John Verwiel: Thanks, Parker. Yeah, good afternoon field. Just want to send out a big thank you to all the stations out there. We have 40 stations that were at or below 4%, which is a hundred percent improvement literally over the previous year. We were actually able to reduce our carryover by just over $10 million from 99 million prior year, down to 89 million this past year. And that is on top of a $67 million budget increase, so all-around big pat on the back for a job well-done. And thanks to Tony, Basin, and RPO East for executing as many contracts as possible. Couple notes, we had a little meeting on finance, and one of the concerns was pulling back CC 101 money. And I did pull back about 5 million, and that was based off of the Q3 RAFT Execution Report. I guess we pulled it from about 30 stations, and about 7 of you asked for the money back. So I did give a portion of the money back.

Next year, we’ll do better with notifying you before I pull the money because I did realize some of the stations were—last couple weeks of the year just realized it and didn’t have enough money. So we’ll do a better job about communicating the pullback next year of CC 101. Wanted to thank Tony for spearheading this committee on the CC 101 formula. I think you needed to be in that NASA scientist to figure out the formula. Before this, it was about a page long, a little convoluted, hard to understand. This particular formula is going to provide funding or seed money to some stations that don’t currently have it. My big thing is got to be—it’s a big increase, and we can’t do it all at once. But we’ll be as generous as possible when we send it out.

The CC 101 will be funded with this current year funding. We’re not going to give out prior year funding for the CC 101, and it’s about a 20% increase over what we gave. This year’s distribution is approximately 20% more than we gave last year, so we want to make sure that those funds are spent. And if not, please request to have the money sent back to us, so we can redistribute the funding. Or you may be susceptible to pullback based on your Q3 comments in the RAFT Execution Report. So you see that these RAFT Execution Reports we do look at very closely, and I know we’re in the cycle of doing the 4th-quarter one now. And the focus is on spending down those funds by the end of this quarter. So with that, appreciate again everyone in attendance and do appreciate Tony spearheading this initiative. And Tony, without further ado, I’m going to pass it off to you.

Tony Laracuente: Thanks, John. Appreciate it, and thanks for your hard work on the budget. We know it’s not easy. So we have a few objectives for today’s training. We want to understand what is a Cost Center, understanding how to calculate Cost Center 101, and understanding the new Cost Center 101 model, which is I think what you all are very interested. I know the ACOSs were very interested in this at the ACOS meeting. So let’s jump right in. So I have a quiz for you guys, even though you guys aren’t going to be able to answer it because we didn’t do this as a polling. This is kind of just think about it. And I’m just wondering if you can identify the seven programs used by VA research to break up the appropriation.

I’m wondering if anybody knows what Cost Center 8110 is, what Cost Center 8134 is, and does anyone remember Cost Centers 8102 and 8104? And if so, are they still used anywhere? And then, of course, what is Program 821? The other part of the quiz is, who is the author of the Cost Center 101 formula? And does Cost Center 101 matter in the future? We hear a lot about VERA. We hear a lot about my girlfriend, and so just wondering if anybody thinks that Cost Center 101 matters. Does anyone check their Cost Center 101 allocation each year? And by the way, what is Cost Center 103?

So let’s start right into this and go from there. So as defined by VHA policy, Cost Center is a mechanism used to accumulate cost incurred by area of responsibility or geographic region. Cost Centers represented by four- to six-digit codes used to identify organizational elements through VA, so in research, 8100 series. A system that’s in my mind, in my definition, it’s really a system to provide cost breakouts to the standard ledger of accounting system in a way to account for the distribution expenditure of funds to the field by segregating into cost pools. So it’s really important. Cost Centers are really important. So for example, as John mentioned, if you’re an 8101 and you’re spending money in 8101 and you want to track it, you really should be costing things to 8101. If it’s HSR&D, it should be costing to 8134; 8102 was, in the past, the common resources. Cost Center hasn’t been used in a while. Some stations, believe it or not, are still costing some things to 8102. We want to try to see if we can correct that; 8104 was the old scientist Cost Center back in the 80s.

