The committee received an update on board policy amendment proposals regarding the RCUH, an informational briefings on the F&A cost rate renegotiation plans, and a status report on the Applied Research Laboratory and associated funding.

**RCUH Policy proposals.**
Administration presented draft proposal amendments to the board policy on the RCUH to clarify definitions and threshold limits for institutional (non extramural) funding service orders. The committee provided feedback regarding need for coordination of fiscal reporting with the operating budget, policy on hiring researchers using institutional funds, ensuring alignment with executive policies to implement safeguards and proper monitoring, and ensure consistency with all polices affecting RCUH. Administration will make amendments accordingly for presentation at the next committee meeting.

**Facilities & Administrative Costs Rate briefing and plan and timeline.**
Administration provided a briefing and plan for upcoming negotiations for an increase in F&A rates. Administration plans to focus on the areas that have the greatest impact including those that expand research infrastructure, and consider research CIP in the future to merit a rate increase. Specifically, the plan for greatest impact is to focus on non-capitalized repairs in research intensive buildings, inventory fixed equipment in research intensive buildings, update and extend space survey, and update electrical meters. Administrative costs are near or at the cap. They identified need for more accuracy in accounting for costs, updating the space survey, and a plan for vacant and new research space.

The committee provided feedback on use of funds, allocation justification, budget relieving efforts, more reporting in the operating budget, consider leveraging energy efficiencies with a revolving green fund, increased efforts to better capture overhead costs, and provide a clearer correlation of overhead costs to the campus budgets. The committee requested a follow up on a specific pro-active strategy to show where administration will put its efforts in the next 10 months with associated justification.

**ARL goals and targets briefing.**
Administration provided a presentation on the background of the ARL and the status of UARCs. Most of the ARL activity is with the Navy on a sole source basis. Most are more applied research than basic research in alignment with core competencies in ocean sciences and technology, astronomical research and the development of optics, sensors and satellite sciences, electro optical systems for remote sensing, networking, cyber security, mission related and public service oriented R&D, and renewable energy technologies. The current contract has a $50M ceiling over a 10 year period, that is at $25M currently, administered by the VP for Research. The ARL has achieved self-sufficiency and plans to expand its services. There are efforts in community outreach to garner more support and inform the community on the good work being done, including outreach to PACOM. The committee requested to have periodic status reports on activities and efforts to increase participation from the military.