

## Highlights of the Executive Summary of 2004 NPC Annual Reports to VA (Submitted June 2005)

### General

- 89 NPCs submitted annual reports; of these, 84 reported financial activity
- Administered 5,168 VA-approved projects; 80 projects fewer than the prior year
- Total net assets: \$159.7 million; 9.5 % increase over the prior year; primarily represents funds held in project accounts and fiscally prudent reserves
- 99.7% of NPC revenues were subject to audits (14 NPCs fell below the income trigger); only one material weakness reported

### Revenues

- Total NPC revenues: \$186.8 million; 0.9% increase over the previous year
- 40 NPCs reported increased overall revenue; remaining NPCs reported flat or declining revenue
- The top three revenue-producing NPCs accounted for 38% of total NPC revenues, up from 36% the prior year

Revenue Range	# of NPCs- 2004	# of NPCs - 2003	# of NPCs – 2002
Below \$500K	37 (42%)	41 (45%)	34 (38%)
\$500K - \$1M	15 (17%)	16 (17%)	19 (21%)
\$1M - \$10M	34 (38%)	32 (35%)	34 (38%)
\$10M & Above	3 (3%)	3 (3%)	3 (3%)
Total # of NPCs	89	92	90

- Almost 98% of total revenue was received in support of research; 1.2% received in support of education; remainder was interest income
- Funding sources:
  - Private – 49% of total revenue; declined 4% from \$97.7 million to \$93.6 million; \$21 million (19%) drop in nonfederal revenue since 2002
  - Federal – 48% of total revenue; \$89.2 million; increased 7% from \$83.2 million; 47 NPCs (44%) reported administering revenue from federal sources

### Expenditures

- Total expenditures: \$180.6 million; 1% increase over the prior year; \$148.9 for research and \$2.5 million for education
- Purposes as a percentage of total expenditures
  - \$107.4 million (60%) for salary and benefits for research and education personnel; a 10% increase over the prior year; \$88 million (82%) for research salaries; \$18.6 million (17%) for management and general
  - \$5.1 million (3%) for travel; \$4.5 million (88.4%) for research related travel; \$0.6 million (11.6%) for management travel
  - \$67.7 million (37%) for other expenditures in support of research and education
  - \$28.9 million (16%) for NPC management and general

### Selected NPC activities other than direct support for research projects and education:

- Pay travel and registration fees for VA investigators to attend scientific conferences
- Renovate and upgrade VA research facilities
- Provide funds, staffing and training support to the VA and affiliate universities to help cover IRB requirements
- Support expenses related to recruitment of research investigators to the VA system
- Make seed grants to new investigators to aid them in establishing their research careers with the VA
- Enable training of VA research personnel in topics such as research compliance, good clinical practice and Board Governance training.
- Grant bridge funding to VA investigators who are between research grant awards.
- Provide personnel, equipment and supplies for VA animal research facilities.
- Support pharmacy personnel and equipment