



THE TEXAS A&M UNIVERSITY SYSTEM

Office of the Chancellor

February 4, 2011

MEMORANDUM

TO: Chief Executive Officers
Chief Academic Officers
Chief Research Officers
The Texas A&M University System

SUBJECT: Research Administration

Earlier today, the Board of Regents of The Texas A&M University System heard an assessment of the System's research administration operations by the independent firm Schaefer & Company LLC ("Schaefer"). The A&M System retained the services of Schaefer as part of the Shared Services Initiative, launched in the summer of 2009 to enhance efficiencies and generate cost savings across the System's 11 universities, seven state agencies, and health science center. As you know, research administration was identified as one of nine areas in which shared services could be enhanced throughout the member institutions.

Schaefer's assessment included a comparison of the A&M System's organizational structure with peer and leading research institutions in the United States, an assessment of operational challenges and opportunities in research administration, and, in conjunction with the Office of General Counsel, a review of A&M System policies associated with managing financial and administrative risks in research administration.

Schaefer's primary recommendation was a consolidation of principal research functions now spread out among the System members into a single shared service unit. Based on Schaefer's recommendation, the Board of Regents has directed me to take the following action:

- Form a research administration shared services entity for the purpose of the pre- and post-award services for all contracts and grants sought by and awarded to all System members;
- Present a detailed implementation plan to the Board prior to the next regularly scheduled meeting in late March.

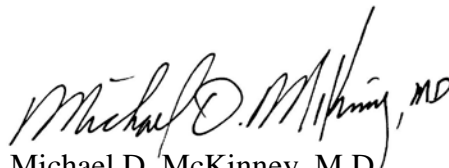
I have asked Dr. Jeffrey R. Seemann, vice president for research and graduate studies at Texas A&M University, to take the lead and develop an implementation plan in an additional capacity as chief research officer for the A&M System, working in close collaboration with

the member institutions. Any plan brought before the Board should remain committed to these guiding principles, which were shared with you late last year:

- All actions must position the System members and our research faculty for future growth,
- A high level of customer service and quality of services for our research faculty are a priority,
- All cost savings identified and generated will remain in the respective research units for more direct investment into the growth of the research enterprise, and
- Indirect cost returns will continue to be distributed to the System members and administered according to the current practices.

Dr. Seemann will work with you and select faculty and administrators across the System in a highly engaged and transparent process to chart the way forward. I know he has already been in touch with many of you, and I ask you to work with him, share your thoughts and expertise, and especially contribute the time and resources necessary to develop a viable and workable plan on this important project. In order to meet the timeframe established by the Board of Regents, Dr. Seemann will need direct input and involvement from System-wide leadership.

Thank you in advance for your participation, which will be critical to designing a shared service framework in research administration that benefits every member institution. Together, we can better position our faculty-researchers to expand and enhance research excellence across the A&M System, while maximizing the return on investment for taxpayers and research sponsors. Please feel free to share this memorandum among your faculty and staff as appropriate.


Michael D. McKinney, M.D.
Chancellor