

# **Iowa State University Task Force on Centers and Institutes**

Report to Provost Ben Allen  
April 1, 2004

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### **I. Executive Summary and Key Recommendations**

Centers play key roles in supporting the diverse academic missions of Iowa State University, such as facilitating interdisciplinary research programs, generating visibility and critical mass for scholarly endeavors, and providing a unified front for extension services. The importance of centers on campus has grown significantly in the last ten years with a dramatic increase in numbers, and several problems have arisen as a result. First, assessing relative costs and benefits of specific centers is difficult due to the wide variety of centers, a lack of transparency in operations and the university's inadequate systems for accounting, reporting, review, and fund distribution. Second, University mechanisms for recovering and awarding indirect costs do not necessarily reward excellence in centers and can even create disincentives. Third, the reporting structures and review procedures for many centers are not well defined and are sometimes at odds with other structures in the university. The Task Force asserts that if these university-wide structural problems are addressed, Iowa State University will be able to identify its strongest and weakest centers and better promote excellence. Innovative and efficient centers will be crucial as Iowa State strives to continue its role as an academic leader.

**After examining reports on centers and institutes and conducting structured interviews with key personnel, the Task Force concluded that a successful center at ISU will have most of the following attributes:**

1. Exhibits national or international excellence and prominence.
2. Provides opportunities that traditional campus units cannot provide.
3. Has a clear mission that is directly tied to ISU's mission.
4. Has effective leadership and governance.
5. Creates clear benefits that greatly exceed ISU's costs.

**RECOMMENDATIONS (priority shown as highest \*\*\*\* to lowest \*) (LC indicates that the Task Force estimates that these recommendations could be implemented at the lowest cost):**

#### **A. Organizational Structure for ISU Centers and Institutes**

1. A clear, direct reporting relationship is needed between a center director and a department chair, dean, (vice) provost, or institute director to ensure effective functioning of the center and effective relationships with other campus units. \*\*\*; LC
2. The unit(s) that provides the bulk of a center's funding/resources should provide oversight. Centers should report at the lowest level in the organizational chart where the administrators that provide support can be represented. (This recommendation is part of A.1 but it can only be broadly implemented after recommendation C.1. is implemented. \*\*\*
3. If the center director is a faculty member, the head of the supervisory unit for the center and the department chair of the faculty member should conduct a coordinated evaluation of the director. \*\*
4. There is no need to enforce a rigid nomenclature concerning the use of the terms "center" and "institute" and further, it may be counter productive to do so. \*; LC

#### **B. Relationship between Centers and Departments**

1. Position responsibility statements (PRS) should clearly document the division of faculty responsibilities between the center and department, particularly in cases where center involvement may impact departmental participation. \*\*\*; LC
2. New department chair orientation/training programs should include discussion of optimizing department and center interaction and on facilitating faculty advancement through center affiliation and participation. \*\*; LC
3. Departments should be encouraged to recognize the value of centers in increasing their reputations and acknowledge the value of faculty members' extra-departmental service. \*; LC

4. Faculty affiliated with centers should make efforts to remain “good citizens” of their home departments. They should be expected to use center or other funding to buy out release of teaching time for administrative and in some cases, research duties at centers. \*; LC

### **C. Cost Benefit Analysis of Centers**

1. Procedures must be developed to clearly identify the costs and benefits of centers including creating a clearly defined and usable financial accounting system to provide the data necessary for supervisory units to make informed decisions. \*\*\*\*
2. The University should establish a policy that guides indirect cost reimbursement to centers, departments and colleges that is transparently administered. \*\*\*
3. All centers, regardless of mission, should be encouraged to seek external funding for their programs. \*\*

### **D. Establishing Centers**

1. Centers should only be established if funding is adequate to successfully launch the effort and if an explicit implementation plan has been prepared. \*\*\*
2. The University should be tough in its negotiations regarding the establishment of centers that have been mandated by legislation or stakeholders with regard to the full costs of establishing and maintaining a new center. \*\*\*

### **E. Reviewing Centers**

1. Every ISU center should undergo an annual review conducted by its supervising administrator (note recommendation A.1.). The purpose of these reviews is to evaluate the progress of centers and the appropriateness of their internally allocated budgets relative to their accomplishments. In preparation for this review centers should provide basic information about their supervisory relationships as well as strategic and financial plans. \*\*\*
2. The attribute that a center’s benefits must exceed its costs should be weighted heavily in a center’s evaluation. \*\*\*
3. The university should determine criteria for triggering an external review of a center that reflects the cost of the center, the potential that resources could be redirected and other potential benefits of conducting the review. The policy should reflect the university’s limited resources and capacity for these reviews. \*

