or staff member whose workload assignment includes center-related effort shall be reviewed annually by the director and that review provided to the chair of the faculty member's home department or the staff member's primary supervisor. These reviews shall be placed in the faculty or staff member's annual personnel file. In the rare circumstance that the managing authority or a majority of the faculty members of a center determine that a change in center directorship is warranted before a Director's term has expired, the faculty members of the Center may submit (or be asked to submit) a nomination for a new candidate for Director (or request a search to identify external candidates) and a decision will be rendered by the managing authority. Major reviews will be undertaken every five years to determine if continuation of the Center is desirable. Recommendations arising from each review must be supported by metrics outlined by the Director in concert with other Center personnel or

advisory boards. The Office of the Vice President for Research will maintain a current list of approved Centers and shall be copied on all annual and five-year reports of Centers.

### **Changes**

Once a Center is approved, the director must obtain approval through the process outlined above for any significant changes in the above items.

### **Use of Center Name/Acknowledgment of Sponsorship**

Reference by name of Centers in letterhead, official documents, brochures, web pages, business cards, etc or the use of the title "director" with regard to a Center requires advance approval of the Center as specified above. All publications and webs sites of the Centers must conform to University standards. For WVUCs it may be impractical to list each college on Center letterhead, but rather individual faculty should acknowledge their departmental and college support in their Center activities. If a department or college supports a specific activity, they should be acknowledged within materials for said activity.

## **Appendix I: Required Elements for a Proposal for a Center or Institute (document limited to 5 pages)**

### 1. Name, Purposes and Functions

- Identify the mission (or purpose) of the proposed center;
- Identify the need for the proposed center; and
- Identify the name of the proposed center and how acknowledgement of support from colleges and departments will be documented in center letterhead, media materials, etc.

### 2. Organizational Structure and Bylaws or Operating Procedures

- Explain the proposed center's placement within the University's existing organizational and administrative structure and who the managing authority for approval and reporting will be. Identification of the appropriate managing authority should be accomplished in consultation with department chairs, college deans, senior associate Vice President for Research for Health Sciences (for HSC-based Centers), and/or the office of the Vice President for Research (for centers involving faculty from multiple colleges, WVUC's, non-academic faculty, or centrally allocated resources);
- Describe the proposed center's internal administrative structure; minimum structure must include a Director and may include others such as an advisory board composed of internal and external representatives, faculty, and/or staff. Proposers should describe positions and their responsibilities, and compensations (if any) in release time or salary; and
- Describe the process through which new faculty become affiliated with the Center, e.g., do they request affiliation through the Director, request approval from the Center advisory board, etc.

### 3. Information on Possible Overlap and Endorsements

- Identify any overlap between the proposed center's function or organization with other efforts or activities at the university; and
- Provide evidence of support for the proposed center indicating that all affected departments/units are aware of plans for establishing the center.

### 4. Business Plan

- Provide an initial budget and a business plan for sustained operation of the Center, including existing or potential funding sources. Funding for centers may include a combination of University support, external grants, and philanthropy. Note whether state funds, federal grants, private funding or other funding sources will be involved; and
- If the center is applying for the status of a West Virginia University Center and is therefore requesting that a portion of the F&A funds be returned directly to the WVUC, provide a list of the grants affiliated with the WVUC showing that the total annual research expenditures will exceed the threshold. **Note that if the total annual research expenditures for the WVUC fall below the threshold for 24 months, the WVUC will lose its status as a WVUC and F&A sharing agreement will be terminated.** A Center may earn its status back with approval by the USRC and by reaching the one million dollar annual threshold in expenditures requirement.

## 5. Administration of Grants

- Indicate how Center-wide grants will be administered (which Business Office(s) will manage the reporting requirements for the grant, verification that the funding threshold for WVUCs is being met, close out of the grant, and similar grant administration related matters). In the case of particularly complex Centers that require extensive grant administration, WVUCs may be asked by the College housing the primary Business Office to contribute financially, from resources returned to the WVUC, to the support of grant administration staff who will directly support the operation of the WVUC. See *Appendix II: Budget Models for Centers* and delineate which model you are operating under.

## 6. Staffing

- Detail proposed staffing needs and demonstrate support is adequate to meet the proposed center's mission; and
- Identify key center personnel if known;

## 7. Space

- Describe space and facilities required, including plans to meet those needs;
- Identify where the proposed center's staff and activities will be housed; and
- Indicate the cost and source of funds for any space remodeling or realignment that may be required.

## WVU Center/Institute Approval Cover Page

Date: \_\_\_\_\_

Center Title: \_\_\_\_\_

Submitting Faculty:

\_\_\_\_\_

Primary Contact Information (email and phone):

\_\_\_\_\_

Is this proposal for a large-scale, West Virginia University Center?

Is this proposal in response to a solicitation by an external funding agency?

