



## THE UNIVERSITY OF TEXAS AT AUSTIN

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### ANIMAL RESOURCES CENTER

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### MEMORANDUM

TO: Investigators utilizing the services of the Animal Resources Center  
FROM: Dr. Glen Otto, Director, ARC  
DATE: 10/13/21  
RE: Revision of Central and User Cost-sharing for ARC Per Diem (notice of rate change) effective March 1<sup>st</sup>, 2022

I'm writing to inform you of an interim adjustment to the per diem rates for some species that will occur as of March 1, 2022.

The values found in the "Full cost" column on the chart on the next page are the actual expenses incurred by the ARC when providing one day of care to each species type, as determined by the 2019 cost accounting analysis. On each per diem invoice, a portion of this cost is covered by a subsidy provided by the Vice-President for Research and a portion is covered by the investigator. We are adjusting the relative portion of the costs paid by each party, effective March 1, 2022. The allocation will increase the investigator share (per diem rate) by 5% for currently subsidized species. However, many species have already reached the current full cost cap and will not be increased.

During the spring of 2022, ARC will be conducting a new true-cost financial analysis for animal care, following the relevant federal guidance and university policy. The results of that study and any resulting changes in per diem rates are expected to be communicated later in 2022. As noted in previous rate memos, the current subsidy percentages are not sustainable in the long term. By looking at the chart on the next page, it is simple to determine which species are receiving the highest proportion of subsidy. Although all researchers should plan budgets with the assumption that per diem rates may increase 5-10% per year, significantly increased future rates are less likely for those species that are already paying full or nearly full cost rates.

Please feel free to contact me with any questions,

A handwritten signature in black ink that reads "Glen Otto".

Glen Otto, DVM

Director, Animal Resources Center

Cc: Dr. Dan Jaffe, VP for Research

## Animal Resource Center Cost, Subsidy and Rate Schedule as of March 1, 2022

- 1) **Internal Rates** - The first column is the true cost to the university for each of the species (except to external users). The second column is the share to be paid by ARC from VPR accounts and the third column is what will be billed to users for their share, effective 3/1/22.

**NOTE: Species marked with an asterisk (\*) are those being increased by 5%.**

<i>Species</i>	<i>Full cost</i>	<i>Central Subsidy</i>	<i>Net per diem rate</i>	<i>External Rate (See #2)</i>
Mouse*	.68	.02	<b>.66</b>	.86
SPF Mouse (Semi-barrier)	.73	0	<b>.73</b>	.92
Barrier Mouse*	1.22	.32	<b>.90</b>	1.55
Rat	.64	0	<b>.64</b>	.81
SPF Rat* (Semi-barrier)	1.80	0.78	<b>1.02</b>	2.28
Gerbil*	2.01	1.18	<b>0.83</b>	2.54
Hamster	.39	0	<b>.39</b>	.50
Rabbit*	3.65	.62	<b>3.03</b>	4.61
Vole	.94	0	<b>.94</b>	1.19
Wild Mouse*	1.55	.45	<b>1.10</b>	1.96
Macaque	6.96	0	<b>6.96</b>	8.81
Marmoset*	19.76	12.70	<b>7.06</b>	25.00
Non-ARC Mouse	.46	0	<b>.46</b>	.63
Aquatic room*	6.67	3.65	<b>3.02</b>	8.44

*For species not listed above, contact the ARC to obtain an estimated rate for budgetary purposes*

## 2) External Rates

Rates charged to internal users benefit from substantial subsidy funds provided to the ARC. However, the University does not extend this subsidy to external customers. External rates are based on total operating costs and include an additional institutional surcharge used to cover facilities and administrative expenses. The ARC does not generally directly support external users but there are situations where another university department utilizes ARC services as part of their project funded directly by an external user. In these cases, the ARC will bill the external rate, so the budgeting for these projects must take this into account. **External users** are entities or persons over whom The University of Texas at Austin has no fiduciary responsibility, regardless of the user's relation to the university's academic or research mission. External users include universities/colleges other than The University of Texas at Austin, commercial entities, nonaffiliated not-for-profit organizations, other state agencies, students, and members of faculty or staff acting in a personal capacity.