So some of these Cost Centers are no longer used, but believe it or not, some of them are still implemented and show throughout the system. So these are the current definitions of the ones that we’re supposed to be using, 8101, 102, et cetera, et cetera. Know a lot of people use 108 for career development, by the way, and career development for BLR&D. So if you have a career development in HSR&D, you would use 134, 8134. Or in Rehab R&D use 8124. Talking about programs themselves, we have the seven programs; 820 is VACO Support. That’s where your Cost Center 101 comes in. Then you have biomedical research. We have R&D, HSR&D, coop studies, MVP, and of course clinical sciences.

So what is this 101 calculation anyway? So Cost Center 101 is calculated at the beginning of the year. ORD Finance usually does it September or October. It is a painful formula devised by former administrator officer for research and director of research operations back a long time ago, so it’s not me. This was actually initialized back in the 1980s I believe, or in the ‘80s. One of my mentors was very involved in the process for that. It is confusing. It has changed over time. We’ll talk a little bit about that. Is it fair? I don’t know. I mean, I think that you can ask different people if it’s fair or not. It probably is in many ways, and is it functional? Well, this is what we’re really going to talk about at the end.

So how was Cost Center 101 calculated? I’m pretty good at math, but I’m not good at this stuff. I mean, this is like—I don’t think that’s even math to me. So I like 1 + 2 = 3. So here’s the premise. Call Center 101 is to support the research office by providing a portion of indirect support based on size and complexity of the program. As defined by VA, Cost Center 8—it’s really Cost Center 810100 – Administration and Common Research—includes personal services for the support staff for the Associates Chief of Staff for Research and all other costs associated with that activity in support of multiple research programs, projects, and laboratories. So It’s really Fund 0161. Now that’s a key point. It’s not money for a project, for a single project. It’s money to support the overall support of multiple research projects, mostly out of the research office.

So can we [garbled audio]? So the perception and the realities of Cost Center 101. Can we run the program with just this? We’ve had a lot of discussion about VERA and what you’re supposed to get from the medical center in terms of support of VERA. Some facilities get some support—a lot of facilities get support but not complete support. A lot of people don’t get any support. So it’s a wide range. So is this really enough? Is what you get really enough? And John said he pulled $5 million from the field out of 30-some stations, 30 stations, and only 7 asked for the money back. So we really need to look at that carefully and say do we really—are we sending enough out? Are we sending too much out? And so this is one of the reasons we put together this committee to take a look at Cost Center 101.

Do we pay investigators from this? Well, you can. It can support bridge funding and so forth or can support core facilities support, et cetera. But I would say that most cases your other Cost Centers are supporting the investigator’s salary. Can you do service contracts? Of course you can. Is compliance the money grubber, as I call it, the group that really causes the cost to go up. And by compliance, I’m not talking about the research compliance officer. I’m talking about the committee structures and the committee management and the HRPP support and so forth. And then how much is enough? And then more than likely, it’s going to change, so we’ll talk about that.

So calculating Cost Center 101. [Garbled audio] The funky formula was developed in the ‘80s, slightly modified over time. Many people have opined about it. It’s based on the success of garnering research funding from all programs broken down by program. And so how is this calculated in 1996 versus 2003 and now going forward?

So in 1996, this was the formula, and the whole point of this is you’ll notice a couple things. B, the AA to the ACOS salary was already included in the 101 formula. It wasn’t separated. It was separated out. It added up a lot of things in the formula, and it was based on allocations, not expenditures. And so you could start looking and you start seeing my old handwriting and what we got and what the portions were and so forth. So really, it was truly an allocation-based plus the AO salary. And I think Mr. Berlow put in that you better call me if you have questions about this, and you can.

