



[Higher Education Consulting](#) - Providing Coverage on the Recovery

## The American Recovery and Reinvestment Act and its Impact on Research Operations

### Summary Points

On February 17, 2009, President Obama signed the \$787 billion American Recovery and Reinvestment Act<sup>1</sup> (ARRA) into law. One of the major initiatives of the Act is to renew America's investment in basic research and development. The following is a summary of the most pertinent information from the Act as it relates to research operations:

- The ARRA includes \$21.5 billion in federal research and development funding.
- National Institutes of Health (NIH), National Science Foundation (NSF), and Department of Energy have received \$10.4 billion, \$3 billion, and \$1.6 billion, respectively in stimulus funding.
- The ARRA requires unprecedented reporting requirements and includes separate appropriations for agency inspectors general and the Government Accountability Office to monitor stimulus spending.
- Federal granting agencies are expected to finalize the distribution plan for the funds before July 2009 and will be required to provide monthly reports on the uses of funds.
- Funds must be obligated by prime recipients in a relatively short time period.

### What This Means for Your Institution

The implementation of ARRA has a direct and immediate impact on research operations at academic research institutions across the country. While this influx of research funding presents tremendous opportunities, it will also increase the responsibilities and workload of research administration offices at a time when administrative budgets are being cut. We expect that research institutions will experience:

- a possible increase in proposal submissions with new and/or updated proposal requirements, forms, and submission systems;
- a rapid addition to the number and complexity of awards being managed and the number of associated transactions;
- a need to enhance existing operating procedures and application of technology to facilitate more efficient work flow, as well as better track and monitor awards;
- a change to the frequency of letter of credit draw requests;
- additional and more frequent financial and programmatic reporting including new or updated federal requirements to report more detailed information; and
- reassignments or redistributions of staff responsibilities to accommodate these anticipated increases in activities.

The specific details of how these funds will be distributed and administered are still evolving and we will compile and summarize this information as it becomes available at the [Higher Education Consulting](#)

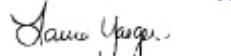
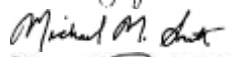
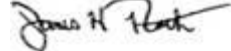
website. *Just click on **Information on American Recovery and Reinvestment Act and Research Operations** to get the most current information including Huron's summary of the Office of Management and Budget (OMB) guidance memorandum that includes specific direction to federal agencies.*

Huron Consulting Group's Higher Education Consulting practice is the premier provider of services to research institutions and our professionals are experienced in all aspects of research administration. We have professionals with substantial research experience ready to meet your needs. For more information about the ARRA or how Huron can help you, please visit our [Higher Education Consulting](#) practice website; or contact one of our Managing Directors.

Sincerely,


Shandy Husmann  
P: 312.583.8757  
[shusmann@huronconsultinggroup.com](mailto:shusmann@huronconsultinggroup.com)  
Greg Bedell  
P: 312.880.3010  
[gbedell@huronconsultinggroup.com](mailto:gbedell@huronconsultinggroup.com)  
Joseph Taylor  
P: 312.583.8744  
[jtaylor@huronconsultinggroup.com](mailto:jtaylor@huronconsultinggroup.com)

Laura Yaeger  
P: 312.583.8762  
[lyaeger@huronconsultinggroup.com](mailto:lyaeger@huronconsultinggroup.com)  
Michael M. Smith  
P: 312.880.3282  
[mmsmith@huronconsultinggroup.com](mailto:mmsmith@huronconsultinggroup.com)  
Jim Roth  
P: 312.583.8760  
[jroth@huronconsultinggroup.com](mailto:jroth@huronconsultinggroup.com)

<sup>1</sup>Source: [American Recovery and Reinvestment Act of 2009](#)