

## NAVREF Annual Report May 2009 – April 2010

**NAVREF Mission:** NAVREF's mission is to promote high quality management and communication among the VA-affiliated nonprofit research and education corporations and to pursue issues at the government level that are of interest to its members.

### Board Members 2009-2010

\* No longer a member of the board due to normal rotation or a change in eligibility

Donna McCartney, Chair  
Executive Director, PAIRE, Palo Alto, CA  
Eileen, Lennon, PhD, Vice Chair  
Executive Director, SIBCR, Seattle, WA  
Cindy Reutzell, Secretary/Treasurer  
Executive Director, CARES, Hines, IL  
Wendy Brown, MD  
COS, Chicago, IL  
Jonathan H. Gardner, FACHE  
Medical Center Director, Tucson, AZ  
David Johnson, PhD  
Executive Director, BREF, Baltimore, MD  
Antonio Laracuente  
Executive Director, AREF, Atlanta, GA

\*Jacqueline Parthemore, MD  
COS, San Diego, CA  
Fred Wright, MD  
ACOS/R, West Haven, CT  
Lea Lowe  
Executive Director, SCIRE, Long Beach, CA  
Nancy Watterson-Diorio  
Executive Director, BVARI, Boston, MA  
Terrence Hannigan, Fishers, IN  
\*Thomas Stripling  
Director Research, Education and  
Practice Guidelines, PVA, Washington, DC

### VA Central Office Liaisons

Joel Kupersmith, MD  
Chief Research and Development Officer

Malcolm Cox, MD  
Chief Academic Affiliations Officer

### NAVREF Staff

Barbara West, Executive Director

Angela Murakami, Program Director

Sonie Mathew, Meetings and Office Assistant

### In Appreciation

NAVREF's success remains highly dependent on generous contributions of time and expertise by its members and VA personnel. NAVREF activities and accomplishments are made possible by the hard work of its board of directors and many others who are committed to the VA-affiliated nonprofit research and education foundations as well as the VA research and education programs. Individuals who contributed to the activities described below are too numerous to list. However, NAVREF wishes to express its sincere gratitude to all.

### Top Three Activities May 2009 – April 2010

- 1. Continuing the drive toward an improved NPC authorizing statute.** Painsstaking stewardship of NAVREF's proposal to update the NPC authorizing statute has brought it to the cusp of final House and Senate floor action. At this writing, a conference version of the legislation, now identified as the ANS to S.1963, the *Caregivers and Veterans Omnibus Health Services Act of 2010*, is awaiting a House floor vote that has been stalled since

March for reasons unrelated to the NPC provisions. NAVREF continues to advocate enactment before the end of the 111<sup>th</sup> Congress in the fall so that NPCs may benefit from the many improvements the legislation will make in NPC authorities.

2. **Helping NPCs meet the challenge of the first NPPO review of NPCs.** After providing input on numerous drafts of the Nonprofit Program Office (NPPO) NPC Evaluation Checklist, NAVREF turned its focus to supporting NPCs as they underwent onsite assessment of their operations. NAVREF commends NPCs for their outstanding performance during the NPPO reviews which with very few exceptions resulted in very positive outcomes.
3. **Strategic planning to prepare NAVREF for its third decade.** Since mid-2009, the NAVREF board has been engaged in examination and strategic planning to ensure that it remains the indispensable voice of the NPCs and continues to offer high value to its members. Likely outcomes are an updated mission statement, new vision and values statements, and goals and objectives that are aligned with the current and projected needs of NPCs.

## **Accomplishment Highlights and Other Ongoing Initiatives in NAVREF's Major Programs**

### **Policy Development**

- As non-federal "guests," NAVREF staff, Chair Donna McCartney and Vice Chair Eileen Lennon, PhD, observed meetings of the working group formed by the NPPO to update Handbook 1200.17, the VHA handbook applicable to NPCs that administer research or research and education. NAVREF provided background information and commented extensively on drafts as this effort progressed.
- During the fifth year since OGC mandated the transition to CRADAs, concentrated on helping NPCs improve execution times. This entailed working with Technology Transfer Program (TTP) staff and Office of General Counsel (OGC) personnel to improve understanding of CRADA negotiations as well as review and approval processes. Additionally, NAVREF identified "expert" NPC personnel to assist NPCs in need of assistance and prompted TTP and OGC to collaborate on conducting basic CRADA training.
- In regard to CRADA collaborators, fostered use of VA sites for studies by hosting national conference calls so that sponsors could explain their site-selection procedures and describe studies in their pipelines as well as features that make a site an attractive research partner. NAVREF also regularly helped sponsors identify study sites by making its membership list available on request and by directing sponsors to the member profiles on the NAVREF web site.
- Continued to forge a working relationship with the NPPO that respects its oversight responsibilities while recognizing NAVREF's purpose as a membership organization dedicated to high quality NPC management.
- Interacted regularly with senior VHA policymakers by attending meetings of the Nonprofit Oversight Board.
- Maintained a working relationship with the DoD Office of Congressionally Directed Medical Research Programs (CDMRP) to address questions that arise regarding NPC administration of DoD awards.
- Explored issues related to NPC pay for VA investigators working on NPC-administered studies in light of OGC opinions stating that is allowable even for full time VA personnel while simultaneously acknowledging the potential for violations of the federal criminal conflicts of interest statutes.

