

Federal Funding Updates

Academic, Research, and Student Success Committee

University of Houston System Board of Regents Meeting
May 14, 2025

— Federal Higher Education R&D Expenditures: FY 23

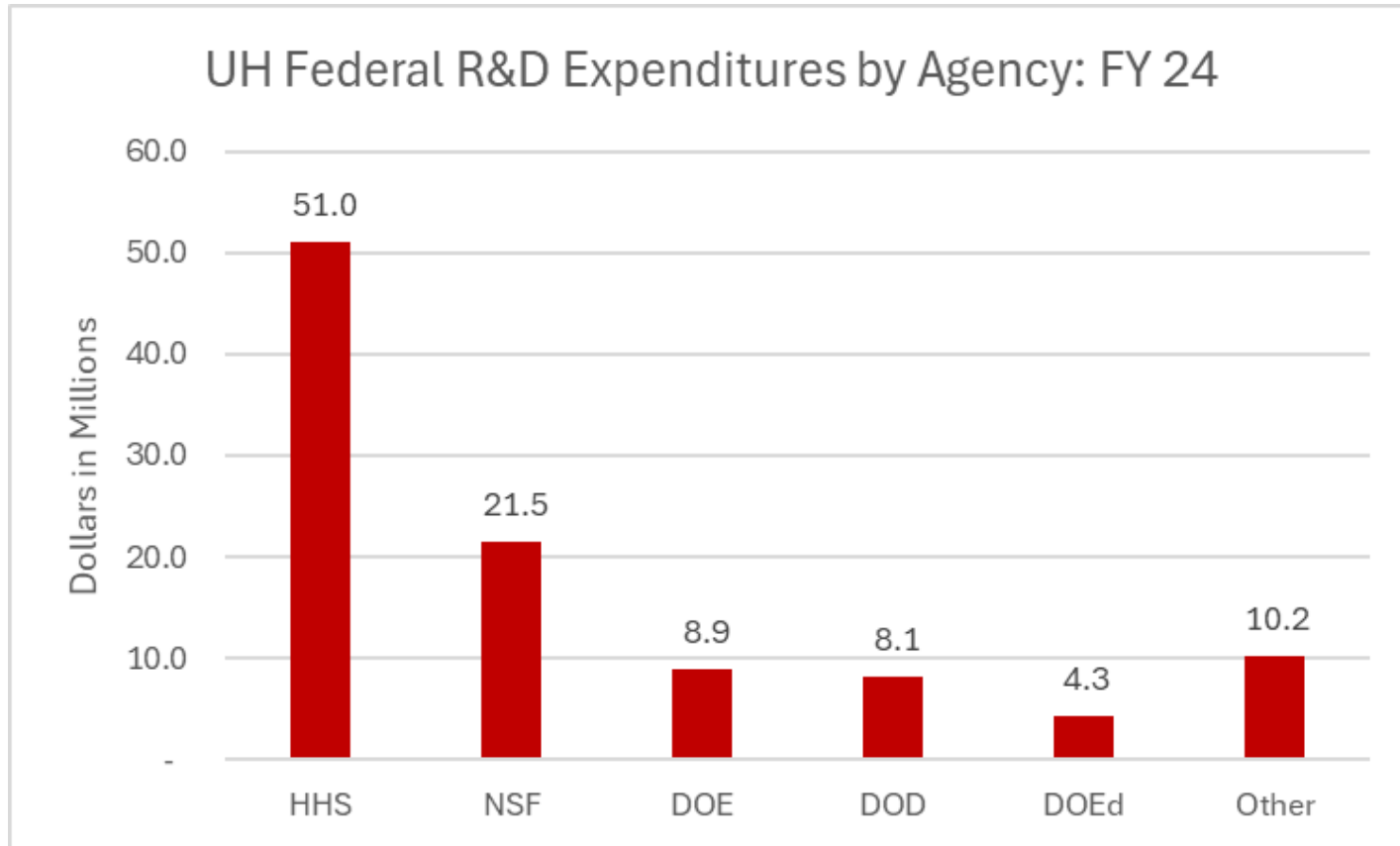
- **All Institutions**

- Total Expenditures: \$108.7 B
- External: \$81.0 B
 - Federal: \$59.6 B
 - **%Federal among External: 73.6%**

- **UH**

- Total Expenditures: \$231.9 M
- External: \$147.6 M
 - Federal: \$99.5 M
 - **%Federal among External: 67.4%**

