CONGRESSIONAL SCHEDULE  NEW

The Senate did not meet today. When the chamber reconvenes on Monday, March 12, it will resume consideration of S. 1813, the surface transportation bill. Senate Democratic leaders hope to complete action on the bill next week.

The House met in pro forma session today and will be out of session next week.

BUDGET AND APPROPRIATIONS

HOUSE FY13 BUDGET MAY INCLUDE LOWER SPENDING CAP  NEW

House Republican leaders this week appeared closer to endorsing a discretionary spending cap in the House FY13 budget resolution that is about $20 billion lower than the spending cap established by the Budget Control Act (BCA), which was enacted last August. House Budget Committee Chairman Paul Ryan (R-WI) is expected to introduce the leadership-approved measure on March 20.

The BCA, which was supported by the bipartisan leadership of both houses of Congress, set the FY13 discretionary spending cap at $1.047 trillion, or $4 billion above the FY12 enacted level. Despite their support for the BCA, House Republican leaders may propose an FY13 spending cap of $1.028 trillion, the same level proposed in the FY12 House budget resolution. They consider this a compromise between the BCA-approved level and the more drastic cuts supported by Tea Party conservatives, reports Politico. The lower figure could make it possible
for leaders to gain enough Republicans votes to approve an FY13 budget resolution—which 
*Politico* notes carries important symbolism for House Republicans—but could delay and 
complicate the appropriations process. House Appropriations Committee Ranking Democrat 
Norm Dicks (D-WA) told the publication, “We’re not going to be able to pass all the bills. We’ll 
have to get some relief [on the discretionary spending cap] at the end.” The Washington *Post*
adds that adopting a budget resolution with the lower FY13 spending figure would put House 
leaders “at odds with Democrats and even Republicans in the Senate, who are eager to get 
through the summer and fall without another nasty spending fight…”

A lower figure also could set House Republicans up for a difficult political decision this fall, 
*Politico* writes. Most observers expect Congress to pass a continuing resolution (CR) in late 
September to sustain government funding at its current level until a final FY13 budget deal can 
be worked out in a post-election, lame-duck session. But current FY12 spending is set at about 
$15 billion above the expected House level for FY13, says *Politico*, and any CR able to pass the 
Senate would need the higher FY12 funding. Thus, House Republicans could be faced with the 
choice just weeks before the November elections of rejecting a CR with current FY12 funding—
and risking a government shutdown on October 1—or agreeing to the Senate position.

**OTHER CONGRESSIONAL ISSUES**

**NEW DEMOCRAT COALITION ANNOUNCES INNOVATION AGENDA**

The New Democrat Coalition, chaired by Rep. Joseph Crowley (D-NY), on March 7 released a 
set of 10 principles for U.S. innovation and competitiveness that includes support for basic 
research, reform of the nation’s immigration policies, and promotion of life-long learning. 
Release of the agenda by the group of 43 House Democrats was accompanied by an op-ed in 
*Roll Call* by Reps. Ron Kind (D-WI) and Gerry Connolly (D-VA), who led development of the 
principles. The two lawmakers said in their op-ed:

“One way the government can ensure America’s future economic competitiveness is by 
investing in the next generation. U.S. colleges and universities rank 27th globally for 
graduates with science or engineering degrees. By investing in science, technology, 
engineering and math studies, we can guarantee our students are ready for 21st-century 
jobs and are educated to excel in the industries critical to America’s future.

Recall that it was only through federal intervention that we were able to level the 
playing field after the 1957 launch of Sputnik 1 symbolized the Soviet Union’s victory 
in the opening salvo of the Space Race. Congress, in a bipartisan fashion, responded by 
doubling R&D spending and tripling support for basic research. Those investments in 
innovation are still bearing fruit today: the Apollo Program, the Internet and touch-
screen technology, to name just a few. We must continue to build on the successful 
partnerships that have supported basic research on our college campuses and developed 
new technology within the private sector.”

**EXECUTIVE BRANCH**
A group of four associations, including AAU, sent a letter to White House Office of Management and Budget (OMB) Controller Daniel Werfel on March 7 requesting a 30-day extension of the deadline for responding to OMB’s request for comments on its Advanced Notice of Proposed Guidance (ANPG) on grant reform. Among other things, the ANPG proposes to modify cost principles and administrative requirements for universities under OMB Circular A-21 associated with federal grants. The requested extension would move the deadline from the current date of March 29 to April 30, 2012.

The request, sent by AAU, the Association of Public and Land-grant Universities, the Council on Governmental Relations, and the Association of Independent Research Institutes, asks for the additional comment period “to allow our associations and the institutions we represent sufficient time to analyze fully and effectively comment on the proposals put forward in the ANPG.”

OMB issued the ANPG on February 28 to solicit comments on proposals it is considering which, among other changes, would consolidate existing grant circulars, such as A-21 and A-87, into a single circular. Under a two-stage process, the ANPG is requesting comments on the set of ideas that OMB has assembled with the help of the recently created Council on Financial Assistance Reform (COFAR). OMB will use those comments to develop a set of specific proposals that it will publish for additional public comment in the late spring, to be followed by final changes during the summer.

COFAR was established by the OMB Director in October, 2011 to “create a more streamlined and accountable structure to coordinate financial assistance.” The group consists of 10 representatives from OMB and nine other large federal grant-making agencies. In developing the proposals in the ANPG, COFAR used recommendations from various stakeholder and review groups, including the Interagency Task Force on Circular A-21. AAU, other higher education associations, and many universities submitted recommendations to the A-21 Task Force last summer.

Examples of the proposed reforms OMB is considering that are relevant to research universities are: 1) a more risk-based approach to auditing, which aims to create a tiered auditing process based on the amount of federal award dollars received by an entity; 2) exploring alternatives to time and effort reporting, which would revolve around existing pilot efforts; 3) expanding the Utility Cost Adjustment for research to more institutions; and 4) charging allocable administrative support and computers as a direct cost.

The proposed changes also include giving universities the option to choose a flat indirect (F&A) cost rate instead of their negotiated rate. OMB argues that this option might appeal to institutions because it would "reduce administrative burdens on recipients associated with documenting, justifying, negotiating, and maintaining support for a negotiated rate.”

ASSOCIATIONS CREATE WEBSITE TO HELP INSTITUTIONS COMPLY WITH HIGHER EDUCATION REGULATIONS
Under the leadership of the National Association of College and University Attorneys, 21 higher education associations, including AAU, have created a website to help member campuses navigate federal regulations that affect higher education.

The **Higher Education Compliance Alliance** website will aggregate information and resources about the array of federal regulations affecting colleges and universities, from export controls and immigration requirements to student affairs, employment law, and research compliance. The material will be provided by associations, government agencies, and other sources.

### AAAS RELEASES “SMART GRID” TOOL FOR EXPANDING ACCESS AND DIVERSITY IN STEM FIELDS

The American Association for the Advancement of Science (AAAS) and Education Counsel have published a new report aimed at expanding the means for colleges and universities to attract more diverse students into science, technology, engineering, and mathematics (STEM) fields.

The publication, “The Smart Grid for Institutions of Higher Education and the Students They Serve: Developing and Using Collaborative Agreements to Bring More Students into STEM,” provides guidance and tools for developing voluntary, institution-based collaborative agreements for widening student participation in STEM fields. Areas of focus include models for agreements between two- and four-year institutions; between multiple four-year institutions (with a focus on minority-serving institutions); and between graduate and undergraduate programs.

The Smart Grid is part of Phase Two of a multi-year, NSF-funded AAAS project on access and diversity in STEM fields, in which AAU has collaborated.

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