University of Washington
Instructions for Functional Coding of Space
For Facilities and Administrative Base Year 2013

Introduction

The space utilization survey is the most critical part of the Facilities and Administrative (F&A) or indirect cost proposal. The results of the survey determine how most of the facility costs (depreciation, interest, and operations and maintenance expenses) in the F&A cost proposal will be allocated to University functions such as Instruction and Organized Research. Because space has a substantial impact upon the F&A rate, it is essential to accurately determine and assign the utilization of each room to the correct function(s).

What is the Space Utilization Survey and Functional Coding?

The space utilization survey is the process of assigning the actual functional use coding and percent of use to campus space. Put another way, the space utilization survey gathers data on the specific use of campus space. This differs from the space inventory in that the inventory confirms/determines who has custodial ownership and assigns codes on the general use of space (i.e., primary use). Functional use codes used for the space utilization survey are based on guidance from Office of Management and Budget (OMB) Circular A-21, "Cost Principles for Education Institutions" and defined in the University's Space Functional Use Definitions: http://f2.washington.edu/fm/maa/fa/space/spacefunc.

General Instructions

- The Space Functional Use Definitions should be reviewed and clearly understood before the space utilization survey is started. Questions about the definitions and other aspects of the survey should be directed to Management Accounting and Analysis (MAA). Contact information for MAA is included at the end of these instructions.

- The functional coding of rooms should be determined by department personnel who are knowledgeable about the occupants and activities performed in each room.

- Functional coding should be determined on a room-by-room basis. If the same work is performed in a cluster of rooms adjacent to one another and under the supervision of the same Principle Investigator(s), those spaces may be treated as one space for purposes of determining functional use coding.

- Functional coding must identify a room's usage in specific percentage terms that reflect *all activities* performed in the room for any material amount of time. De minimus activities do not need to be considered. Arbitrary percentages are **not** acceptable and will be challenged by Federal negotiators.

- The space utilization survey should reflect how each room was used **during the entire fiscal year 2013 (July 1, 2012 – June 30, 2013)**. The survey should not represent a snapshot of how the space was used at a particular point in time, e.g., the end of the year.

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- The functional coding of a room is based on the activities that take place in that space and how those activities are funded. Functional coding of a room must take into account all occupants of the room. The coding of space should be based on the activities the occupants perform in the room **and** the budgets (expense accounts) that pay for those activities.

    ➢ For example, if faculty, staff, or students in a research lab are working on <u>Organized Research</u> projects **and** the compensation for *all of their work in the lab* is paid by those projects (or is reported as cost sharing on those projects in their effort reports), space they use in the lab should be coded as <u>Organized Research</u>. The term "paid from a grant" includes salaries directly paid and salaries reported as cost sharing in effort reports.

    ➢ On the other hand, if an individual's salary for work in the lab is wholly or partially paid from general institutional funds (and is not reported as cost sharing on an <u>Organized Research</u> project), the space used for the work paid with institutional funds should be coded as <u>Instruction</u> or <u>Departmental Research</u>, as applicable.

    ➢ The coding of space used by unpaid occupants (e.g., students receiving 499 credits) and occupants paid directly by the Howard Hughes Medical Institute is covered in the section titled "Handling of Specific Categories of Rooms and Situations."

- Space used for activities reported in effort reports as cost sharing on <u>Organized Research</u> projects should be coded as <u>Organized Research.</u>

- Functional coding of a room should be weighted to take into account the **extent of use** by each occupant. For example, a student working in a lab 15 hours a week for four months should be counted much less than a technician who works in the lab 40 hours a week the entire year.

- **Departmental staff should maintain notes on how they determine the functional percentages of each room and be prepared to defend those percentages in the Federal review of the F&A rate proposal.**

<u>**Required Documentation**</u>

- Space functionalization should be documented using the University's <u>Space Inventory Management System (GeoSIMS)</u>: <u>http://opb.washington.edu/geosims</u>

- The space utilization survey documentation must identify all occupants of all research laboratories coded with any percentage as <u>Organized Research</u> or <u>Other Sponsored Activities</u>. <u>Include occupant names in the **Occupants** field in GeoSIMS. The **Occupants** field is accessed by selecting a room from the MapViewer in GeoSIMS.</u>

    o **Occupants** include all individuals, **paid and unpaid**, **who use the room during fiscal year 2013** – faculty, staff, graduate students, undergraduate students, post-doctoral fellows, visiting scientists, etc.

- For research laboratories coded with any percentage as <u>Organized Research</u> or <u>Other Sponsored Activities</u>, the documentation must also identify the budget(s) (both sponsored and university funded) that paid the salaries or wages of the occupants of the lab for work done in that lab. Include *budget* information in the **Budgets** field of GeoSIMS. <u>The **Budgets** field is accessed by selecting a room from the MapViewer in GeoSIMS.</u>

- **If your space is reviewed by Federal negotiators, the review will most likely take place *a year or longer* after you have coded the space. It is imperative that you document your space functions in such a manner that will allow you or someone else in your department to easily understand and explain the basis for those decisions.**

<u>**Handling of Specific Categories of Rooms and Situations**</u>

<u>**Research Laboratories**</u>

- The principal activity performed in research labs is usually <u>Organized Research</u>. However, if an individual's salary for work in the lab is wholly or partially paid from general institutional funds (and is not reported as cost sharing on an <u>Organized Research</u> project), the space used for the work paid with institutional funds should be coded as <u>Instruction</u> or <u>Departmental Research</u>, as applicable. The coding of lab space used by unpaid occupants and occupants paid directly by the Howard Hughes Medical Institute is described below.

