



AAU WEEKLY WRAP-UP

ASSOCIATION OF AMERICAN UNIVERSITIES
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CONTENTS

CONGRESSIONAL SCHEDULE

EXECUTIVE BRANCH

OMB, OSTP Issue Memo on S&T Priorities in the FY11 Budget

NSF Implements New Rules on Ethics Training for Researchers

OMB Mid-Session Review Raises Projected Cost of Pell Grant Program

AAU Joins NACUBO in Commenting on IRS Proposed Cell Phone Rules

OTHER

University of Chicago Plans DC Event with Secretary Duncan *NEW*

CONGRESSIONAL SCHEDULE

Both the House and Senate are in recess until Tuesday, September 8.

EXECUTIVE BRANCH

OMB, OSTP ISSUE MEMO ON S&T PRIORITIES IN THE FY11 BUDGET

The White House Office of Management and Budget (OMB) and the Office of Science and Technology Policy (OSTP) issued a memorandum to federal agencies on August 4 that describes science and technology priorities for the President's FY11 budget.

The [memorandum](#) lists four "practical challenges" that agencies should prioritize and to which they should move resources from "lower priority areas." The four challenges are economic recovery and job creation; promoting innovative energy technologies; improving health care while reducing costs; and national security. To help address these challenges, the memo lists four cross-cutting areas that must be strengthened to address the challenges: increasing the productivity of our research institutions, including research universities; strengthening science, technology, engineering, and mathematics (STEM) education; improving and protecting national infrastructure; and enhancing capabilities in space for economic, national security, and scientific reasons.

NSF IMPLEMENTS NEW RULES ON ETHICS TRAINING FOR RESEARCHERS

The National Science Foundation has announced new rules to implement a provision of the America COMPETES Act that requires "training and oversight in responsible and ethical conduct of research" for students and postdoctoral research fellows.

[Published in the August 20 Federal Register](#), the rules apply to grant applications submitted on or after January 4, 2010. They require institutions to certify that the institution has a plan to provide appropriate training and oversight for undergraduate and graduate students as well as post-doctoral fellows who will be supported by NSF to conduct research. Institutions also will be required to verify that the students and fellows have received the required training. NSF will not require institutions to submit their plans, but plans will be subject to review upon request.

NSF will provide institutions with flexibility in determining the content and methods for their training programs. Institutions will be required to train only those individuals who are supported by NSF funding but will be free to provide training to additional students.

NSF will continue to support research on effective training practices and will build a resource of information and tools to assist institutions in meeting this requirement.

The Council on Governmental Relations indicates that the outcome mirrors recommendations the organization made earlier this year.

OMB MID-SESSION REVIEW RAISES PROJECTED COST OF PELL GRANT PROGRAM

The Office of Management and Budget (OMB) released its [mid-session review](#) of budget and economic projections on August 25. While the OMB estimate of the FY09 deficit declined to \$1.58 billion from the February estimate of \$1.84 trillion, the agency increased its estimate for cumulative budget deficits over the next decade from \$7.1 trillion to \$9 trillion. The additional \$1.9 trillion largely reflects the adoption of new estimates of economic growth and unemployment due to the unanticipated depth of the recession. The Congressional Budget Office released a similar report on Tuesday that projects a comparable FY09 deficit. CBO projects only \$7.1 trillion in deficits over ten years primarily because its estimates assume the expiration in 2011 of the tax cuts enacted in 2001, which is generally considered unlikely.

OMB also revised its projections for a number of programs, including the Pell Grant program. OMB increased its estimate of federal spending on Pell Grants by \$27 billion over the next decade. According to OMB, this is due to an expected increase in demand for Pell Grants as more individuals choose to go to college in a weakened labor market. Actual enrollments in the 2008-2009 award year and projected enrollments in the 2009-2010 award year, particularly for regional public and two-year non-profit institutions, far exceed historical growth rates.

The OMB cost projection for the Pell Grant program is based on the assumption that Congress will enact President Obama's proposal for mandatory annual adjustments in the maximum Pell award. However, it is unclear how much of the ten-year \$27 billion increase would occur even if the President's proposal were not enacted.

AAU JOINS NACUBO IN COMMENTING ON IRS PROPOSED CELL PHONE RULES

AAU has joined the National Association of College and University Business Officers (NACUBO) and several other higher education associations in commenting on a proposal by the Internal Revenue Service (IRS) to simplify the procedures under which employers substantiate employees' business use of employer-provided cell phones and similar telecommunications equipment.

In a letter sent on August 21, the associations not only commented on the proposed procedures but also expressed “strong support for legislative action to remove employer-provided cell phones and digital communications devices from listed property.” A copy of the letter is attached.

Under IRS rules, cell phones and similar devices that employers provide to their employees are considered “listed property,” items that employers can expense or depreciate for tax purposes only if more than 50 percent of their use is for business.

OTHER

UNIVERSITY OF CHICAGO PLANS DC EVENT WITH SECRETARY DUNCAN *NEW*

Secretary of Education Arne Duncan will deliver the keynote address for a September 10 panel discussion in Washington, DC, on “The Role of Higher Education in Improving Urban Schools.” The event will be hosted by University of Chicago President Robert Zimmer, and the university invites members of the education community and others to attend.

In addition to Secretary Duncan, speakers will include: John Easton, Director of the Department of Education’s Institute of Education Sciences; University of Chicago Professor Charles Payne, author of *So Much Reform, So Little Change*; Stanford University Professor Linda Darling-Hammond, author of *The Right to Learn*; and Tim Knowles, Director of the [Urban Education Initiative](#) at the University of Chicago. The panel discussion will be moderated by Ray Suarez, Senior Correspondent for PBS’s NewsHour with Jim Lehrer.

The event will take place on Thursday, September 10, 3:30-5:00 p.m., at the Mellon Auditorium, 1301 Constitution Avenue, NW. Those who wish to attend are asked to respond by September 4 to 202-637-7004 or eastcoastevents@ard.uchicago.edu.

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