

<h2>F&A Funds Fueling Research at Carolina</h2> <hr/>	<p>Research is Big Business</p> <p>What Research Does</p> <p>Trends in Research Funding</p> <p>What is F&A</p> <p>F&A Funds Help Keep Research Strong</p>
<p>Chancellor Carol Folt University of North Carolina at Chapel Hill</p> <p>Presentation to UNC BOG Public Affairs Committee April 11, 2014</p>	

AT CAROLINA, RESEARCH IS BIG BUSINESS

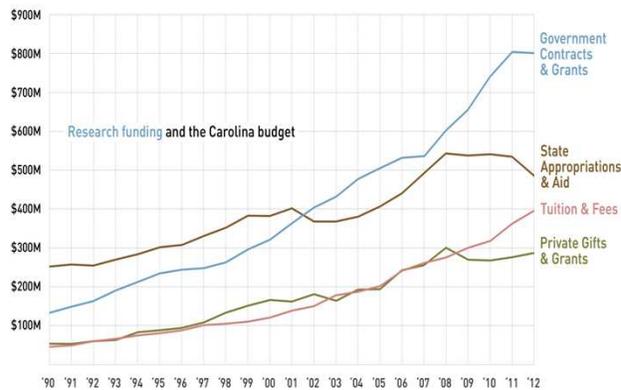
- 884 million in annual spending
- \$300 million annual payroll
- 10,000 UNC jobs supported
- 1,100 supplier businesses in North Carolina
- 11th nationally in R&D
- New revenues to North Carolina
 - ★ 90% of UNC research dollars come from outside the state

WHAT RESEARCH AT CAROLINA DOES

- Supports NC's innovation economy
- Drives UNC's national rankings
- Attracts the best faculty to NC
- Keeps NC's top students in North Carolina
- Spins out IP and new start-up businesses
- Improves lives and grows the economy.

TRENDS IN FUNDING AT CAROLINA

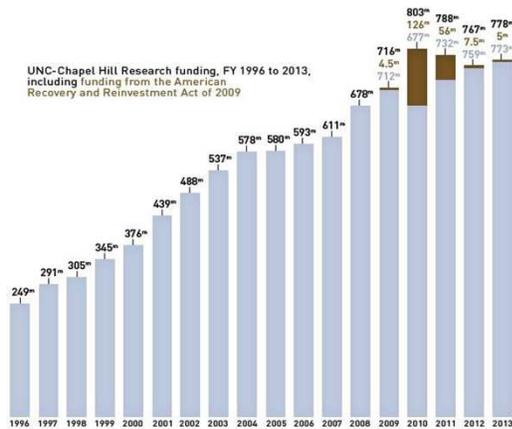
Research is the largest source of revenue at the University.



F&A is critical to Carolina's ability to maintain this revenue stream

TRENDS IN RESEARCH FUNDING AT CAROLINA

UNC-Chapel Hill Research funding, FY 1996 to 2013, including funding from the American Recovery and Reinvestment Act of 2009



The ability to reinvest F&A funds helped Carolina rise in national rankings and dollars awarded from outside funders.

WHAT IS F&A?

- Overhead funds paid by sponsors to support Carolina's research infrastructure.
 - ★ Federal government, corporations, and foundations pay it to ensure strong research infrastructure for their projects.
- It is nonrecurring revenue from individual research contracts.
- Faculty are the source of the University's F&A
 - ★ They bring it in only when they compete for and win research contracts

HOW CAROLINA USES F&A

- Compliance with federal laws and regulations
- Start-up packages to recruit and retain best faculty
- Protect health and safety on campus
- New research labs & equipment
- To secure patents and create start-up companies
- Research administration, ethics, animal care responsibilities.
- Debt service on research buildings
- Contingency reserves for an \$800 million contract-based business.



ARE F&A FUNDS ENOUGH TO KEEP UNC RESEARCH STRONG?

- No. Research is a three-way partnership
 - Sponsors, University, and State of North Carolina
 - That partnership is Carolina's competitive edge
 - This partnership drove Carolina's research from \$250 million in 1995 to \$800 million today
- ★ But F&A funds are essential to keeping UNC as America's 11th largest university research engine.