

ILLINOIS STATE UNIVERSITY

BOARD OF TRUSTEES

Report No. 2024.02/4000.01 FY23 Grant and Contract Activity Report

Introduction

ISU is committed to making a positive impact in our community through our faculty scholarly and creative activities, student experiential learning, and University outreach. We have worked to create more programs with a broad appeal to help to solve some of the world's biggest problems. In addition to the support we provide internally, external sources of funding make substantial contributions to the advancement of these efforts. The work made possible by such funding supports the core values of Illinois State University, most directly the values of Learning and Scholarship, Civic Engagement, and Collaboration. Furthermore, the research, creative activities, and educational outreach made possible by such external support are integral parts of the University's Strategic Directions, Objectives, and Actions outlined in *Educate. Connect. Elevate*. External support is one factor in a number of rankings for the University, including our Carnegie Classification as a High Research Activity Doctoral Institution (R2). Support comes through a variety of channels (*e.g.* grants, contracts, agency dollars, foundation support, etc.) and for a number of functions (*e.g.* research, instruction, public service, etc.). This report captures the grants and contracts directed through Illinois State University's restricted accounts managed by Research and Sponsored Programs.

Summary

After a few years of large, emergency, non-competitive proposals (most significantly the Higher Education Emergency Relief Fund (HEERF) funds from the U.S. Department of Education), FY23 was truly the first year with a return to more traditional proposals and awards for ISU. Even *competitive* relief funds were largely absent in FY23. The absolute number of submitted proposals increased from FY22 and the amount of dollars requested also increased. The size and complexity of the proposals continues to evolve, with seven awards for over \$1M in FY23 (24 submitted proposals vs 18 of that size in FY22). Most funding requests from ISU investigators are in the \$25-250k range (98) followed by requests for less than \$25k (72) and the \$250k-\$1M range (37). The size and complexity become apparent when one notices that College of Education requested the most funds (over \$39M as a college, across 48 proposals) and College of Arts and Sciences requested \$22.8M across 92 proposals. Biological Sciences led the way in number and amount of requests for Schools/Departments with \$12.3M requested across 20 submitted proposals. Proposals come from a broad spectrum of individuals, with 64% from faculty and 32% from staff; there were 137 unique principal investigators (PI) on proposals.

Funding success rates have continued to decline nationally for several federal agencies, and some foundations have even lower success rates, but our documented proposal success rate remains high. Some of this is a product of the long-standing nature of many of our awards with certain state agencies, but the high federal success rate is a point of

pride. A total of 121 of the 236 proposals submitted (51%) in FY23 have been funded so far with a 22% success rate for federal awards (18 of 55) and 78% (50 of 64) for state-funded proposals. We know that there is a 6-18 month lag from proposal submission to award and we hope for more success in FY24 for those still pending. The Colleges receiving the most new expected external funding in FY23 were the College of Education (\$7.67 M), the College of Arts and Sciences (\$7.12 M), and Mennonite College of Nursing (\$1.126 M).

One noticeable feature of the FY23 awards is the 33 awards for \$0, or 21% of the total number of awards. This is down from previous years, but remains a significant fraction of new “awards”. In FY23 *all* of these are no cost extensions on prior awards whereas in other years (including FY24) these are awards where the PIs do not receive external funds, but we provide in-kind support. Removing these awards, Educational Administration and Foundations was most successful with 11 new awards, followed by Agriculture with 8 new awards. The largest number of funded awards in FY23 came from the National Science Foundation (17 new awards) and the Illinois State Board of Education and Illinois Board of Higher Education, which each funded 13 new awards.

A critical component of external awards is actual expenditures. Awards are “expected” because only actual expenditures get reimbursed for most award types. Awards and expense year do not always align -- multi-year awards may be recognized all in year 1, for example, or the aforementioned no-cost extensions -- so expenditure data can give a truer sense of trends. We saw a return to more typical expenditures in FY23; expenditures were down \$40M without the COVID-funded emergency funds, but back in line with pre-COVID-spending (in non-inflation-adjusted dollars). Even so, the largest area of restricted fund expenditures in FY23 remains in Financial Aid. Of note, five non-administrative units spent over \$1M in restricted external funds in FY23 --Biological Sciences (\$4.13M), Education Administration & Foundations (\$4.90M), Special Education (\$1.47M), Teaching and Learning (\$1.13M) and Chemistry (\$1.04M). As a College, the College of Education spent \$12.47M and the College of Arts and Sciences spent \$8.41M.

Expenditures are the measure of record in surveys such as the Higher Education Research & Development (HERD) survey conducted by the National Science Foundation. The Federal HERD data always lag behind – FY22 was just released in November of 2023 and FY23 data were due on January 31, 2024 – and they are only a portion of the narrative, but these data should show all the research and development spending that we document. Nationally NSF-reported spending was up in FY22 across all sources, at a record high increase, with the 900 HERD-reporting institutions having spent \$97.8 B in FY23. Federal spending accounted for \$54B of that... and the top 30 institutions spend 42% of that! ISU declined in our spending ranking in the FY22 data for research and development expenditures just recently released, but retained our spot of the second-highest-ranked Illinois 4-year public university without a medical school (5th among Illinois publics and 304th overall of 900).