If so, please identify the solicitation.

For a single college center the department chair and dean must sign. For multi-college proposals, all department chairs and deans must sign – if the proposed managing authority is the USRC, the VPR for research must sign. For WVUC's, the deans and the VPR must sign. If the Center is an HSC Center, the signatures of the managing authority identified in the document must be obtained; ALL Centers must have the Provost signature.

## Example Signature Page

### Approval Signatures

Signature

Date

Gregory Dunaway Eberly College of Arts and Sciences		
Eugene Cilento Benjamin M. Statler College of Engineering and Mineral Resources		
Gypsy Denzine College of Education and Human Services		
Dan Robison Davis College of Agriculture, Natural Resources, and Design		
Joyce McConnell Provost		
Fred King Vice President for Research Chair, USRC		

## Appendix II: Budget Models for Centers at WVU

When faculty at West Virginia University collaborate on projects that cross traditional college boundaries, the management of budgets and the assignment of “credit” for the research activity can become an artificial barrier to the efficient operation of such projects and may also inhibit administrative support for such activities. It is the policy of the Office of Research to require all projects to develop budgets that create separate budget tasks for personnel in each college so that the efforts of personnel distributed amongst colleges are accurately represented. Senior personnel should appear as co-investigators in submitted proposals so that credit for proposal development is also accurately represented amongst participants from different colleges.

For projects submitting “Center” applications, the Office of Research provides the following budgetary organizational models as examples to assist faculty with their “Center” applications.

- A. **West Virginia University Center:** The WVUC designation is reserved for large-scale centers with expenditures of over \$1,000,000 annually. The 20% of Indirect Costs that are reinvested back into such centers will be managed by the Expert Business Office (EBO) in the WVU Office of Research. The returned F&A will be dispersed through the Research Office EBO as directed by the Center Director with oversight and reporting functions provided by the Research Office EBO. Externally funded projects that include WVUC-wide funds, e.g., a travel fund, a seed-research fund, or a summer outreach program, will be managed by the WVU Office of Research EBO and tasks created for personnel in the various colleges to be managed by the EBOs in those colleges. Externally funded projects associated with the WVUC at the time of proposal submission that do not include center-wide projects, e.g., a single PI proposal that funds a specific activity, will be managed by the EBO in the PI’s college as is customary of such projects. The college EBO will be responsible for reporting annual expenditures to the Research Office each year to document that the annual expenditure threshold for the WVUC is being met.
- B. **Single College Center:** A Center that draws the bulk of its personnel from a single college and reports annually to the administration of that college will use that college’s EBO for all budgetary oversight and management. Personnel in other colleges will be supported through separate tasks assigned to the home college of the personnel.
- C. **Multi-College Center:** A non-WVUC Center (one that has not been approved to receive a percentage of indirect costs) that draws large fractions of its personnel from two or more colleges, e.g., 50% from each of two colleges, must select a single college EBO to be the primary EBO for the Center at the time of submission of the Center application. Externally funded projects that include center-wide funds, e.g., a travel fund, a seed-research fund, or a summer outreach program, will be managed by the primary college EBO and tasks created for personnel in the various colleges will be managed by the EBOs in those colleges. On any proposal associated with the Center that involves only one college, that college’s EBO will be the responsible EBO, but will provide copies of the awarded budget to the primary EBO to include in their calculations of external support for purposes annual Center review.

## Appendix III: Designating Centers in WVU+kc and MAP

In order to track and provide accurate data regarding center research activity at WVU, the Research Office has set forth the following guidelines for establishing awards in the WVU+kc (Kuali Coeus) electronic research administration system and the MAP financial system. These guidelines must be followed for any center that is already designated as an official WVU center or any center that plans to [apply to become an official center](#). The Research Office also highly suggests that all other centers follow these same procedures should the center want to track its research activity in these administrative systems. **Awards that are not set up following these processes will not be associated with a center and therefore will not count towards any annual financial totals for such center.**

### Proposal Stage

#### **Faculty must identify a center affiliation during the proposal submission process.**

Faculty members will accomplish this by selecting the center as the lead unit on a proposal in WVU+kc. If the center that should be associated with the proposal is not in WVU+kc, a request can be made to add the center via an [online form](#). All officially designated non-HSC WVU centers will be associated with the Vice President for Research and Economic Development in WVU+kc and the Research Office will sign off on any proposals submitted through such centers. All HSC WVU centers will be associated with the Vice President for Research at the HSC whose office will also sign off on any proposal submitted through such center. All other centers will be nested within the college/department with which it is primarily associated. This structure allows not only for reporting on the individual center but will also include center data in the totals for the department/college with which it is associated. Proposal sign off for college/departmental level centers will continue to go through the college dean's office for approval. Approval of a proposal at the dean's level confirms that the center on the proposal is the center that should be associated with the research activity should funding be received in the future. Additionally, PIs will be able to select multiple departmental/center affiliations on the personnel page.