So let’s jump forward to 2003. Again, we’re still talking about allocations, but there’s a portion missing, and that portion that’s missing is the AO salary. It was pulled out. It was no longer added in. It was only focusing on the overall amount at your facilities. And so you didn’t have to worry about the AO being separated out. So then let’s jump forward to 2022, last year. And so last year, this was the formula, and now the big difference is the formula’s based on expenditures, not allocations. And so these expenditures were critical because if you were over 50,000, you could expect a little bit of 101. If you were over $3 million, you could expect a lot of bit of 101. And so the formula was calculated based on expenditures. So what that meant is if you spent more, you got more in 101. Now, fair? I don’t know, because some stations receive a lot of money for contracts, to do contracts. Some stations have COREs. Some stations have centers and things along those lines. So the question is, was this truly a fair representation of the program, and is 101 truly represent it?

So this was my former boss. And he would get the ITA, and he would wonder, do I have enough money to support the research office? So he would look at it, and then he would say, okay, I need to take the 103 and the 106 and the 108 and divide it by this and subtract *x* and do *y* and all that. And he would just say, hmm. He would always get stuck because he was trying to figure this out, and he would say, golly, some administrator must have come up with this, and really truly doesn’t make sense to him. Of course, remember he’s a scientist. And then he finally figured out that, hey, this is the AO’s job. This is my job. And let him figure it out and let him figure out how to use it, and I’m not going to worry about this anymore. And so then he would just dump it in the trashcan and forget about it and say, Tony, if we got enough money, just let me know and so forth. So we would move forward from there.

But in reality, we needed to update the model. So with the input from the field, we put together a workgroup of about seven ACOSs and AOs—actually, it might have been more—and really started talking about how does 101 work at your facility? How does 101 and VERA work at your facility? Is it enough? Does it need to expand? And what do you use it for? And so we had a lot of conversations about that. We said we heard stories about we’d go to the facility director, we put together a plan. We split it up. We heard stories about I just use it to help my investigators out. We head stories about it’s not enough to hire my staff and so forth. I cannot fund appropriate staff. And so with the new initiatives that have come onboard over the last 20, 30 years with the increase in compliance and the overall changes since the 1980s, it really was time to look at it again. In the 1990s, it was allocation-based as I said earlier. Up to 2020 it was expenditure-based. But what we forgot is that it’s got to be people-based, and it’s got to be needs-based. And so in talking to a lot of you, a lot of the administrative officers and ACOSs in the field, a lot of it was I just don’t have enough money to hire the right people. I don’t have enough money to hire a committee manager. I don’t have enough money to hire PSAs. I can’t do all my purchase cards. I don’t have enough money to hire a budget technician or a budget analyst and so forth.

So we started looking at this from the perspective of what is that truly happens in a research office? And there are about five or six components that occur in a research office. One is obviously the administrative officer for research, probably the key component in this. The PSA, somebody that can support the research office, maybe the ACOS and so forth. We’ve got committee managers. Boy, do we have committee managers. We need IRB in some cases. We need R&D for sure. We need IACUC in some cases. We need safety, IBC, all those components of the committees that we use to manage our research program, to make sure that we stay in compliance from the perspective of [garbled audio] perspective of FDA, from the perspective of all the regulatory agencies that the research office deals with.

So we also talked about grants manager, and I will tell you, I had to get convinced about this one because grants manager is not a VA term, as grant is not a VA term. Grants manager is a university term, so VA does not do grants. They do merit review awards; they do career development awards. They do awards. So we had a long discussion about grants manager, and the reality is that what the grants manager came out to be is the person that submits and grants .gov, submit it \_\_\_\_\_ [00:21:57]. Does all that [garbled audio] work. And as well as the RPPRs, the final reports. JIT is a big component that has come about over the years that was never accounted for. All those things that are the pre and post award that are not necessarily tied to committees. So we decided to go ahead and include a grants manager. Of course there’s the budget office. We know about tracking the money.

