MEMORANDUM

Date: January 7, 2010
To: Distribution
From: Robert A. Buhrman, Senior Vice Provost for Research
Subject: Research Expenditures Report for Fiscal Year 2009

Enclosed is a copy of the Report on Research Expenditures for the year ending June 30, 2009.

Cornell University’s externally funded research expenditures (RE) in FY09 were $569.5M, with $507.3M provided by federal and non-federal sponsors, a 5.6% increase over FY08, and $62.2M provided by New York State and federal appropriations, a 3.3% decrease from FY08. This represents an overall increase in externally funded RE of 4.6% from FY08. Approximately two-thirds, $375.1M, of the external funding for Cornell research was received directly from federal agencies; the Department of Health and Human Services via the National Institutes of Health ($192.5M) and the National Science Foundation ($115.1M) are by far the largest sources of research support. Cornell’s total “organized research” expenditures1 for FY09 were $687.4M, which includes, for example, research support provided by Cornell through graduate tuition fellowships and cost sharing.

After two years of small declines in directly federally sponsored research expenditures, this year saw a modest increase of 1.8%, most of which occurred within the Ithaca endowed colleges and reflects increases in DOD, DOE, and NIH (DHHS) funding. The overall increase in externally funded RE was due mainly to an 18.2% increase in non-federally-sponsored RE, which consisted of a $10M increase in the contract colleges, a $3.2M increase in the endowed colleges, and a $7M increase at the medical college. This continued a three-year trend that shows a cumulative 55% increase in Cornell’s non-federally sponsored research expenditures. This is a partially misleading statistic, as a significant portion of this increase results from more subawards being received from other universities. These subawards provide funds whose origins are, for the most part, federal agencies but which are reported when spent, as per the standard NSF reporting protocol, as non-federally funded RE. Whatever the origin of the funds, the good news is that this increase results from Cornell’s strong participation in the continuing national trend toward federally funded multi-university research programs. Another major part of the “non-federally funded” RE increase is due to a growing number of awards from foundations, some quite large. This funding enables Cornell researchers to undertake a greater range of important and exciting research activities, many with direct global impact, although, as many foundation awards do not pay the full indirect costs of the research, this places an additional financial burden on the University.

1 This report provides an accounting of annual expenditures for Cornell’s separately budgeted research activities, referred to as organized research. Research-related efforts and activities that are carried out by Cornell faculty, staff, and students but that are funded, for example, by regular departmental and college-level budgets are referred to as departmental research, and such expenditures are not reported here. Included in this latter category are that portion of academic year salaries that is explicitly or implicitly allocated to supporting the research activities of the faculty but that is not explicitly committed cost-sharing effort on externally sponsored projects, research start-up expenditures for new faculty, some internally funded seed-project support, and other unit-level expenditures in support of research activities that are not connected with a specific, separately-budgeted research project.
Cornell has been quite successful in winning new awards funded by the American Recovery and Reinvestment Act (ARRA), which cumulatively add up to more than $105M in ARRA awards for Ithaca and more than $22M for Weill-Cornell to date; some ARRA funded awards have yet to be announced. Very little of that funding affected FY09 RE, so a robust increase in federally funded RE, both directly funded and funded via subawards, is expected for FY10. Since ARRA funding can, depending on the rules on the funding agency, be expended over either the next two years (NIH) or over as long as the next five years (Department of Energy), there will be significant positive impact of ARRA funding on Cornell research expenditures for at least the next few years. A less positive indicator for future RE expenditures is that the regular federal FY10 funding for research is expected to be slightly down, ~0.7%, in real terms, from that of FY09. This continues the trend of essentially flat federal spending for research over the past six years, a 1.5% net increase in constant dollars overall since 2004, not including the ARRA funding.

In this report we have again employed NSF’s disciplinary structure to detail Cornell’s research expenditures by discipline as reported in Table 7 on page 11 and Chart 5 on page 12. In reviewing that table, note that the major FY09 increase in RE in the economics discipline and the corresponding decrease in the business and management area are due nearly entirely to a proper reclassification of Cornell research projects between those two disciplines and do not represent a significant change in RE by Cornell faculty working in those two areas.

Note that the 4.5% decrease in Cornell’s FY09 support for organized research (see Table 2 on page 4) is also principally an accounting change. It does not represent a substantial material decrease in Cornell’s support for research, but is the result of the first part of a multi-year process to properly allocate Cornell’s internal support for research between organized research, which is the subject of this RE report, and departmental research, which is not included in the RE reported here.

I welcome any comments you may have about this report. For questions regarding any specific numbers in this report, please contact Mike Barbato at 255-6126 or mab237@cornell.edu. A color pdf version of this document is available at: http://www.research.cornell.edu/vpr/pubsmain.html.