## **Member Communications and Services**

- Responded to more than 350 email and phone questions from members, usually with a one-day turnaround time; used questions to prompt newsletter articles on timely topics and additional postings on the NAVREF web site such as those regarding board meeting minutes, the implications of IRS sub classifications, brokerage accounts, benchmarking accounting expenses and executive compensation.
- Wrote and disseminated by email six newsletters and a large number of timely updates; posted on the NAVREF web site for future reference.
- Established mentorships for new executive directors, relying on the generosity of experienced NPC personnel to assist NAVREF staff in orienting new executive directors to the finer points of NPC and VA requirements.
- Completed two Best Practices Consultations for NAVREF members. The success of this program remains highly dependent on the willingness of experienced executive directors to join NAVREF staff in conducting these intense visits, each of which requires many hours of preparation in addition to travel and presentation of constructive recommendations.
- Conducted two surveys of NAVREF members. One was designed to help the board with its ongoing strategic planning; the other assessed interest in a workshop for recently appointed NPC executive directors and senior staff with future executive potential.
- Implemented a web-based directory of member “profiles” that allows members to identify VAMC resources and areas of research focus in order to facilitate collaborations with industry and other private sector funders as well as among investigators.

## **Advocacy and Public Policy**

- Persisted in efforts to update the NPC authorizing statute by starting over again early in the 111<sup>th</sup> Congress including:
  - Arranging introduction of the NPC bill in the House and Senate by the Chairmen of the House and Senate Committees on Veterans Affairs (HVAC and SVAC);
  - Meeting with SVAC and HVAC staff and sending letters to members of Congress at key times in the legislative process;
  - Developing, and persuading the SVAC and HVAC to adopt, amendments that raise the mandatory audit thresholds and restructured management of potential conflicts of interest; and
  - Developed a sign on letter to the SVAC and HVAC urging prompt action on S. 1963 and achieved endorsement by 42 diverse organizations.
- Actively participated in activities of the Executive Committee of the Friends of VA Medical Care and Health Research (FOVA) and contributed to efforts that secured a \$70 million increase in funding for the FY 2010 R&D appropriation for funding at \$580 million.
- Worked with other members of the FOVA Executive Committee to plan FOVA’s FY 2011 funding effort including developing justification for proposing \$700 million for R&D and \$300 million for research facility improvements for a total recommendation of \$1 billion. NAVREF also supported ORD plans for Capitol Hill National VA Research Week events including a Capitol Hill reception.
- Provided extensive comments on draft ORD research communications materials.

## **Education**

- With Co-Chairs Robert Obana and Dr. Lennon, managed a very successful 2009 Annual Conference in Chicago, Illinois, that provided two and a half days of educational sessions specifically targeted to the needs of the NPCs as well as numerous networking opportunities. The conference focused on governance and was attended by a record number of NPC board members.

- 2010 Annual Conference Program Co-Chairs Nancy Watterson-Diorio and Erica Brown have developed a program that provides compelling general and breakout sessions and a workshop on human resource management by a nationally recognized speaker.
- To help the unusually large number of recently appointed executive directors meet the challenges of their new appointments, and to broaden senior staff knowledge of NPC fundamentals, NAVREF will conduct a one and a half day workshop in May. The content for this workshop is being developed and presented by Dr. Lennon, Ms. Watterson-Diorio, Ms. Kerstin Lynam and NAVREF staff and will cover NPC management topics as well as VA functions relevant to NPCs.
- To facilitate access to training without incurring the expense of travel, arranged for training by teleconference including a 30% discount on teleconference seminars offered by Lorman Education Services. To assist NAVREF members with ensuring that they are appropriately insured, NAVREF initiated a series of educational calls that offer training on the features of common types of insurance coverage. Finally, recognizing staff turnover among NPCs and Regional Counsel attorneys, NAVREF obtained from TTP and OGC a commitment to conduct teleconference training on the fundamentals of CRADAs; sessions were conducted in December 2009 and April 2010.
- Assisted the NPPO in developing and conducting training about NPCs for the VISN liaisons who accompanied NPPO staff during the on-site reviews of NPCs conducted during the fall of 2009.