We know that there’s a lot of pressure now coming from ORD that we track the research expenditures and the research obligations, the research balances not only at the programmatic level but now at the project level, the PI level and so forth in the projects. And so the budget office is something that is extremely important to ORD so we can actually truly manage the money the way we’re supposed to manage the money. And then of course you got the dreaded HR and WOC which just to give you some numbers, VA has, ORD has in the 0161A1 appropriation approved 5900 FTE. We currently fill about 4600 FTE, but the number that’s staggering is the number of WOCs that work in research. We have approximately 10,000 to 12,000 WOCs and IPAs going on in research right now, and so who gets to process those? The research office. So hopefully as we move on with centralized HR that will help out, but again it’s still going to be a needed support person, staff at the facility. And then there’s this other support cost for I need to buy some things for the common good of the facility. I may need to get a service contract on autoclaves, I need drives. Things along those lines. And so it’s really these other support costs for service contracts and ancillary needs that are required for the facility.

So what did we come up with? Well, we spent a lot of time talking. Spent a lot of time running the numbers, looking at things, and this is what the model looks like. So again, it’s broken out into components. If you have a research office under 1200.02, you have to have an AO for research. You have to have an AO for research. Now 1200.02 does say that the facility should provide the AO when you’re initiating a research program as part of it. But as we all know, we really need to support that AO as we go forward as the program matures more. We talked about the PSA. So what you’re seeing is A, B, C, and D are the different sizes of programs overall. So everybody gets basically an AO and a PSA.

Alright, and so if you have your R&D committee on site, you’re going to have to have somebody to support the R&D committee. And we came up with a threshold. We said if it’s less than 200 projects, then you get an R&D committee administrator. If it’s less than 400 projects, you get two. If it’s less than 600, you get three. And if it’s greater than 600, you get four. Now what does that really mean? We’re not really talking about committee managers. We’re talking about support staff for the R&D committee. And they’re graded. This is a GS-11 on a national average supporting those projects and committees.

Now, you have an internal IRB. Internal IRB, you have greater than 15 protocols and less than 100 protocols, then you would get one person. And so for less than 300, less then 500, and greater than 500. If you have an IRB that’s external, the university IRB that you’re supporting and you need an IRB liaison or something along those lines, then you would get one across the board. You do not get an increase per person across the board.

IACUC and SRS, we talked about the obsessively, combined them because a lot of the functionality is similar in many ways. And so we felt that if you had between 10 and 100 IACUC and SRS protocols, you would have one person. Less than 200, you would get two, and greater than 200, you get three. And our grants manager, we felt that if you apply in the four cycles on an annual basis more than 40—more than 40 projects on an annual basis—you would get a grants manager.

So biosafety. Biosafety, we kept this out, and we talked a lot about the biosafety manager in the past. Biosafety we kept out for a reason. We’re looking to see if the medical centers can support the biosafety as part of the safety program. And this is one that we’re going to take a look at as it formally goes through over the next couple of years to ensure, to see where things stand. Biosafety is a mandatory component of hospital safety, believe it or not, and it really should be provided by the medical center in my mind, in our mind.

So let’s move onto the budget office. So again, we’re talking about a budget analyst, GS-11 type of person. Procurement techs at a GS-7 type of person. And this would be based on the size of your program what you would get. And so budget, you would have the AO probably do most of the budget work for less than two million. And then you would get a budget analyst at five million and so forth, like one budget analysis. And procurement and technical support, COR support, you would get it as it grows over time.

HR, again, we did a little bit of trying to figure out how do you figure out the personnel when we don’t know what the personnel at each facility are? And so it turns out that every member—we took ever member of the committee, and we looked at their facility. And we said, how many projects do you have that are active in RDIS, in the ePROMISE? And we said, okay, how many people do you have? And each of them gave us a number, and it turns out that on average—on average—there’s about 1.5 people per project. Now of course you’ve got a lot of differences. Some people only have one person. Some people don’t have anybody. Some people have this and that. So on average. So the formula works out that if you have less than 200 personnel you would get an HR assistant. If you have greater than or less than 500, you get two, et cetera, et cetera, et cetera. And then there’s the other support costs that are down based on the total allocation to your facility, and so that would be $5,000, $50,000, $100,000, and $150,000 for those that are greater than $15 million.