Finally, only actual expenditures lead to recovery of Facilities and Administration costs (aka indirect costs, IDC). IDC rates are especially significant as we continue to wait on the status of our requested non-negotiated extension of our federally-negotiated IDC rate. The rates often last for 4 years or longer (ours expired at the end of FY22) and it will be important to have more accurate cost estimates from the new College of Engineering in our *next* negotiated rate. It will require a concerted effort across campus to account for our research costs and space usage to be sure our consultant makes an appropriate request. It is not uncommon for the approved federal rate to be below the requested rate, and it is the norm that universities are not able to fully recover their true research costs – it is why IDC costs are known as “partial reimbursement”. With so many of ISU’s awards and expenditures capped at 0%, 8%, and 10% of modified total direct costs (MTDC) owing to the nature of the awards and a decades-long federal administrative cap of 26% despite increased costs of compliance, it should not be surprising that we are a far cry from recovering our 48% federally negotiated rate. On our new awards for FY23, 89 of 159 awards (56%) or a total of \$62M in awards are capped at less than 8% IDC rate and \$16.7M in awards came with a 0% IDC rate. It is not expected we would ever recover the full 48% --only 75 of 158 or 47% of our FY23 awards are classified as “research”, and therefore eligible for using that rate, whereas 21 (13%) are instruction, 25 (16%) are public service, and 15 (9%) are training grants. We also have 11 new awards classified as creative expression (7%), which generally come from agencies and foundations that do not allow application of full negotiated F&A rates. ISU has shown a dedication to research in self-supporting so much work, but lags behind our peers by having such a high percentage of that support being internal support. For FY23, we had a net recovered F&A rate of 7.0% for a total of \$2.297 M, with nearly \$1.2M of that being recovered from expenses in the College of Arts and Sciences. This represents a huge increase from FY22 rates (which was 2.5% with so much 0% IDC emergency funding). These recovered IDC funds are reinvested in scholarship and are the main source of our operations for research support units and the sole source for initiatives such as the Office of Student Research. IDC funds allow us to provide additional services in support of research, scholarship, and creative activities, plus they support initiatives designed to increase external funding. Examples of

such support in FY23 included, *inter alia*, support for major research instrumentation; equipment; travel; professional development costs; publication, exhibition, and book subvention costs, including open access fees and read and publish agreements; student research grants; and patent costs.

Additional notes for FY23:

- For the first time in recent memory, the State of Illinois led the way as our largest funding source. We have expected awards of \$19.9M from the state (49%) for FY23, whereas \$8.36 M in U.S. federal and federal flow-through awards are expected. The U.S. Department of Education (\$2.09M) is the largest federal funder with the National Science Foundation second, awarding \$1.32M. On the state side, the largest funding agencies were the Illinois State Board of Education (\$4.51M), Illinois Department of Public Health (\$2.46M), and the Illinois Board of Higher Education (\$2.27M).
- The three academic units receiving the highest amount of newly awarded external funding in FY23 were the Department of Educational Administration and Foundations (\$3.4 million), the School of Social Work (\$2.6 million), and the Department of Special Education (\$2.4 million).
- Efforts are underway to increase corporate partnerships and we expect to see sponsored projects with non-federal entities to grow in future years as a result. Federal support as a percentage of research dollars is declining nationally, so it will be important for ISU to also leverage our expertise in this way. In FY23, we saw eight industrial contracts in those contracts managed by Research and Sponsored Programs, which accounted for 5% of new awards. This sector is expected to grow with a commitment of staff from Advancement as well as Academic Affairs in this area. For example, in FY23, contracts and agreements related to research and scholarship collaborations and funding were signed with local partners, including OSF HealthCare and U.S. Army Construction Engineering Research Laboratory.
- Intellectual property and license arrangements are also an area of expected growth for the future. In FY23, we had four new disclosures and two new patent filings. We maintain one large license agreement that covers multiple protected technologies and hold 19 active patents overall. This license afforded revenue greater than expenses for the first time in 2023. Disclosures, patent filings, and licenses will likely only increase as we lead out community efforts as part of internal priorities, the growing Illinois Innovation Network, and the hiring of our first cohort of faculty of our College of Engineering.
- Intentional efforts in interdisciplinary grants and professional development, both centrally and within colleges and units, should lead to future success in external funding. Examples announced in FY23 include several grant writing workshops for ISU faculty and staff and the Advancing Research and Creative Scholarship (ARCS) program, whose initial cohort was announced at the close of FY23,
- Congressionally-directed spending is an area of future growth, with early success by the Mennonite College of Nursing for the simulation lab, which will be reflected in FY24 reporting.

Data Summary

The following table details sponsored project expected funding for new awards with the past four fiscal years included for comparison. Dollars are in thousands and are rounded for simplicity. The numbers of awards/submissions for each item are included in parentheses.

	FY23	FY22	FY21	FY20	FY19
Total Expected Awards	\$31,637 (159)	\$29,755 (174)	\$90,039 (189)	\$37,002 (141)	\$28,536 (145)
Federal Awards	4915 (35)	9,822 (39)	78,298 (53)	28,453 (33)	17,755(53)
Federal Flow-Through	3450 (21)	9,290 (42)	6,700 (47)	4,598 (14)	6,930 (31)
State Awards	19877 (49)	9,189 (30)	3,143 (34)	2,196 (19)	2,252 (21)
Other	3,395 (53)	1,455 (63)	1,869 (55)	1,447 (30)	1,599(38)
Submissions	93,201 (236)	92,792 (210)	\$71,277 (228)	\$120,053 (196)	\$44,857 (171)
Total Expenditures	32,616	73,645	58,111	29,993	24,232
Total F&A (Indirect) Costs Recovered	\$2,297	\$1,873	\$1,667	\$1,749	\$1,973

Conclusion

Examining trends across the past few years, our research profile remains fairly flat over the past two decades despite a huge influx of federal external funds and a commitment to increase our scholarly profile. Proposal

submissions are on the leading edge of indicators, so we hope to see an increase in income from these sources in the future given our high success rates on proposals. We will continue to invest in the scholarly success of our staff, students, and faculty. Illinois State University remains a very solid High Research Activity Doctoral Institution.