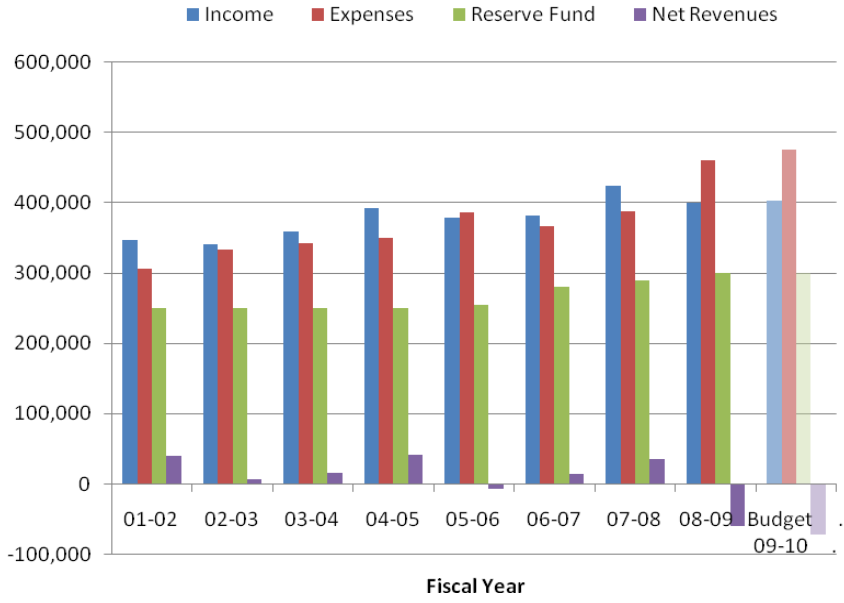
#### **Governance**

- Held four board of directors meetings, all of which were hosted by NAVREF member foundations to allow interaction between the host board and the NAVREF board. [NPCs interested in hosting a NAVREF board meeting should contact the NAVREF office.]
- Reviewed the governance questions on the 2008 IRS Form 990 and developed responses; solicited from directors the information needed to respond to the questions about relatedness and potential conflicts of interest.
- Addressed the gap between NAVREF dues revenues and operational expenses by making economies as well as considering a dues increase; after extensive discussion, determined that a dues increase was necessary and then developed and discussed with the membership a new dues structure that will be implemented for the 2010-2011 membership year.
- NAVREF remains grateful that Paralyzed Veterans of America continues to be a longstanding Class B member of NAVREF and the board of directors.

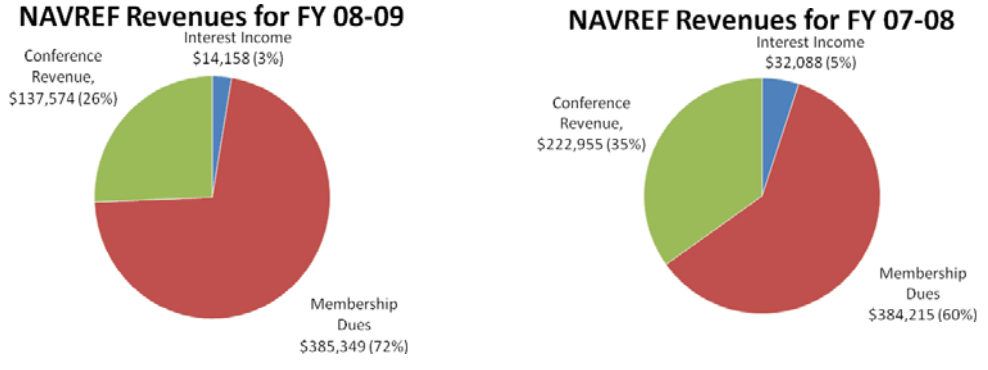
#### **Administration**

- Ensured that staff members stay current on nonprofit financial, legal and operational matters by attending national nonprofit conferences such as the AICPA National Not-For-Profit Conference and the Georgetown Law Seminar on Representing and Managing Tax-Exempt Organizations. Staff also attended sessions on proper worker classification for IRS purposes, influencing federal regulations, administration of NIH awards, accounting software, and the new IRS Form 990 including a session on determining and reporting executive compensation.
- Completed a thorough updating of the NAVREF Employee Handbook.

## NAVREF Dues and Interest Income, Expenses, Reserve and Net Revenues/Loss



## Revenue By Source



## Expenses By Program