### **F. Eliminating Centers**

1. ISU centers should be evaluated against the five “attributes of a successful center” listed above and in section VI and they should score high on most, if not all, of the attributes or they should be closed. \*\*\*
2. All newly created centers should be subject to a five-year sunset clause. At the end of this period the supervisory unit will determine whether benefits exceed costs and how well the center meets the other attributes. If deficiencies are found, the center will be closed unless positive action is taken. \*\*
3. The procedures for closing centers should be less onerous than the procedures for establishing centers. The supervising administrator should have the authority to close or restructure a center at any time and reallocate resources elsewhere. An adequate but streamlined appeals process should be put in place to guard against capricious actions.  
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## **II. Charge**

This task force will address selected issues related to the issue of institutes and centers. The suggested focus of the task force would be on the following questions/issues:

- Do we have consistent use of the terms “center” and “institute”?
- What are the appropriate steps for initiating an institute or center?
- What are the mechanisms by which they should be evaluated?
- What is the process for eliminating centers and institutes?
- What roles should centers and institutes play at ISU?
- How many centers and institutes currently exist?
- How many centers and institutes were established in the last five years and how many were officially closed?
- How do we compare with our peer institutions with respect to the number of centers and institutes and to the organizational structure and governance?

## **III. Process**

The Task Force met bimonthly from November 2003 through February 2004. The process used by the Task Force to address the above questions and explore related issues that arose included:

- 1) Formulated attributes for successful centers and institutes
- 2) Conducted structured interviews of 22 ISU Center/Institute Directors
- 3) Collected data on four Peer-Institutions
- 4) Conducted structured interview with ten Center/Institute Administrators (Department chairs through Vice Provosts).
- 5) Prepared report

## **IV. Analysis of the Current Environment**

### **A. Analysis of ISU Centers/Institutes**

There is no formal definition of a center or institute at ISU and no consistency in the use of these terms. Hence, for the remainder of this document we will use the term “center” to refer to both types of entities. Currently, there are 105 centers listed by the Office of the Vice Provost for Research. Several of the listings appear to be something different than traditionally identified centers (e.g. Biotechnology Instrumentation Facilities, ISU Research Foundation, etc.).

There are 80 centers that have been approved or recognized by the Board of Regents (BOR). The Board of Regents must approve centers that will use more than \$25K in state funding per year (Appendix A). If a center will use less than \$25K per year, then the center must only be reported to the Board and it will be recognized accordingly. Attached in Appendix B is a list of these 80 centers, along with the date of creation and the unit to which they report.

There are a number of additional entities on campus that use the term center in their title but that are not approved BOR centers. These include entities that provide resources primarily to internal customers (Foreign Language Student Learning Center, Thielen Student Health Center, etc.); entities with a name associated with a nationally funded program (DoE Industrial Assessment Center, EDA University Center, etc.); and entities that appear to be operating like a center but have not been recognized by the BOR (Center for Academic Leadership, etc.).

Within the 80 BOR centers, there are about four centers for every one institute. The center and institute origin distribution is displayed below. Nearly one-third of all centers have been created in the last five years and about 80% have been created in the last 20 years.

A pareto chart showing the number of centers within each reporting line is displayed below. The numbers sum to more than 80 because some of the centers have multiple reporting lines. The number of centers created within the last five years in each unit is also displayed. The Vice Provost for Research and the Plant Sciences Institute have the highest percentage of centers created in the last five years. Three out of four centers report through five areas: Agriculture, Vice Provost for Research, IPRT, PSI, and Engineering.

It is very difficult to summarize the budget information for centers since the funding streams and personnel compensation practices vary widely, and no standardized system exists to document financial aspects of centers. After reviewing the budgetary information currently available in university data systems, the committee decided there was not sufficient information available to make comparisons valid.

Since 1993, there have been 19 centers discontinued at ISU. The Task Force found only one center that had ongoing activities at the time it was discontinued. The actual cost savings associated with the discontinuations are difficult to ascertain. One of the centers on the list had simply undergone a name change and several others were merged with existing centers.

## **B. Peer Institution Information**

Information was gathered from 12 universities in an ad hoc survey that was conducted in the fall of 2003 by the University of Florida. The number of centers at these universities ranged from a low of 38 (Purdue, Ohio State) to a high of over 250 (University of Wisconsin).

The Task Force also conducted a survey of four peer institutions to gather additional, specific data. Our survey asked the four institutions: 1) whether formal definitions exist for centers and institutes; 2) how centers and institutes are initiated; 3) whether centers and institutes are evaluated regularly (and how); 4) how elimination of a center or institute is undertaken, if necessary; 5) the number of active centers and institutes at the institution; 6) the number of centers and institutes initiated in the last five years; and 7) to whom the centers and institutes report.

Our findings are that Iowa State University is very much like our peers in the total number of centers that exist and that have been established in recent years. Also, due to concerns about issues of reporting and evaluation of centers, a review of evaluative processes are currently under way at many campuses to provide additional rigor for these organizational

structure and governance issues. We found that our peers have similar requirements to seek review and approval for the establishment and elimination of centers.