— UH Federal R&D Expenditures: FY 24



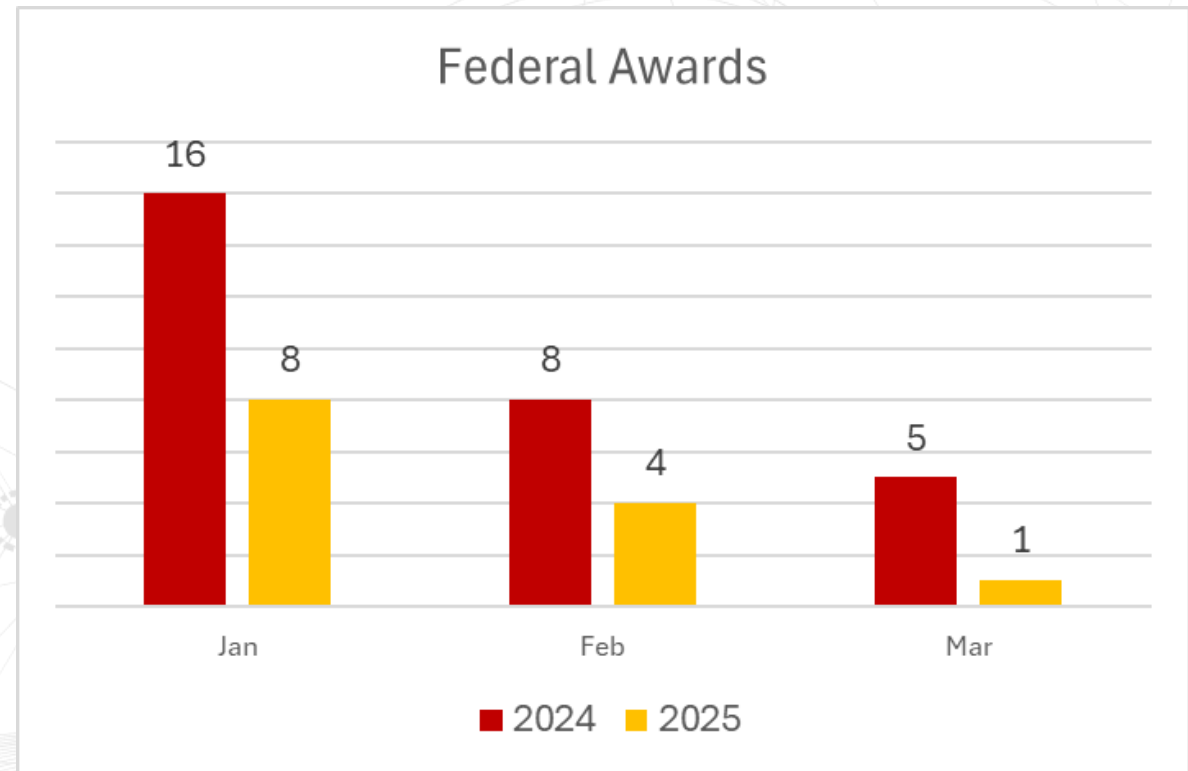
HHS (mostly, NIH) and NSF contribute 69.8% of total federal R&D expenditures at UH

Awards and Terminations

- Significant decline in FY 25 federal awards

	Jan	Feb	Mar
NIH	1	1	1
NSF	4	1	
DOD		2	
DOE	1		
Other	2		
TOTAL	8	4	1

- Terminations: 24 (as of May 2)



— Indirect Cost Recovery

- Indirect Cost (IDC)
 - Pays for Administration, Utility Cost, Library, O&M, Equipment and Building Depreciation
 - Currently (on campus research): 57%
- **NIH:** February 7, 2025: 15%
 - Permanent injunction on April 4
 - NIH appealed on April 8
- **DOE:** April 11: 15%
 - Temporary Restraining Order on April 14
- **NSF:** May 2: 15%

Supplemental Guidance to the 2024 NIH Grants Policy Statement: Indirect Cost Rates

Notice Number:
NOT-OD-25-068

Key Dates

Release Date:
February 7, 2025

Related Announcements

None

Issued by

Office of The Director, National Institutes of Health (OD)