So how does this look? So it looks like this. This is a sample facility. I don’t think any of you are going to guess what it is. If you do, good job. But the mauve color are the committees. The blueish, purplish, grayish for our personnel based on that. Then you got the analysts, number of assistants. The grants manager, they submitted 20.5 on average per year, so they do not get a grants manager. Then you got the AO, the PSA, and other. And so in FY22, this facility had a $601,000 Cost Center 101 allocation. So now if you go look at your allocation, you’ll figure out who you are. So under the new model, it would go from 600 to a million dollars. A change of $435,000 dollars in support of your 101 activities.

So this is what John was saying earlier, we can’t afford it. Because if you take it over time and you look at this bottom line number way at the bottom of the table, the $95 million, there’s no way that we can go from $55 million in FY22 to $95 million in one jump. And there’s several reasons for that. One is we need to evaluate it. We need to evaluate the model. Two is that we need time for you guys to staff up. We need time for you guys to staff up. So those of you who are smaller stations who are actually the benefactors of this, the beneficiaries of this, would need time to staff up, to hire people, to bring people on board and so forth. So we all know that HR is not user-friendly right now, and so we all know that it’s going to take some time. We started out by giving you some committee manager positions.

We’re going to start working on some other positions within the research office to at least take the classification piece out of the way. I sent out the email about the JAWS. If you’re going to announce it, the JAWS are set up now, the job analysis worksheets. So we’re working through that, so at least you’ll be able to start staffing up, knowing what you’re going to get next year. But in this case, in the case of the station that I’ve provided here, their change would be from 601 to 710 in FY23, 25% of a change plus the FY22 allocation. Then you would go to 75% in 24. Twenty-three is the shaded one; 24 and then 25 we would, hopefully if the model works, be at a hundred percent. And of course the numbers are going to change because we got to rerun where you stand at the end of that year.

So what are the next steps? It’s going to be phased in over three years, 25, 75, 100. It’s going to be meaning that you’re going to be staffing up over FY23. So by the end of FY23 going into FY24, you’re going to hopefully be at a much better level to spend down your 101 money. You’re going to have a substantial increase in overall cost; we understand that. We’re going to allow you to staff up over time and allow for review and adjustments as needed. That’s going to be a critical piece because what we don’t want to do is, we don’t want to take money out of the investigator’s hands. But we also want to make sure that we’re managing the program as we need to from a research office perspective.

So the FY23 allocation is going to be sent out as follows. And this is where I know you guys are going to maybe provide me some emails, and if you do, go ahead. But this is kind of where we’re headed. So sites that did not receive 101 in 2022 will receive a notification from ORD for a discussion to determine if 101 is needed and how much up to a certain level. So we’re going to be discussing do you really need it because your facility pays for it. That’s great. Or where do you want to go? And so that’s going to happen, and that’s going to happen over the course of the next three or four weeks.

Sites that receive less than $350,000 in FY22 will be sent a request for a plan for utilization of the funds. So if you’ve already gotten to the cap, you’re good. But if you got, let’s say, a $100,000 or $200,000 gap in between what you received and you’re going to get next year, then we’re going to need a plan. Because as John mentioned earlier, we had to pull money back, and so he doesn’t want to pull money back. He wants you guys to use your money.

And then sites that receive greater than $350,000 will receive the funding with the expectation of full utilization by the end of the physical year. Full utilization. You can’t rely on 101 to carry over anymore. I did it for many years, I carried over 101 to fund startups, to fund bridging and so forth. But we can’t expect that anymore, especially with the accountability that’s at the project level now.

So a report will be required at the end of the physical year as par of the RDIS annual report. Those of you who’ve been around for a bit know that we used to report—I think it was the page 9, the administrative cost for research in 101. We also I think in the middle to late 2000s, we used to report by program how you split out your 101 and what persons were. We’re not going to get into that detail, but we are going to probably by programmatic area ask you FTE and cost.