## **V. Roles/Benefits of a Center**

Centers play a variety of roles in helping ISU fulfill its mission. Facilitation of interdisciplinary programs is a natural role for centers. Research programs that cross disciplinary boundaries often use centers as catalysts to get new projects off the ground as well as to keep funded efforts on track. Often funding agencies prefer to support interdisciplinary projects that involve centers because centers have an inherent advantage in managing disparate parts of a complicated research project. Centers that house extension programs with interdisciplinary components can serve a similar role. On-campus extension personnel from different departments can organize themselves more efficiently through a center and external clientele have an easier time accessing information by going to one extension center rather than to multiple departments. The ability to develop and manage interdisciplinary majors is also facilitated by centers because it gives both faculty and students an increased identity.

Centers played a large role in the development at ISU of a scholarly culture that values, and generally rewards, interdisciplinary activity. Centers continue to socialize newly hired faculty and staff in this new culture. Because many productive scholars find this type of culture attractive, the existence of centers helps ISU recruit and retain talented faculty and staff. The development of this culture is responsible for the flourishing of interdisciplinary majors that have positively transformed graduate education at ISU.

Centers also provide an efficient mechanism to amplify the energy of dynamic scholars. Some centers function as an outlet for certain “maverick” faculty members who although they may have difficulty being productive within the confines of a traditional department are able to blossom in what is sometimes a less structured center environment. By grouping faculty with shared scholarly interests, centers have the potential to promote the efficient use of resources (e.g., shared research equipment and support staff).

More directly, the opportunity for involvement in or leadership of a center can be used to recruit or retain academic “stars”. By providing additional experiences for academic leadership, ISU’s centers provide a pool from which ISU can identify future leaders for its traditional units.

Because centers are more easily created and more quickly re-focused than departments, they offer the university a means to quickly respond to new opportunities for extramural funding. Participation in center activities often increases the vision of faculty members, and center membership often provides faculty with additional resources, making them more competitive for extramural funding. As such, centers increase the total extramural support of the university.

Although many centers have interdisciplinary missions, some centers can also play valuable roles by increasing the external visibility of highly successful but strictly departmental programs. This increased visibility can be used to enhance funding opportunities as well as to publicize successful ISU programs. Often funding agencies

want to give funds to either start a center or to fund an existing center even if the project is not interdisciplinary.

## **VI. Attributes of a Successful Center**

Development of the following attributes was a dynamic process throughout the deliberations of the Task Force. After development, the attributes listed below were tested by conducting structured interviews with the directors of 22 ISU centers and using the reports of these interviews to further refine and determine the usefulness of the attributes. The questions used in these interviews are provided in Appendix C.

**A successful center at ISU will have most of the following attributes:**

1. Exhibits national or international excellence and prominence.
2. Provides opportunities that traditional campus units cannot provide.
3. Has a clear mission that is directly tied to ISU's mission.
4. Has effective leadership and governance.
5. Creates clear benefits that greatly exceed ISU's costs.

## **VII. Evaluation and Recommendations**

### **A. Organizational Structure for ISU Centers and Institutes**

#### **Current situation:**

Centers at Iowa State University utilize a variety of organizational structures and governance models. For example, some centers are housed in and report to departments; others are housed in and report to institutes. Some free-standing centers report to a dean, others to a vice-provost or the provost. There is a general perception on campus that institutes are umbrella structures for centers, but this is not always the case.

#### **Evaluation:**

There are important reasons for the diversity of organizational structures and governance models used by centers. The activities of some centers are sufficiently focused that a single department or institute can govern them. It is usually appropriate for the home department or institute to handle the evaluation of such centers. Some centers are fully or nearly fully funded by external sources and the funding agencies in these instances probably provide adequate oversight of their investment. In these cases the ISU oversight might only be reviewing the reports that go to the funding agency at the department or institute level. In contrast, many centers participate in a breadth of activities that requires they report outside a single department or institute. Some of these may appropriately report to a single dean. Others are so broad that it only makes sense for them to report to either multiple deans or the provost.

It is recognized that the higher in the organizational chart that a center reports the less likely it is that a detailed evaluation can be conducted by the administrator because of the breadth of expertise and time needed for the evaluation. As a consequence, internal or

external advisory/review councils are of particular value for free-standing centers that report above the college level. Internal review councils might consist of the deans who put significant funds into the center. External advisory councils would be selected to reflect the mission of the center. Some of the more focused centers may also require external advisory councils (e.g., representing clients). Even so, it may be possible in some such instances and in the interests of efficiency for the center or institute to make use of the department's or institute's external advisory council.

