President’s Report to the DRI Research Foundation

Friday, February 6, 2015
DRI SNSC Campus
Rogers Auditorium
755 E Flamingo Road
Las Vegas, Nevada
Agenda

- DRI Strategic Planning & Critical Objectives (Wells, Oppenheim)
- DRI Business Development & DRIRF – Revitalizing the DR Corporation (Wells, Gertler, Smith, Speicher)
- DRI and the 2015 Legislative Session (Wells)
  - Review of DRI’s Budget Reductions, Efficiencies & Effectiveness 2008-15
  - Review of DRI’s Legislative Priorities and BoR Approved Process
- Update of the NvCOE in Water (Wells, Allen)
DRI Budget Reductions FY 08 through FY 15
35% decline in general State Appropriations from FY 08 through FY 15

- Campus Operational Staff positions have been reduced by 17%, or a reduction of $1,844,000.
  - a Vice President position
  - the Exec Assistant to the President (Las Vegas office)
  - the dedicate Communications position
  - the Special Assistant for Diversity position
  - a position in Financial Services
  - a position in Information Technology
  - a Receptionist position

- Administrative and operational staff have assumed duties previously performed by the above-mentioned eliminated

- Terminated long-term lease & closed DRI research facilities at Tahoe Environmental Research Center.

- In FY 10 State funding was eliminated for Cloud Seeding, requiring DRI to become self-sufficient with contracts and grants.

- Supplies & Services costs decreased by $857,000 between FY 08 through FY 14, a 19.7% reduction.

- Remaining State funding of $341,000 was eliminated for Applied Research Initiative (ARI) grant matching funds.
DRI Budget Reductions FY 08 through FY 15 (cont.)

- In FY 12 State funding of $104,000 was eliminated for the Truckee River project.
- In FY 12 Interdisciplinary Science Center support was reduced by $54,000.
- For FY 15 every operating department suffered budget cuts of a minimum of 5%, often 10%, and a few exceeded that percentage.
- Tech Transfer office funding support was reduced by $71,000 for FY 15.
- The Environmental Health and Safety office funding was reduced by $72,000 in FY 15.
- In FY15 Research Faculty Support was decreased by $143,000, reducing Faculty’s ability to develop new research concepts, leverage IP opportunities for potential commercialization, The equipment replacement budget was reduced.
- Post doc funding support of $120,000 per year was eliminated in FY 15, potentially impairing DRI’s ability to recruit post docs.
- Reduced new faculty hiring funding by $55,000.
Benchmarking DRI’s Operational Costs and Staffing

DRI participates in a national consortium of 12 Research Institutes (Research Financial Management Group or, RFMG) and meets annually with the group to discuss current trends and issues in research management. One of the activities the group performs is a benchmarking survey comparing the operational efficiency of each organization.

- **Total operational/maintenance expenses per square foot**: DRI ranked in the lower half of the organizations surveyed with an actual cost per square foot less than half of that reported by the highest research institute surveyed.

- **Contracts Processed Per Contract Services**: Each DRI contract person processes more contracts than any of the other institutions and 50% more than the next highest institution, and eleven times more contracts processed than by the lowest performing institution.

- **Information Technology Expenses Per FTE**: DRI’s Information Technology expenses per employee are the lowest of the group surveyed. Comparing IT expenses as a percent of total revenue for the organization, DRI ranks in the lower half of the group.

- **Financial services personnel**: DRI employs the lowest number of personnel providing financial services out of all the institutions surveyed.

- **Human Resources Personnel**: The DRI HR staff each serve more employees than is the case at all of the other institutions.