So and if at any time during the year, especially after reporting your Q2 and your Q3—and your Q3 is really important—expenditure reports and you’re not going to spend that money, then please return it. If you figure out that, hey, I got $500,000 in 101 and I’m only going to spend $300,000, send John back that $200,000 so he can use it for something important that may need to happen. It could start up a new project. It could provide money for BLR&D to fund investigator for *x* or for HSR&D to fund investigator *y*. So that’s going to be really a critical piece as we move forward. So I think I’m going to stop here. I know I’ve gone pretty quickly, but I want to give you guys an opportunity to ask questions. If I can’t answer them, John or Kari Points are on the line as well to help answer questions. So, Parker, are you taking control?

Parker Cunneen: Passing off, and here we go.

Tony Laracuente: Love the illustrative pics, can/should grant managers also support investigators to submit a non-VA grant application through NPC? So I have a bias. The NPCs do get indirect cost, and they should be submitting that. now you could split a person, and the NPCs could reimburse the VA for a certain time. I have no problem with that. But I really think that this is truly about the grants manager supporting the VA submissions. There’s plenty of work to do with JIT, there’s plenty of work to do with RPPRs, eRA Commons. All those kinds of things. If they do have a little bit of time, then that’s a local decision on how you work that out. But be very careful though. Good question, though. I like that.

Next question. What if we fall in column A and currently have a budget analyst on board? Are we grandfathered in to continue to get salary support for this position? Okay, so it’s a great question. So if you have a budget analyst on board and it fits, I will tell you that almost all stations are going to get an increase. Almost all stations are going to get an increase, especially the small stations. So if you’re column A and you have budget analysts being paid for out of 101, by all means, continue to pay that person out of 101. So we’re not going to take any positions away from anybody. It’s just how you manage it. Remember, in the endgame, you’re going to get a lump sum of money. It’s just how we came to calculation of the lump sum money and what the expectations are and the idea that this is going to help you fully staff up the research office.

Next question. Will you be considering locality pay areas for the suggested personnel when determining the Cost Center 101 funds? The standardized PDs are coming in at higher grades, costly in my areas for salary and benefits. So yes, the answer is no to how we’re going to be considering locality pay areas because what we did is, we took the national averages. And so again, there’s going to be a little bit of extra money that’s added on at the bottom of the formula and so forth. And so it’s impossible for us to have a standardized formula that accounts for all 28 locality-pay areas and so forth. So this is one of the things that we’ll be looking at as we send this out over the next few months, and then how it plays out at the end of the fiscal year. So again, you’re paying for people. The change in the salary cost should be covered under the new formula.

Next question. For small stations where the Medical Center has been covering a select position, is there a streamlined way that cost transfers can be executed? AO salary being pulled from 101 automatically for example. Okay, as we move to centralized HR, I want you guys to be cognizant that ORD is only going to be dealing with people that are paid out of 0161A1. So if you have an AO that is being paid out of medical care where there’s cost transfers already occurring, then there’s really no change. If you have an AO and all the sudden they want to pull the money from 101, then you and your ACOS need to have some discussions with local management to talk about what’s the best approach to managing this. We had a lot of discussion at the ACOS national meeting about how this formula will impact the ability to have protected time and effort for investigators. We’re going to do some more discussion about that with Dr. Schultheis and his group. But I would say that you should try to continue to get the salary being paid for.

This is not mandatory that you pay the AO. Again, you’re getting a lump sum of money. It’s how you use that money in support of the research office which is critical. So if you have a need for an HRPP manager, I don’t know that there was no HRPP manager in here, in this formula. So if you have a need for an HRPP manager, that is really the responsibility of the IO. So the IO should be funding that position in many ways. So again as we go over the next year, we’re going to take a look at how this is being implemented. And if you have concerns on this question, just call me and email me, and we’ll talk some more about it. But it’s a good point that you brought up. Thank you.

Next question. Will these be permanent positions? Research office positions but normally permanent positions, yeah. Should hire them as career permanent positions so they can stay. We want some continuity in the program.

