

UF Research and the Sequester

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What is Sequestration?

- Budget Control Act of 2011 (or so-called Fiscal Cliff bill) included automatic across-the-board cuts in federal programs.
- Effective March 1, across the board cuts in discretionary spending for FY13
 - 5.1 percent in nondefense
 - 7.3 percent in defense (with service personnel exempt)

Impact of Sequestration on Research at UF

- For the University of Florida, we estimate that sequestration will result in a \$14 million, or 3.5 percent, reduction in sponsored research funding for FY13

Impact of Sequestration on UF Units

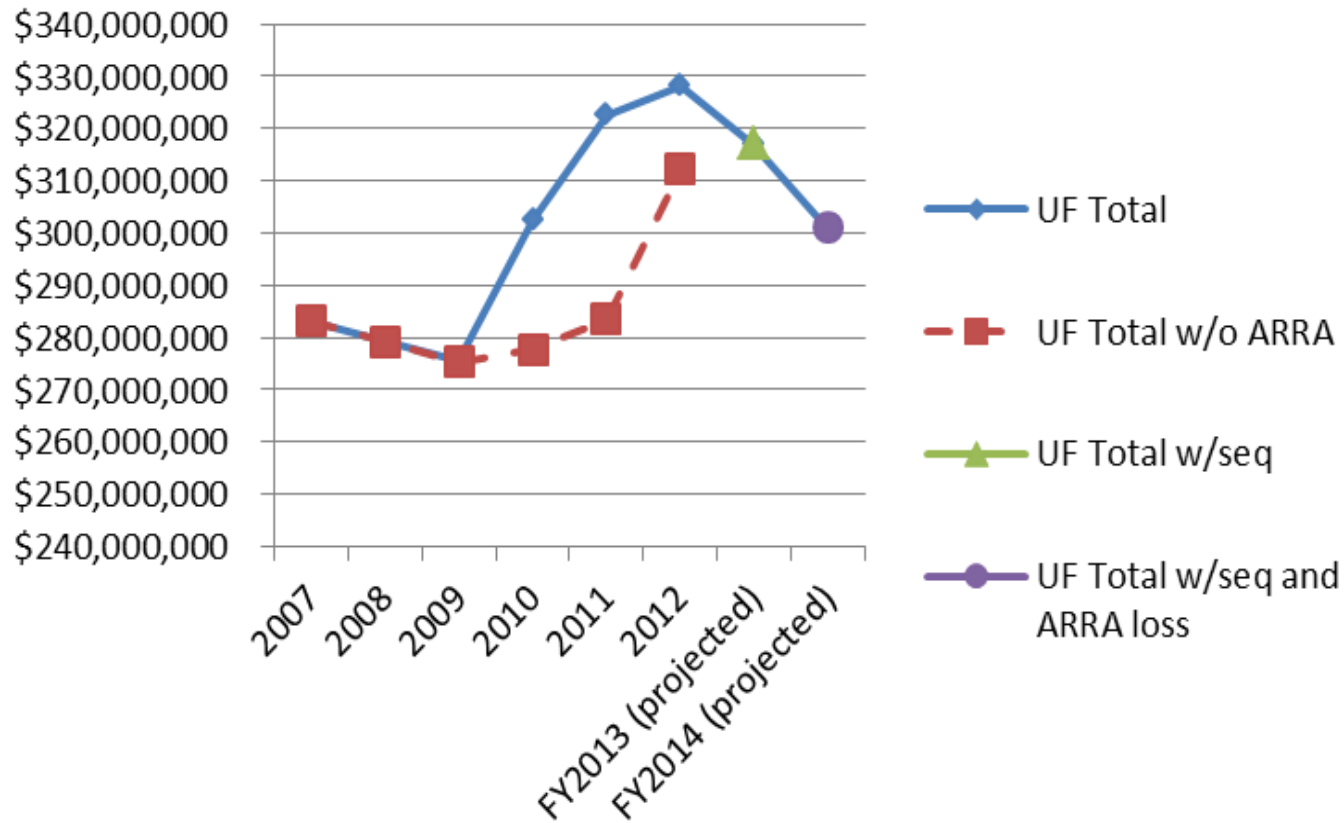
Estimated Direct Expenditure Decrease Due to Sequestration (FY2013)

	Total	Percentage
29-Medicine seq cut	-\$3,639,483	3.1%
19-Engineering seq cut	-\$1,804,242	3.7%
60-IFAS seq cut	-\$1,880,160	3.3%
16-CLAS seq cut	-\$1,122,428	3.7%
34-Dentistry seq cut	-\$380,673	4.3%
33-PHHP seq cut	-\$409,880	3.6%
57-Centers seq cut	-\$415,081	4.3%
32-Pharmacy seq cut	-\$273,107	4.1%
28-VetMed seq cut	-\$139,097	2.2%
26-HHP seq cut	-\$103,266	3.5%
30-Jacksonville seq cut	-\$288,149	4.4%
18-Education seq cut	-\$187,863	4.4%
56-Natural History seq cut	-\$126,636	4.1%
11-SponsResearch seq cut	-\$78,243	1.9%
OTHER seq cut	-\$244,239	2.6%
UF Total seq cut	-\$11,092,546	3.4%