**Recommendations:**

1. A clear, direct reporting relationship is needed between a center director and a department chair, dean, (vice) provost, or institute director to ensure effective functioning of the center and effective relationships with other campus units. \*\*\*; LC
2. The unit(s) that provides the bulk of a center's funding/resources should provide oversight. Centers should report at the lowest level in the organizational chart where the administrators that provide support can be represented. (This recommendation is part of A.1 but it can only be broadly implemented after recommendation C.1. is implemented. \*\*\*
3. If the center director is a faculty member, the head of the supervisory unit for the center and the department chair of the faculty member should conduct a coordinated evaluation of the director. \*\*
4. There is no need to enforce a rigid nomenclature concerning the use of the terms "center" and "institute" and further, it may be counter productive to do so. \*; LC

## **B. Relationship between Centers and Departments**

### **Current Situation:**

Centers, at least those existing outside academic departments, were created as conduits to opportunities not available within the traditional departmental organization. Interdisciplinary research is a particular example of an activity that more readily flourishes outside departmental boundaries. Most centers have less democratic and more flexible governance structures than academic departments, which allow them to respond quickly to new opportunities and challenges. Centers, as university-wide organizations, have access to a wider range of human and financial resources to support their programs than do traditional departments.

These differences imbue well-run centers with natural advantages compared to academic units in the development of high-profile research or service activities at the university, as was the original intent in establishing them. However, since centers are an association of faculty members drawn from departments across the campus, the success of center researchers, in winning research grants, writing papers, and educating graduate students, adds to the prestige of the departments in which the faculty members are appointed.

Too frequently, though, academic departments and centers are viewed as competitors for university resources. Faculty member appointments to centers, from one perspective, may mean increased teaching loads and committee assignments for the rest of the faculty. In times of tight budgets, the funding of new initiatives appears to be at the expense of academic departments. Allowing initiatives to hire new faculty can easily be interpreted as usurping the authority of academic units. Center directors and affiliated faculty reporting to persons other than their department chairs may seem dangerous to the promotion and tenure process. Allegiances to centers have the potential of disrupting the community of faculty built around traditional disciplines. Whether these concerns are valid or not, they create tensions between academic units and centers.

The goals of departments and centers are not mutually exclusive, although this may not be evident to parties accustomed to viewing the academic structures in the traditional sense. Because faculty members are appointed to departments, a positive relationship between the center and its faculty members' departments is essential.

### **Recommendations:**

1. Position responsibility statements (PRS) should clearly document the division of faculty responsibilities between the center and department, particularly in cases where center involvement may impact departmental participation. \*\*\*; LC
2. New department chair orientation/training programs should include discussion of optimizing department and center interaction and on facilitating faculty advancement through center affiliation and participation. \*\*: LC

3. Departments should be encouraged to recognize the value of centers in increasing their reputations and acknowledge the value of faculty members' extra-departmental service. \*; LC
4. Faculty affiliated with centers should make efforts to remain "good citizens" of their home departments. They should be expected to use center or other funding to buy out release of teaching time for administrative and in some cases, research duties at centers. \*; LC

### **C. Cost Benefit Analysis of Centers**

#### **Current Situation:**

The true costs of many centers, like many other campus endeavors, are very difficult to measure. Often these costs are hidden in a variety of University activities. In more than one instance during campus interviews, a center director reported "There is no cost to the University for the center." These types of statements illustrate a lack of understanding by many that salary lines, office space, operations, and administrative overhead are center costs that are often covered elsewhere in the organization.

As soon as a center begins to acquire existing University resources at the expense of another strategically aligned program, the true magnitude of the shift should be examined. The benefit (the return on this "internal investment") should be compared with the loss of return that might have been achieved from a different activity. Internal monies to fund centers come from two main sources, 1) departments and colleges and 2) central administration (Provost's office, campus-wide grants). In addition, there are a number of system inefficiencies that drain resources from the University.

#### 1) Departmental and College Sources of Center Funding

Faculty and staff salaries generally flow through a home department and not through a center. As such, many of the salary costs associated with center activity are almost impossible to quantify. Also, when a faculty or staff member shifts a portion of time from departmental activities to center activities, there is a net loss that is hard to quantify. A common example is faculty buying-out teaching. The costs of hiring substitute staff to cover teaching and providing additional space for this faculty fall onto the department or college. On the other hand, a faculty buy-out also provides flexible funding to the department that many chairs treasure. There also appear to be cases where the center director or staff receive or take release time for center activity without a buy out of the departmental time. The loss may be quantifiable - the termination of specific activity, or less quantifiable - loss of departmental "citizenship."

Formation of centers may require additional space for support staff, collocation of faculty and staff, and additional laboratory space if required. Operational costs of this additional space include maintenance, janitorial services, utilities, and possibly support equipment.

There appears to be a large discrepancy in the fraction of operating costs that are paid by centers. Some centers that operate as separate units often pay all of their operating costs

(rent, phones, etc.). However, centers operating within specific departments may have some of their operating costs subsidized by the department if good accounting practices are not rigorously maintained.

A cost that is more difficult to quantify is the duplication of administrative functions.

## 2) Central Administration Sources of Center Funding (Indirect Costs)

Requests to central administration for special or continuous appropriation of central funds (indirect cost pool, etc.) are common. Special funding requests are typically made to support salary or operations. However, negotiated reductions in indirect rates have also been allowed. These expenditures are one method of subsidizing a center, and hiding the true cost of the center to the University. These strategies often divert indirect cost recovery from other legitimate University units, such as colleges and departments. It should be noted that the reduction of indirect cost return should not be viewed in every case as a hidden cost to the University since the benefit gained by bringing new resources to the University may far outweigh any possible lost income. Using a one size fits all indirect rate (like constant tuition) may also be hiding the cost of centers that have high overhead costs.