- The handling of *students* in research labs is particularly important:

  ➢ Space used by students should be coded <u>Organized Research</u> if the students are:
    (a) working on and paid by research grants/contracts,
    (b) supported by fellowships that are funded by research training grants, or
    (c) reported as cost sharing on research grants or contracts*.

  ➢ Space used by unpaid students and students paid from general institutional funds (and not reported as cost sharing on <u>Organized Research</u> grants or contracts) should be coded <u>Instruction</u>. This includes students working in labs for academic credit as well as students using the lab for non-research work such as course development or thesis writing.

  ➢ If students paid from <u>Organized Research</u> funds also perform non-research work in the lab, whether compensated from non-grant sources or uncompensated, a portion of that space should be coded <u>Instruction</u>. Examples of non-research work include course development or thesis writing.

- Research lab space used by faculty or staff paid directly by the Howard Hughes Medical Institute should be coded as <u>Other Institutional Activities</u>.

- Space used by visiting scientists not paid by UW, volunteers, and unpaid faculty emeriti should be coded <u>Departmental Research</u>. An exception should be made for emeritus faculty serving as the principal investigator on an <u>Organized Research</u> award. In this situation, their work on an <u>Organized Research</u> project should be coded as <u>Organized Research</u>.

- Federal negotiators pay particular attention to rooms coded 100% <u>Organized Research</u>. A "<u>yes</u>" response to any of the following usually indicates a lab should *not* be coded 100% <u>Organized Research</u>:

  ❖ Are bridge funds, start-up funds, or any other kind of departmental research money used to fund the salaries or wages and benefits of the occupants performing work in the lab?

  ❖ Is the lab used by any unpaid students or students paid from general institutional funds? This includes students working in labs for academic credit as well as students using the lab for non-research work such as course development or thesis writing.

  ❖ Is the lab used by visiting scientists not paid by UW, volunteers, or unpaid faculty emeriti not serving as the principal investigator on an <u>Organized Research</u> award?

  ❖ Is the lab used by faculty or staff whose salaries are paid directly by the Howard Hughes Medical Institute?

  ❖ Is work performed in the lab funded from budgets not classified as <u>Organized Research</u> (except where those non-Organized Research funds are documented as cost sharing for an <u>Organized Research</u> project)?

<u>Research Laboratory Service Rooms</u>

- Research lab service rooms (e.g., cold rooms, dark rooms, equipment rooms) should be coded based on the weighted average functional use of the labs they support during FY 2013. For lab services rooms that support <u>Organized Research</u>, departments should provide information in GeoSIMS in the **NOTES** field that identifies which specific research labs are supported by each lab service space. Departments should also maintain documentation supporting how functional use percentages of shared laboratory service spaces were derived.

<u>Offices</u>

- All offices within academic departments should be coded <u>Joint Use</u>, except:

  o Offices used by visiting scientists not paid by UW, volunteers, and unpaid faculty emeriti not serving as the principal investigator on an <u>Organized Research</u> award should be coded as <u>Departmental Research</u>.

  o Offices used by faculty or staff whose salaries are paid directly by the Howard Hughes Medical Institute should be coded as <u>Other Institutional Activities</u>.

<u>Conference Rooms and Similar Multi-purpose Rooms</u>

- Conference rooms and similar multi-purpose rooms in academic departments, such as copy rooms, employee lounges and departmental libraries, should be coded <u>Joint Use</u>.

Classrooms, Class Labs and Related Service Rooms

- Classrooms, class labs, and related service rooms should normally be coded as Instruction. MAA will code these spaces. Departments do not need to enter any functionalization data for these room types.

- In limited situations, open lab and computer labs may be used for Organized Research or Other Sponsored Activities. If you have such space, please contact MAA directly for assistance.

Recharge Centers/Cost Centers

- Departments with recharge or service centers should functionalize that space as Cost or Recharge Center (CRC) space in GeoSIMS. In some cases, these activities may be referred to as cores or departmental revenue activities.

Vacant Space, Moves, and Surge Space

- *Full Year Vacancy*: Space should be functionalized as Vacant *only* if it is vacant or under renovation for the full 12 months of FY 2013.

- *Partial Year Vacancy:* If space was occupied for part of FY 2013, that space should be functionalized according to how the space was used when occupied.

- *Base Year Moves*: If a department moves into different space during the year, all of the space occupied by the department should be functionalized regardless of how long a department occupied a given space.

- *Base Year Surge:* If a space is occupied by different occupants (ie, different occupants and/or departments) during the year, space functionalization should take into consideration use of all occupants during the base year.

