US universities propose long-term solution to dispute on overheads

Washington. Finance chiefs at six leading US research universities are developing a plan that would tie university research overhead rates to a national formula and — they hope — end the continuing war about overhead costs with successive administrations and Congresses.

The proposal — known as the Phoenix plan, after the Arizona city in which it was first conceived — is being floated as both houses of Congress prepare budget proposals in which research overhead costs may once again come under attack.

Most universities have a single research overhead rate, calculated on the basis of administrative and facilities costs added to the cost of every application for a federal grant to come from the institution. Rates vary from 30 to 60 per cent, with publicly-funded universities charging less and private ones charging more; Stanford University, for example, currently charges 58 per cent.

In discussions with university officials, congressional staff have indicated that next week's House of Representatives budget proposal will leave overhead costs alone, but the Senate resolution may support a proposal by Hank Brown (Republican, Colorado) to limit the rate to a 40 per cent maximum.

For a private university or institution with a current rate of 60 per cent, such a proposal

would immediately cut one in every eight dollars of federal research support. The House and Senate budget proposals must be brought into line and signed by President Bill Clinton before they take effect.

The Phoenix plan has been drawn up by finance vice-presidents at six universities — the University of California system, Chicago, Cornell, Georgetown Medical School, Princeton and the University of Southern California. The six are reluctant to discuss the plan until it wins broader support. But it would use a national formula to determine the overhead rate for each institution on the basis of federally-compiled indices of local wage and construction costs.

In the past, universities have opposed such a formula because they wanted overhead costs at each institution to be "real costs" of which every dollar and cent could be verified by auditors. But the steady drum-beat of complaint from Congress about different institutions charging different rates has convinced some universities that the present system is no longer tenable.

The Phoenix plan "would put a degree of certainty into the indirect cost system because it would use a national database which would be recognized and accepted by everyone," says one official familiar with the proposal, which is now circulating among

university administrators. If they respond favourably, the authors propose a detailed study into the feasibility of the change. The plan is intended as a long-term solution to a perennial problem, the official says, and will take at least a year to finalize.

The plan is described as far simpler than an earlier White House proposal on research overhead funding (see *Nature* 373, 552; 1995). Some universities are concerned about aspects of the White House plan, including its complexity and what they see as a lack of any assurance that the new system would work before the old was abolished.

In a separate development, private research institutes have moved to pre-empt the threat that their overhead payments will be singled out for attention in this year's budget process.

A document issued by the Congressional Budget Office (CBO) in February spelling out Congress's budgetary options said that the institutes claim higher overhead payments — 63 per cent on average — than do universities, and suggests that capping their payments at 90 per cent of this year's level could save \$2.2 billion over five years.

Kenneth Trevett of the Dana-Farber Cancer Institute, Boston, who is also president of the Association of Independent Research Institutes, wrote to the director of the CBO last week, saying that the institutes' overhead rates are in line with those at private universities. He asked the CBO to issue a correction to its report, adding that its suggestion "would have little effect on the deficit while dramatically penalizing one group of institutions". **Colin Macilwain**

New editor is appointed at *Nature*

Philip Campbell, the editor of *Physics World*, has been appointed Editor of *Nature* from 8 December of this year. *Physics World* is an international monthly publication of the UK Institute of Physics (IoP), whose circulation has grown from 12,000 to 25,000 during the seven years since it was established, all of them under Campbell's direction.

Campbell, 44, is an old *Nature* hand, having joined the physical sciences section in 1979 after a period of postdoctoral research in atmospheric sciences. He became physical sciences editor of *Nature* in 1981.

He joined *Physics World* sufficiently in advance of its first issue to be responsible for the editorial planning of the magazine, which was formed out of two existing IoP journals.

In recognition of his creation and development of the publication, he was last month elected a Fellow of the IoP, a

distinction awarded to those who have made outstanding contributions to the physics community. He is also a Fellow of the Royal Astronomical Society.

Campbell said earlier this week that "the greatest challenge and pleasure of being an editor is working with skilled and imaginative colleagues to make a real impact on readers, while maintaining the highest scientific standards."

He added: "*Nature* offers great scope for that, as it has shown time and time again. It also provides a superb dissemination service for the world's scientists. Taking such a publication forward when science and scientific publishing are both developing so rapidly is a truly exhilarating prospect."

Sir John Maddox, the present editor of *Nature*, will retire on 8 December, but will then be called Editor Emeritus of *Nature*. In this role he may by invitation continue to contribute to the journal. □

Campbell: exhilarated.

Briton and Dane share Crafoord prize

London. The Royal Swedish Academy of Science has decided to award the 1995 Crafoord prize for geoscience — the equivalent of the Nobel prize for fields unrecognized by the Nobel foundation — jointly to a Danish and a British scientist for their scientific achievements in the study of past climate variation.

The prize, a gold medal and a sum of 2.8 million Swedish kroner (US\$384,000), will be shared by Willi Dansgaard, professor of geophysics at the University of Copenhagen's Niels Bohr Institute, and Nicholas J. Shackleton of the University of Cambridge's subdepartment of Quaternary research. The award will be presented at a ceremony in Stockholm on 28 September by King Carl Gustav of Sweden. **David Dickson**