### **Evaluation:**

Duplication of resources for departmental and center functions such as one individual having two offices, the center and department duplicating equipment, the director needing two reporting lines, or the center having two review mechanisms all result in true costs to the University. Waste might be associated with duplication of activity (reviews) or underutilization of a duplicated resource (equipment). This cost must be covered by dollars that the center brings into the University or from the general operating budget of the University.

Other types of inefficiencies can also occur due to lack of leadership or a poorly developed strategic plan. If a center fails to succeed or requires an inordinate amount of University resources (legislative support, OSPA, etc.) to maintain its existence, then this equates to a tax on the rest of the system. Center activity that is not strategically aligned with the University also creates a system-wide inefficiency since this loss of funds centrally equates to a lost opportunity for existing, high-performing, strategically aligned activity.

Some of the hidden costs that have been discussed occur within all centers (and throughout the University). Often these costs are built in at the formation of the center, but at other times the costs creep into the system after the center is formed. If there are un-funded salary or operational increases, then these shortfalls may be covered by a shift of funds from research/teaching/extension activity or by a negotiated increase in indirect returns to the center. Providing faculty lines for new initiatives through initial center funding that must eventually be replaced with departmental or college funding can, over time, shift the emphasis of the faculty away from traditional strong thrusts of the university.

Federal or state support should be viewed as “seed funding” or “base support” from which to launch externally funded programs. Likewise, funding from the indirect pool should be viewed as a grant to assist in the startup of new centers. Poor management of such seed

funding, for example, generous funding of particular faculty, staff or projects to the extent that it covers most of their costs, is a disincentive for these faculty to seek external funding. On the other hand, a base of state funding is essential to maintain strong programs and retain talented staff members for many centers. In all cases the base funding should be highly leveraged with external dollars coming into the University.

### **Recommendations:**

1. Procedures must be developed to clearly identify the costs and benefits of centers including creating a clearly defined and usable financial accounting system to provide the data necessary for supervisory units to make informed decisions. \*\*\*\*
2. The University should establish a policy that guides indirect cost reimbursement to centers, departments and colleges that is transparently administered. \*\*\*
3. All centers, regardless of mission, should be encouraged to seek external funding for their programs. \*\*

### **D. Establishing Centers**

#### **Current situation:**

Centers have arisen as a critical organizational unit on campus, facilitating activities that are not well supported by the traditional departmental organization of a university. Many centers are established internally through faculty initiative, either independently or in response to University program needs. Other centers are created by mandate from an external funding agency or via a direct appropriation from the state legislature or Congress.

Because of the process used to create a mandated center, mandated centers may not be fully integrated into the university's mission in a manner that provides the greatest benefit to the university or the center's constituency. In addition, mandated centers may not have the financial basis to continue operations once initial external funding has been terminated.

Current policy states that the Board of Regents must approve initiation of a center if the university is investing \$25,000 or more; if the center is established with less than \$25,000 investment, then only notification is required (see Appendix A). This is a reasonably simple process, and does not require very much detail about short and long term plans for leveraging university resources to reach center goals.

#### **Evaluation:**

The creation of centers should be based on a deliberate internal process prior to submitting the application for approval to the Board of Regents. The process should include steps to maximize the success of the unit at ISU and beyond, and to maximize its ability to leverage university resources to generate external funds, scholarly contributions, and/or outreach. This process should in turn provide a strong basis for on-going internal review and for elimination of the center when it is unable to meet its goals and the attributes established for successful centers. Such a process should also improve the chance that a mandated

center significantly expands and extends university programs, thereby improving its prospects for long term success.

An implementation planning process to establish centers, should include: (1) the core funding provided to a new center to create a sound basis for leveraging the funds; (2) a short- and long-term plan spelling out the new unit's goals, strategies for accomplishing the goals, and a proposed financial plan for leveraging university resources provided to the center including a budget for the first year of the center's existence and projected budgets for the following four years. These budgets would be specifically tied to the strategic plan activities. (3) An explicit supervisory arrangement that includes a mechanism for internal stakeholders to review and comment on center's activities and investments; and (4) a mutually agreed upon and specific arrangement with the departments of the faculty who make substantial or extended commitments to the center. Items (3) and (4) are discussed in prior sections of this report. These materials should be used as benchmarks in the annual review of the center and its director, and in discussion with administrative stakeholders

Finally, core funding must be highly leveraged to ensure wise use of resources. The definition of "leverage" varies with the type of center, but every center should generate some amount of external funding.