Next question. Okay, apologies if I missed it, but will animal research supervisors and care techs be a part of this? So remember when we talked about Cost Centers. Cost Center 105 is the animal research support, and they have their own formula. And so Cost Center 105, Cost Center 101 should not support animal research supervisors and care techs. Cost Center 105 supports that, and Cost Center 105, you should also be gather money back from per diems to support the animal facility. You need to separate out the research administrative office from the animal facility office, and you should be charging per diems to cover the cost of your animal research program. So no, the answer is animal research supervisors and care techs are not part of this.

Next question. Do Cost Center 101 funds have to be spent in the manner describe, or can funds be spent at the discretion of the local site? Okay, great question. The plan is to send you money. At the end of the year, you’re going to report how the money was spent. If your program is running nicely and it’s great and things are kosher, it’s all cool. However, if you have deficiencies or if you have problems in your committee structure because you haven’t hired the appropriate grade of person or you haven’t hired a budget analyst when you have a $30 million operation or a $15 million operation, then there’s going to be some scrutiny that will come out of this. So you have discretion to spend it the way you want to. However, know that if issues start coming up, there will be some discussion to talk about how you’re spending that money and what positions you filled. So if Karen Jeans goes out to your site and sees that you have a committee manager that is—the committee’s not running well and you don’t have the properly grade of person at that position, there might be some discussion about how you’re allocating your funds for 101.

Next question. If our facility CFO sees this formula, they will discourage the facility from supporting any research admin positions. Yes, I agree. I agree, so you’re going to have to be somewhat coy about this. However, your CFO is only one person at the facility. Your IO, your medical center director is responsible for insuring that the research program gets the necessary resources to run appropriately. It’s VHA Directive 1200.02. And so we’re giving you the basic, bottom line resources, the minimum necessary resources to run the research office. Additional support is going to be required. I agree with that, but that’s going to come in other areas. So your ACOSs and you as the AOs are going to have to really look at this and find a way to negotiate appropriately at the local site. I never got anything out of my CFO or out of my medical center director, and so I’m the baseline. Now we got other things that are part of the research \_\_\_\_\_ [00:45:57] time and deputy and so forth. But I would say that you need to be real careful about how you disseminate this formula out to CFOs and explain it properly.

Next question. Are you considering QUERI funds in considering overall budget? We are considering the allocation to the research office or the allocation to the facility. I’m not sure I understand the question. I know QUERI. I do understand QUERI, but again we’re not talking about expenditures any longer. So if QUERI is part of your overall budget and is coming out or is being sent out by John, John’s group, then we could consider that. If it’s not being sent out, if it’s rural health or if it’s whatever these other programs that some research offices are administering, those are not being considered in this at all. The number of projects, if it’s in ePROMISE, then it would be considered. Sorry, go ahead, Parker. Go ahead, Parker.

[Next Question.] When will we see the standardized PD for the AO positions at several grade levels, including statement of differences? I’m going to tell you right now not for the next year. We’re going to do the transition. We’re going to get the right PDs for the research offices, and then we’re going to take a look at standardizing the PD. One thing, be careful what you ask for. I think Marisue Cody had said this to you guys before, be careful what you ask for because when she approached this issue before, everybody was going to get downgraded. So be careful what you ask for on this one. But we will take a look at it in about a year or so.

Next question. So QUERI dollars are currently not factored into the ‘22 formula. QUERI dollars, if John sends them out, they’re part of the budget, would be looked at, at the bottom line in terms of 101. But it’s a minimal impact on 101. Because remember, the factors are pretty broad range, 5 to 15 million, 15 million to 30 million.

So next question. Can CC 101 support a veterinarian? Absolutely not. Cost Center 105 is what’s support a veterinarian. And so you saw an email from me several weeks ago asking you to provide Sara Clark with the cost of your veterinarian. And if you look at the Cost Center 105 formula, Cost Center 105 formula is based on the number of animal protocols that are VA funded, or the number of projects that are VA funded that have animals, plus the veterinarian’s salary. And so if you reviewed your veterinarian salary and sent Sara Clark the change for whatever the cost, the real cost would be, then that would be factored into your Cost Center 105 formula. Please do not pay your veterinarians out of 101.