If your center is new, you must contact your EBO to request a unique departmental activity (DA) number for the center before a proposal is submitted so that funds can be correctly tracked in MAP. The DA number must be included on the Supplemental Form A as the Award Org for the project before the proposal is submitted. The Supplemental Form A should also identify the financial obligations of the project at the task level, indicating which Expenditure Orgs will be handling the finances for each task at the departmental level.

### Award Stage

The Office of Sponsored Programs will use the information provided at the proposal stage in order to set up an award in WVU+kc and MAP once funding has been received. **Once OSP has established an award connected to a center, the finances will be officially associated with it and will fall under the approved budget model for that center. Awards cannot be moved from one center to another.**

## Appendix IV: Enhanced F&A for WVU Centers

### Getting to the \$1 million mark:

The threshold for enhanced F&A is annual expenditures of \$1M in a fiscal year. The \$1 million have to be from external funding sources – internal funds do not count towards the threshold. Should a Center reach the \$1M limit in a shorter time frame, the next fiscal quarter will trigger the enhanced F&A. Specifically, expenditures will be calculated on a quarterly basis with target dates of March 31, June 30, Sept 30, Dec 31. Once the \$1M threshold is met, all future expenditures in subsequent eligible quarters for identified WVU Center lead grants will fall under the 20% off the top F&A split (enhanced).

Both direct and indirect expenditures contribute to reaching the \$1M trigger. There are two ways to have grants count. The first is to have the Center listed as the *lead* unit (this is the preferred way, for reason see below); alternately, a PI can *associate* their grant with the Center and the Center can use the expenditures of that *affiliated* grant towards the \$1M mark.

### The enhanced split:

The 20% F&A return is NOT paid on the first \$1 million in annual expenditures (from external sources) that are used to meet the threshold. The enhanced F&A is an incentive to get to and past the \$1 million mark on an annual basis; the Centers are already receiving significant central funds to support their achievement of the \$1M mark. However, the enhanced F&A is returned for every subsequent quarter after the first \$1 million in following years, so long as \$1M in annual expenditures is sustained. F&A is calculated quarterly; each Center will have an indirect costs account with a DA number and the 20% F&A will go into that account; the EBO for this account is the Research Office EBO; after the 20% is paid, then the remaining F&A will be split as per customary (normally 70% to Central, 30% to the College(s); which colleges (and departments) get what is determined by the task level budgets and is not tied to who the lead unit is). **Note that if the total annual research expenditures for the WVUC fall below the threshold for 24 months, the WVUC will lose its status as a WVUC and F&A sharing agreement will be terminated.**

For example, if a Center meets the threshold in Q3, and has subsequent expenses in Q4 that generate \$100,000 in F&A, then the Center would get \$20,000, Central would get \$56,000, and the College(s) would get \$24,000. The Center would continue to get the enhanced F&A in Q5 etc. so long as subsequent annual expenditures continue to exceed \$1M/yr.

### Lead vs. Affiliate:

The enhanced F&A is only paid on expenditures for which the Center is the *lead* unit (and for which the expenditures actually generate F&A) and are NOT paid on grants in which the grant was only *affiliated* with the Center. Thus while the Center can count *affiliated* grants towards the \$1M threshold needed to start or continue the enhanced F&A being paid, the Center cannot get the enhanced F&A on those grants. The idea here is that the Center did some work to help the PI get the grant, so should get some credit, however, they are not the lead unit and

thus cannot benefit from the enhanced F&A directly on those projects. Thus it behooves Centers to be the *lead* unit and not only an *affiliate* when appropriate. When a Center serves as an affiliate, affiliate grant expenses will be tracked by the Center staff and turned in to the Research Office EBO at the end of each quarter. The research office EBO will tally the Center's lead unit expenditures with their affiliate expenditures and update the Director on where they are at in terms of meeting the threshold. If the threshold has been met, the research office EBO will notify Sponsored Research Accounting that the enhanced F&A agreement is in place for all eligible future quarters; each fiscal year the research office EBO will review annual expenditures (from the quarterly reports) to determine if the Center will maintain its status for the following year or if they have fallen below the threshold, they then transition to the 8 quarter grace period (see Center Creation document).

**Budgeting for Center staff:**

Central administration is investing resources in each of the Centers in order to increase external funding to the University in the Center's area of focus. As the Center grows and succeeds in securing external funding, it is expected that the salaries of Center staff will be included as direct costs to be paid out of those funds with the enhanced F&A covering operating costs that were previously covered by Central funds (ongoing support may vary from Center to Center as per written agreements with the Provost and/or Dean's offices). The expectation is that this occur within 5 years of the establishment of the Center. At this point the Center will also be supporting its own FEAP(s), post-docs, or RAPs through a combination of external funding or F&A recovered.