**Recommendations:**

1. Centers should only be established if funding is adequate to successfully launch the effort and if an explicit implementation plan has been prepared. \*\*\*
2. The University should be tough in its negotiations regarding the establishment of centers that have been mandated by legislation or stakeholders with regard to the full costs of establishing and maintaining a new center. \*\*\*

## **E. Reviewing Centers**

### **Current situation:**

According to ISU policy, centers are to be externally reviewed every five to seven years. In the VPR's office, the external review is similar to a departmental external review, and includes a self-study, an external review committee visit and recommendations, and the center's responses to the recommendations. In actuality, funding levels for staff and support for external reviewers are inadequate to enforce this policy.

The administrative supervisor may conduct an annual review of a center, although this practice varies widely across the campus. Two common methods of review include an annual report to the supervising unit and implicit review of the center via the director's annual performance review.

In some cases, the response time of supervising administrators and/or advisory councils on critical issues facing a center can be slow and impact the center's progress towards their goals. This results from the extremely busy schedules and heavy workloads of administrators, and inadequate staffing in their offices.

### **Evaluation:**

A basic premise of the Task Force is that centers are an important level of organization in the university, and thus should be held accountable to the degree a department is held accountable to a college. At the same time, we recognize that supervising units have inadequate staff and funding to support a labor- and cost-intensive review process. One solution to this dilemma is to elevate the importance of the annual review, and require the center to create a report of its funding and activities in relation to its strategic plan in support of this review. To implement this idea, a process would need to be established by which each center identifies explicit administrative relationships and develops a strategic plan, similar to the recommendation for new centers. Finally, it seems prudent that expectations for external reviews be reduced to match the university's capacity to support these reviews.

The annual review of centers should be based upon a written report developed each year by the center director on its progress in relation to the strategic plan. This should include the center's accomplishments, actual funding and expenses, and activities in relation to the plans for the prior year. In addition, strategic goals, corresponding plans for achieving the strategic goals, and a proposed budget for the next year should be submitted. The written report developed by the center director should be submitted to the administrative supervisor, and to supporting units and departments so they can provide comments to the administrative supervisor prior to the annual review. The administrative supervisor should use these materials and commentary in its annual review of the director and the center's activities.

## **Recommendations:**

1. Every ISU center should undergo an annual review conducted by its supervising administrator (note recommendation A.1.). The purpose of these reviews is to evaluate the progress of centers and the appropriateness of their internally allocated budgets relative to their accomplishments. In preparation for this review centers should provide basic information about their supervisory relationships as well as strategic and financial plans. \*\*\*
2. The attribute that a center's benefits must exceed its costs should be weighted heavily in a center's evaluation. \*\*\*
3. The university should determine criteria for triggering an external review of a center that reflects the cost of the center, the potential that resources could be redirected and other potential benefits of conducting the review. The policy should reflect the university's limited resources and capacity for these reviews. \*

## **F. Eliminating Centers**

### **Current situation:**

It appears that very few, if any, active centers have been eliminated. The common practice is to close a center after activities have ceased, typically by mutual agreement among interested parties.

### **Evaluation:**

This natural "die-off" method for eliminating centers is likely adequate if center funding decisions are the result of an annual review process that holds each center accountable. Such a review process implies that ongoing center activities have been scrutinized and that the administrative unit that has responsibility for funding the center is satisfied that the activities have sufficient value to continue. However, the disadvantage of this approach is that it fails to offer a check on the potential proliferation of centers at ISU. With the recent large increase in campus centers, the university should consider whether it is beneficial to implement a more active process that examines whether some centers at ISU could be eliminated without greatly affecting ISU's ability to fulfill its mission.

Ideally, all ISU centers will meet the attributes of being a successful center outlined in Section VI. A more active process might evaluate whether centers meet these attributes and if not, whether a plan to meet them in the near future exists. If the answers to these questions are both no, then perhaps the center should be closed and its resources reallocated within the University. However, implementing this process may require significant time and energy of senior administrators. In addition, the magnitude of the net benefits that will accrue from closing an existing center varies dramatically across centers and can be extremely difficult to quantify.

Given limited resources for evaluation, effort should be focused on those centers that if closed, would free up significant resources that if reallocated have the potential for

generating more valuable efforts in another use. Low-cost mechanisms that will result in a more rapid demise of centers that have diminishing activity levels, such as a sunset clause for the existence of a center, should also be considered.

**Recommendations:**

1. ISU centers should be evaluated against the five “attributes of a successful center” listed above and in section VI and they should score high on most, if not all, of the attributes or they should be closed. \*\*\*
2. All newly created centers should be subject to a five-year sunset clause. At the end of this period the supervisory unit will determine whether benefits exceed costs and how well the center meets the other attributes. If deficiencies are found, the center will be closed unless positive action is taken. \*\*
3. The procedures for closing centers should be less onerous than the procedures for establishing centers. The supervising administrator should have the authority to close or restructure a center at any time and reallocate resources elsewhere. An adequate but streamlined appeals process should be put in place to guard against capricious actions.  
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**VIII. Bibliography**

1. AAUDE Ad Hoc Survey
2. ISU List of Centers and Institutes, <http://www.iastate.edu/depts/centers.html#I>, January, 2004.