Next question. Could the grants manager position include admin duties that also support PIs with committee—yes—documents, duties associated with brining on new studies? Yes, absolutely. You can do that. I mean, again, all the PDs that we’re writing these days all include other duties as assigned. So we’re grading a little bit higher, so they can do things like this. So absolutely. And your PSAs can do it as well.

Next question. Can you make the AO position a director of operations instead? HR has strange ideas—and by the way, I hope that wasn’t a typo—about AOs. So my first mentor told me you can call your position whatever you want it to be called. The problem is in the classification, the AO position is a 341, so you could be a director of operations and be in the 341 series. So you can call yourself a director of operations, but you’ll be in the 341 series. So it really is a classification issue. And again, once we go to centralized HR, we’re going to start getting some continuity across the nation on these kinds of issues.

Next question. How does CC 101, or ORD in general, consider/support the position deputy ACOS/R? So that should be a—it’s a very interesting point. Our discussions right now are this is a position that should be supported by the medical center. It is not a mandatory position, and so it is a very important position in the research office, especially at many facilities that are larger. But it should be supported by the medical center appropriation, just like the ACOS is.

[Next question.] Can CC 101 cover shortfalls in CC 105? Sure, you can; however, I will tell you that you should manage your per diems and collect your per diem cost to cover that 105. And maybe this is something that we should have in a future seminar or webinar is Cost Center 105 calculation and what it’s intended to be. So Cost Center 105 is a supplement to supporting the animal facility, and you should be recovering costs in 105 through per diems, through surgical charges, through use of equipment charges and things along those lines. Not only to the VA grants but to the NIH grants or the university or non-profit administered grants that are being performed at the VA and utilizing the animal facility. So I would—if you’re having a shortfall in 105, you may want to—like the picture of the ACOS, take the calculator out and get a pen and pencil and paper and analyze it and say, we have a shortfall of $100,000. Why is that? And then try to figure out where that is and try to recoup the cost through per diems.

Next question?

Parker Cunneen: That was our last one.

Tony Laracuente: We got nine minutes left. Does anybody want to add another question?

Parker Cunneen: Couple coming in. It should be up on the screen in a second.

Tony Laracuente: Okay, cool. John, do you want to say anything at this point, or do you want to jump in here?

John Verwiel: Oh, no. I think it was very comprehensive. I liked the questions. You can see people don’t have—they’re having a lot of questions on what to spend the CC 101 on. And we got to be careful because those medical stations, every medical center receives VERA dollars, about 75% of money that you receive goes to the medical center on a line item, and it’s VERA dollars. And it’s for research on the MCAS report. So what is your medical center director doing for you? They should be funding or providing the facilities and maintaining the facilities. The VERA, that’s something that’s a big dollar amount that your medical center director should be supporting research operations for sure.

Tony Laracuente: Thanks. So, Parker, you got the next one?

Parker Cunneen: Yeah, this up here is a new one.

Tony Laracuente: Oh, looking at the old one. Should we use Cost Center 101 or Cost Center 105 to cover animal tech salaries? Cost Center 105.

Parker Cunneen: That’s the last one. So we know this is a big change. I think that we’re trying to get back to a better understanding of how to use Cost Center 101 going forward. I think it’s going to take a couple years for this to get implemented, two or three years to get implemented. I would certainly love to hear comments offline if you have them. The group—and I really thank the group, that really spent the better part of three months looking at this and just trying to make it a fair and equitable model for going forward. So if you have comments, certainly send me emails. I’m pretty responsive about these kinds of things, and I’ll take it up with John and Matt and Verna and Grant Wong and Dr. Ramoni going forward.

So if there are no more questions, I think we’ll go ahead and give everybody back—oh, please be aware that old facilities end up using all the VERA attributed to research and facility costs. All the VERA should be used for physician time, by the way, just to make sure. So and you’re right, all facilities to end up using VERA attributed to research on facilities cost. That’s a good point. So were going to give you back, what, five minutes of your time? And really appreciate it. And again, send me emails with thoughts, comments, and we’ll go from there. So thank you very much, have a great afternoon, everybody.