Federal Red Flags and Risk Areas

The following situations are considered red flags or areas of higher risk by Federal negotiators:

- Research labs functionalized as 100% Organized Research,
- Unpaid occupants not considered in space functionalization,
- Cookie cutter functionalization (i.e., all research labs in a department functionalized as 95% Organized Research/5% Instruction),
- Inconsistent functionalization results compared to funding sources supporting work in a research lab,
- Function codes which are inconsistent with room type designations,
- Space classified as Organized Research space without any Organized Research funding sources or budgets attached,
- Sum of functional percentages less than (or greater than?) 100%.

Please review your functionalization results closely to ensure you have taken these into consideration.

Timing

Deadlines for departments to provide this data are as follows:

May 17th, 2013:	All Colleges and Schools not listed below
May 24th, 2013:	Schools of Public Health, Dentistry, Pharmacy, and Nursing
May 24th, 2013:	Health Sciences Administration
May 24th, 2013:	Office of Research
June 7th, 2013:	College of the Environment
June 14th, 2013:	College of Arts and Sciences
June 28th, 2013:	College of Engineering
July 12th, 2013:	School of Medicine

Other Resources

University of Washington Space Functional Definitions:
http://f2.washington.edu/fm/maa/fa/space/spacefunc

Space Inventory Management System (GeoSIMS):
http://opb.washington.edu/geosims

OMB Circular A-21:
http://www.whitehouse.gov/omb/circulars/a021/a21_2004.html

Research Space Red Flag Checklist – Appendix A
Sample "Entrance Conference Questions" – Appendix B
Site Visit Golden Rules – Appendix C

Contact Information

If you have questions, please contact MAA for additional assistance. The following individuals are available to assist:

Brion Norton	brionn@uw.edu	206.543.8282
Cristi Chapman	cristic@uw.edu	206.543.9985
Devon Rosencrans	devonr@uw.edu	206.616.8490
Hank Williams	hankwil@uw.edu	206.616.2069
Michael Anthony	mda1213@uw.edu	206.616.1379

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Appendix A

RESEARCH LAB SPACE FUNCTIONALIZATION
"Red Flag" Checklist
(Fall 2012)

Start with the assumption that all research lab space is 100% **ORGANIZED RESEARCH***.

This assumption will be valid if **_all_** of the following conditions describe the use and occupants of the space:

- Everyone in the lab is paid from **ORGANIZED RESEARCH** grants/contracts *or* his/her effort for all work done in the lab is documented as cost sharing on the grants, and all the grants are classified as **ORGANIZED RESEARCH**.

- No non-research (i.e. clinical, instructional, etc.) activity occurs in the lab space.

- There are no unpaid occupants in the lab. This includes:

  ➢ Students working in the lab for credit instead of wages (e.g. 499 students)

  ➢ Visiting scientists not paid by UW

  ➢ Volunteers

  ➢ Unpaid emeritus faculty not serving as principal investigators on organized research projects

- None of the faculty or staff working in the lab is paid directly by the Howard Hughes Medical Institute or other similar organization.

- Graduate research assistants in the lab are doing research related to their theses or dissertations, *and* the actual production of those papers is being done in separate space outside the lab.

If any of these conditions is not met, the percentage of **ORGANIZED RESEARCH** must be adjusted downward by an appropriate amount. See training materials for further instructions.

* See training materials for the definition of **ORGANIZED RESEARCH**. Note especially the difference between **ORGANIZED RESEARCH** and **DEPARTMENTAL RESEARCH**.

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Appendix B

Sample HHS Entrance Conference Queries
(from FY 2003 and 2008 Base Years)

Demographics of Department:

- How many faculty are there? Of these, how many do research exclusively?
- How many fellows, post docs, etc.?
- How many visiting faculty?
- How many graduate students?
- Are graduate students required to teach? For how long?
- How many lab techs?
- Do any affiliations bring in researchers from "outside" institutions to use your research space?
- Do you have people funded on training grants?
- Do you have undergrads working as lab techs/assistants? Paid on grants?
- Do any emeritus faculty use the space? If so, what space?
- HHMI faculty/students – do you have any?
- 499 students?
- Volunteers?

Financial:

- What is primary source of funding for the department (grant funding)?
- Have there been any significant changes in funding – large new grants or drop in funding?
- What is the level of growth since 2008?
- Does the department provide departmental funds to new PIs as start-up?
- Does the department provide departmental funds to "bridge" between grants?
- What is the trend in research dollar volume since 2008? Any new large grants/projects?
- Do you use animal care facilities?
- Do you have any "specialty" [or fabrication] shops?
- Do you have any recharge centers?
- How do you classify training grants? [definition of sponsored vs. university vs. departmental research]
- How do you classify gifts and endowments?

Space Survey:

- Who determined the functions to assign to your space? Were the room occupants consulted directly?
- Who actually completed the survey?
- Did those people receive training?
- Did training include written instructions?

- How did you classify:
  - conference rooms
  - equipment rooms
  - dark rooms
  - cold rooms
  - glass washing spaces
  - storage spaces