## IX. Appendices

### A. Board of Regents Criteria for New Centers and Institutes (<http://www2.state.ia.us/regents/Policies/Chapter%206/chapter6.06.htm>)

#### 6.06 Criteria for New Centers and Institutes

A. Centers, institutes, and similar organizational units can make a major contribution to a modern university. Such structures, if well organized, adequately funded, and appropriately integrated into the parent institution, can support the mission of the university, particularly in the areas of research and public service. On the other hand, a center or institute can detract from the teaching commitment of the institution by siphoning off faculty resources or by otherwise diverting attention and money from more appropriate purposes. Furthermore, such units are often easier to create than to discontinue, particularly when an ongoing commitment of internal financial resources is involved.

B. The Board of Regents shall review proposals for creating new centers or institutes at the universities, particularly those for which a new commitment of institutional resources is involved. Units that do not require major allocation of internal funds beyond cost sharing mandated by requirements of an external funding agency do not require specific approval. Typically linked to research projects, these units shall comply with institutional review procedures. Any use of the term center or institute for such entities will, however, be both informal and temporary and will create no continuing institutional or Regent commitment. Such units must, however, be reported to the Regents for information, either by flagging the Board Office copy of the related application for external funding or by a separate notification. Furthermore, if at a later date a major budgetary commitment of institutional funds is made, the request for the unit must be submitted to the Board Office for Board approval.

For purposes of policy interpretation, a "major commitment of funds" refers to any amount in excess of \$25,000.

C. The following review questions must be completed for centers and institutes requiring Regent approval. There must be a post-audit of such units five years after the initial approval.

1. What is the title of the proposed center or institute?
2. What is the administrative relationship of the proposed unit to other entities on campus, such as departments or colleges?
3. To whom will the administrative director of the unit report?
4. Succinctly describe the basic purposes and objectives of the unit.
  - a. How will the activities of the unit relate to the general mission and teaching programs of the university?
  - b. How do they relate to the strategic plan of the department and/or university?
5. Do similar units exist at other public or private colleges or universities in Iowa? If so, how does the proposed unit relate to them?

6. What are the proposed sources and annual amounts of funding for the unit? Please itemize. (Include faculty, staff, and clerical salaries; supplies; equipment; travel; other costs)

Budgetary Item	Source of Funds	Annual Amount
_____	_____	_____
_____	_____	_____
_____	_____	_____

7. Which of the costs in item 6 represent new financial obligation to the general fund of the university?

## B. List of 80 ISU Centers and Institutes

<b>NAME OF CENTER OR INSTITUTE</b>	<b>ORIGIN</b>	<b>REPORTS TO</b>
Agricultural Marketing Resource Center (AgMRC)	2002	AG/EXT
Airworthiness Assurance Center of Excellence (AACE)	1998	IPRT
Analog and Mixed-Signal VLSI Design Center	1996	ENGR
Beginning Farmer Center	1994	AG/EXT
Biosafety Institute for Genetically Modified Agricultural Products (BIGMAP)	2003	AG
Bridge Engineering Center (BEC)--part of CTRE	1986	VPR
Carrie Chapman Catt Center for Women & Politics, The	1992	LAS
Center for Academic Information Technology (AIT)	1962	PROV
Center for Advanced Technology Development (CATD)	1987	IPRT
Center for Agricultural & Rural Development (CARD)	1958	AG
Center for Agricultural History & Rural Studies	1984	LAS
Center for Building Energy Research (CBER)	1991	ENGR
Center for Catalysis	2002	IPRT
Center for Crops Utilization Research (CCUR)	1984	PSI/AG
Center for Designer Crops	1999	PSI
Center for Designing Foods to Improve Nutrition (CDFIN)	1989	PSI/FCS
Center for Excellence in Science and Mathematics Education	1984	EDUC
Center for Excellence in the Arts and Humanities	2003	VPR
Center for Family Policy	1997	FCS
Center for Family Research in Rural Mental Health--part of ISBR	1991	AG
Center for Food Security and Public Health	2002	VM

Center for Historical Studies of Technology & Science	1986	LAS
Center for Industrial Research & Service (CIRAS)	1963	ENGR
Center for Integrated Animal Genomics	2002	AG
Center for Interfacial Materials & Crystallization	1987	ENGR
Center for International Agricultural Finance (CIAF)	1990	AG
Center for Nondestructive Evaluation (CNDE)--including the FAA Aviation Systems Reliability Program	1984	IPRT
Center for Physical & Computational Mathematics (CPCM)	1986	IPRT
Center for Plant Genomics	1999	PSI
Center for Plant Responses to Environmental Stresses	1999	PSI
Center for Plant Transformation	1999	PSI
Center for Portland Cement Concrete (PCC) Pavement Technology--part of CTRE	2000	VPR
Center for Research on Dietary Botanical Supplements--part of CDFIN	2003	PSI/FCS
Center for Survey Statistics and Methodology	1938	VPR
Center for Sustainable Environmental Technologies (CSET)	1979	IPRT
Center for Teaching Excellence (CTE)	1992	VPUP
Center for Technology in Learning and Teaching	1967	EDUC
Center for Transportation Research and Education (CTRE)	1983	VPR
Community Vitality Center (CVC)	2003	EXT
Computational Fluid Dynamics Center	1985	ENGR
Electric Power Research Center (EPRC)	1988	ENGR
Engineering Research Institute (ERI)	1904	ENGR
Family and Consumer Sciences Research Institute (FCSRI)	1966	FCS