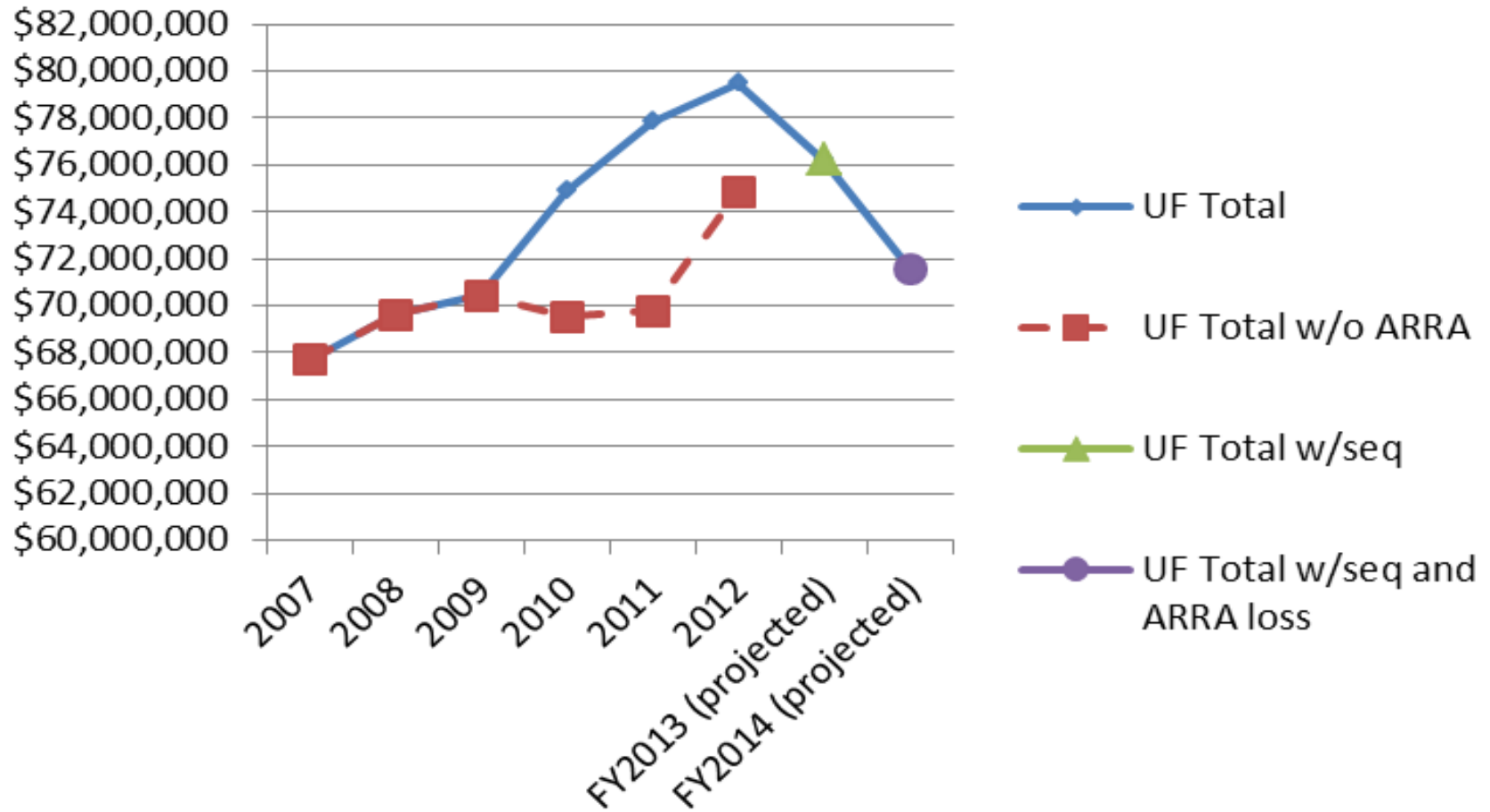
Estimated F&A Expenditure Decrease Due to Sequestration

	Total	Percentage
29-Medicine seq cut	-\$1,182,050	-4.1%
19-Engineering seq cut	-\$542,498	-4.2%
60-IFAS seq cut	-\$386,591	-3.9%
16-CLAS seq cut	-\$331,656	-4.2%
34-Dentistry seq cut	-\$139,025	-4.6%
33-PHHP seq cut	-\$119,444	-4.1%
57-Centers seq cut	-\$126,278	-4.7%
32-Pharmacy seq cut	-\$84,741	-4.1%
28-VetMed seq cut	-\$40,302	-2.9%
26-HHP seq cut	-\$28,376	-4.2%
30-Jacksonville seq cut	-\$81,190	-4.4%
18-Education seq cut	-\$61,255	-4.4%
56-Natural History seq cut	-\$38,641	-4.5%
11-SponsResearch seq cut	-\$19,226	-1.6%
OTHER seq cut	-\$76,227	-3.9%
UF Total seq cut	-\$3,257,501	-4.1%

Impact of sequestration on direct research expenditures



Impact of sequestration on recovered F&A (IDC)



Preparing for Anticipated Reductions in Research Funding

- Colleges instructed to review anticipated expenses against F&A revenues and develop a plan to accommodate for drop while satisfying long-term commitments.
- College instructed to review anticipated expenses against direct charges to grants/contracts, including Graduate Research Assistants, Post-Docs, and Faculty support.
- Service Support Units ,such as Office of Research, that are supported through F&A are asked to accommodate a 4% budget cut consistent with the anticipated drop in F&A.

Final thoughts...

- **Despite these challenges, the research enterprise at the University of Florida will remain competitive albeit smaller.**
- **Unfortunately, this decrease the US investment in research is bad policy**
 - As presently legislated, sequestration will result in a **\$54 billion reduction** in research over the next 5 years
- **This will undoubtedly damage competitiveness and innovation in the US for future generations**