Purpose

Purpose

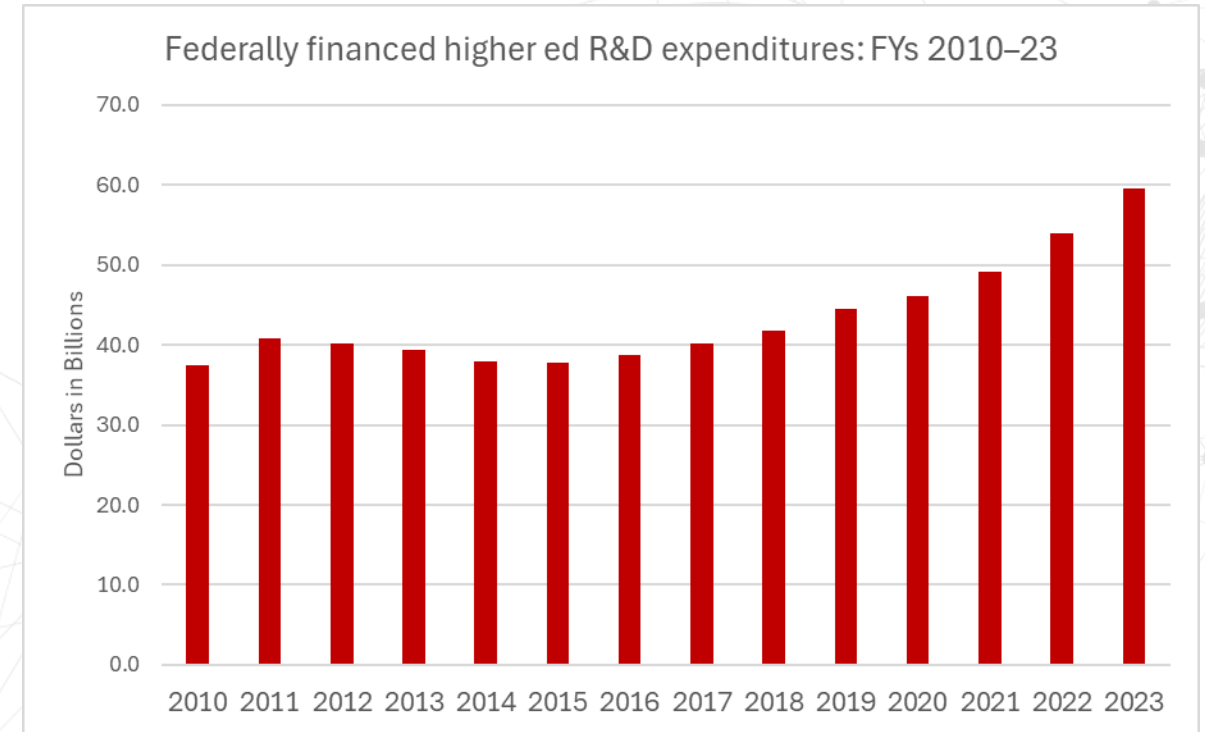
The National Institutes of Health (NIH) awards a large number of grants providing substantial federal funding for research purposes. These grants include significant payments for "indirect costs," defined as "facilities" and "administration." 45 CFR 75.414(a). The "facilities" category is "defined as depreciation on buildings, equipment and capital improvements, interest on debt associated with certain buildings, equipment and capital improvements, and operations and maintenance expenses." *Id.* And the "administration" category is defined as "general administration and general expenses such as the director's office, accounting, personnel, and all other types of expenditures not listed specifically under one of the subcategories of 'Facilities' (including cross allocations from other pools where

— Impact of 15% on IDC Recovery

- Total IDC recovered in FY 24: \$29.6 M on total direct of \$74.4 M
- If the IDC rate had been 15% in FY 24, the impact would have been
 - Total loss: \$20.1 M
 - HHS (mostly NIH): \$11.1 M
 - NSF: \$4.2 M
 - Department of Energy: \$1.7 M
 - Department of Defense: \$1.7 M
 - Other: \$1.4 M

— FY 26 White House R&D Budget

- Federally financed higher education R&D expenditures have **grown by almost 50%** since 2017
- FY26 Office of Management and Budget (OMB) plans for federal R&D:
 - **HHS:** Overall budget from approximately \$127 B to \$93.8 B
 - **NIH:** from \$47 B to \$27 B
 - **NSF:** from \$8.8 B to around \$3.9 B
 - **DOE Office of Science:** from \$8.3 B to \$7.1 B
 - **NEH/NEA:** elimination
 - **DOD Research and DARPA:** Unclear



— Changes and Opportunities: NIH and NSF

- **HHS restructuring**

- A new **Administration for a Healthy America** (AHA) will be created to improve coordination of health resources for low-income Americans and focus on areas, including Primary Care, Maternal and Child Health, Mental Health, Environmental Health, HIV/AIDS, and Workforce Development

- **New HHS priorities to end America's epidemic of chronic illness**

- Focus on safe, wholesome food, clean water, and the elimination of environmental toxins

- **NIH: Letter from Jay Bhattacharya, M.D., Ph.D.**

- Focus on Improving Population Health
- Reproducibility and Rigor

- **NSF priorities**

- Critical technologies: AI and quantum

- **DOE priorities**

- Strengthen the reliability of our energy system, and bolster America's manufacturing competitiveness and supply chain security

TO SERVE

We serve the research community by satisfying client requirements, ensuring research compliance, and protecting the University's intellectual and financial interests.

TO LEAD

We lead the university by managing institutional research priorities and supporting a broader view of individual and small-group research.