Food and Agricultural Policy Research Institute (FAPRI)	1984	AG
Information Assurance Center (IAC)	2000	VPR/VPUP
Information Infrastructure Institute (ICUBE)	2003	VPR
Institute for Combinatorial Discovery	2003	VPR
Institute for Design Research and Outreach (IDRO)	1978	DES
Institute for Food Safety and Security, The	2002	VPR
Institute for International Cooperation in Animal Biologics (IICAB)	1995	VM
Institute for Physical Research & Technology (IPRT)	1987	PROV
Institute for Social & Behavioral Research (ISBR)	1988	VPR
Institute of Science and Society	2003	LAS
Interdisciplinary Research Institute for Survey Science (IRISS)	2002	VPR
Iowa Beef Center	1997	AG/VM/EXT
Iowa Energy Center (IEC)	1991	VPR
Iowa Pork Industry Center	1994	AG/VM/EXT
Iowa Small Business Development Center (SBDC)	1981	BUS
Iowa State University Biotechnology Outreach Education Center (BOEC)	1999	VPR
Iowa State University Industrial Assessment Center (IAC)	1990	ENGR
Iowa State University Pappajohn Center for Entrepreneurship, The	1996	BUS
Iowa State Water Resources Research Institute (ISWRRI)	1964	VPR
Laurence H. Baker Center for Bioinformatics and Biological Statistics	1999	PSI
Leopold Center for Sustainable Agriculture	1989	AG
Materials Preparation Center (MPC)	1981	IPRT
Meat Export Research Center (MERC)	1984	AG
Microelectronics Research Center (MRC)	1983	IPRT

Midwest Agribusiness Trade Research & Information Center (MATRIC)	1987	AG
Midwest Forensics Resource Center (MFRC)	2002	IPRT
Murray G. Bacon Center for Ethics in Business, The	1993	BUS/LAS
NASA Food Technology Commercial Space Center	1999	AG
North Central Regional Aquaculture Center (NCRAC)	1988	AG
North Central Regional Center for Rural Development (NCRCRD)	1971	AG/EXT
Plant Sciences Institute (PSI)	1999	PROV
Power System Engineering Research Center	2003	ENGR
Raymond F. Baker Center for Plant Breeding	1999	PSI
Research Institute for Studies in Education (RISE)	1974	EDUC
Seed Science Center	1987	PSI/AG
Veterinary Medical Research Institute (VMRI)	1928	VM
Virtual Reality Applications Center (VRAC)	1990	IPRT

## C. Survey Questions

### Questions for center directors

- What is your mission? If your mission has evolved explain the rationale for this change?
- What is your activity mix? If your activity mix has evolved explain the rationale for this change?
- How did you get started? What was the need that was addressed by this center? Where did your initial funding come from?
- Describe the governance structure of your center. Does center have an organizational chart? If so provide it. To whom do you and the center report? Are you evaluated by both your direct report and your home department?
- What are the requirements for faculty to participate in your center? **How many** departments and how many faculty members/ department are represented in your affiliate faculty? How do faculty manage both center activities and department activities?
- What are the costs of your center to ISU? What is your state budget? What percent of your faculty and staff have salaries that are supported by state money? How much space do you occupy?
- What metrics do you use to evaluate the value of your center both inside and outside the university?
- What are the challenges facing your center? How is the university facilitating or hampering possible solutions to your challenges?
- What do you consider the strongest aspects of your center? How does the university facilitate the strength of your center?
- What activities would not take place if your center were eliminated?

### Questions for administrators of Centers/Institutes:

- How do you define the terms “Center” and “Institute”?
- What are your criteria for successful centers? Do the criteria differ for research and extension centers?
- What is your process for reviewing centers?
- What are your processes for reviewing Center Directors?
- What is your process for forming or eliminating centers?
- What do you view as the hidden costs of centers?
- What metrics do you use in evaluating centers/institutes? How do you compare centers/Institutes?
- What governance structures do you feel are best for centers and institutes at ISU?

## **D. Centers and Institutes Task Force Membership**

Bruce Babcock, Economics and Center for Agriculture and Rural Development

Diane F. Birt, Food Science and Human Nutrition and Center for Research on Dietary Botanical Supplements, Facilitator

Edward J. Braun, Plant Pathology

Robert C. Brown, Mechanical Engineering and Center for Sustainable Environmental Technologies

Susan L. Carlson, Provost's Office

Ronald A. Cox, Center for Industrial Research and Service

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