COLUMBIA UNIVERSITY
IN THE CITY OF NEW YORK

PRESIDENT'S ROOM

October 29, 2025

The Honorable Charles E. Schumer
332 Hart Senate Office Building
Washington, DC 20510

The Honorable Kirsten E. Gillibrand
478 Russell Senate Office Building
Washington, DC 20510

Dear Senators Schumer & Gillibrand,

On behalf of Columbia University, I write to express our strong support for the Financial Accountability in Research (FAIR) model proposed by the Joint Associations Group on Indirect Costs (JAG).

Federal investments in scientific research at institutions like Columbia are essential to promoting and protecting Americans' health, prosperity, global competitiveness, and national security. "Facilities and Administrative" (F&A) or "indirect" costs—such as lab maintenance, utilities, security, data processing, and regulatory compliance—are just as critical as direct costs for the purpose of conducting effective research.

JAG developed the FAIR model to enhance transparency and accountability in federal research funding while ensuring that institutions like ours are adequately reimbursed for the real costs of conducting federally funded research. JAG developed this model in response to proposals from several federal research agencies—supported by the White House—that would cap indirect cost reimbursement at 15%.

If implemented, this arbitrary cap would significantly harm Columbia's ability to conduct cutting-edge research and would jeopardize our ability to make future scientific breakthroughs. Specifically, at Columbia, we anticipate the following impacts:

- Slower progress in developing prevention strategies, treatments, and cures to diseases like cancer, Alzheimer's, schizophrenia, and others;
- Reduction in associated economic activity leading to potential job losses and reduced support for local vendors and businesses;
- Decrease in the pace of new discoveries that could reduce patient suffering and medical costs;
- Fewer patents, licensing agreements, and start-up companies;
- Decreased ability to sustain critical research infrastructure, necessary to pursue the research needed to maintain U.S. leadership in health and technology as compared to other nations, especially China;
- Decreased ability to provide training and educational opportunities to develop the next generation of investigators and clinicians.

Unlike the proposed 15% cap, the FAIR model ensures reasonable support for research while improving visibility into the institutional costs required to conduct cutting-edge research. It replaces the current institution-wide F&A reimbursement process with a more tailored approach that aligns costs with the specific type of research being conducted.

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The FAIR model reflects input from a broad range of stakeholders across the research community, including institutions of varying sizes and missions. While we recognize that further refinement of the model may be necessary as part of the legislative and implementation process, we believe FAIR's core principles—fairness, transparency, and accountability—are essential to sustaining American leadership in science and innovation.

We appreciate the language included in both the Senate and House appropriations bills that acknowledge and applaud the work of the JAG and in some cases block federal agencies from implementing draconian F&A caps or altering reimbursement methods.

As the appropriations process continues, we encourage you to:

- Engage with Appropriations Committee colleagues to ensure OMB and federal agencies respect this community-driven effort.
- Support legislative actions to implement the FAIR model.
- Ensure that any transition to a new F&A model includes a minimum two-year implementation period, as recommended by the JAG, to allow for a smooth and effective acclimation to the new model.

The FAIR model offers a path forward that protects American innovation while improving the stewardship of federal research dollars. We respectfully ask for your support for this effort and the related appropriations language.

As this broader federal review of the model for supporting critical infrastructure is underway, Columbia is now due for renewal under the current regulatory structure to set reimbursement rates. Therefore, and as required, the University will submit its proposal to Health and Human Services later this month. We look forward to engaging with our colleagues at HHS, and sharing more information regarding our costs to manage the research enterprise, and the excellent and transformative work that comes from our researchers.

Please let me know if you have any questions or would like additional information about the FAIR model or the impact the proposed 15% F&A cap would have on Columbia and other research institutions in New York and across the nation. You may also have a member of your staff reach out to Loftin Flowers or Ross Frommer from our Government Affairs team. You can reach Loftin at (212) 854-3778 (llf2105@columbia.edu) and Ross at (212) 305-4967 (raf2002@columbia.edu).

Sincerely,

Claire Shipman

cc: Senator Susan Collins (R-ME), Chair, Senate Appropriations Committee
Senator Patty Murray (D-WA), Vice Chair, Senate Appropriations Committee
Senator John Thune (R-SD), Senate Majority Leader