DECLARATION

I, Dr. Kenneth Christensen, declare as follows:

1. I am the Chancellor at the University of Colorado Denver ("CU Denver") in Denver, Colorado. I have held that position since February 1, 2025. Prior to holding this position, I was Provost, Senior Vice President for Academic Affairs and Chief Academic Officer at Illinois Institute of Technology from 2022-2025, after serving as the Carol and Ed Kaplan Dean of the Armour College of Engineering at Illinois Institute of Technology from 2020 to 2022. I have spent my career as a researcher, educator, and academic leader in both public and private universities. I have been awarded over $30 million in research funding from a broad range of funding entities, including the National Science Foundation, Air Force Office of Scientific Research, Office of Naval Research, Army Research Office, Department of Energy, and Sandia National Labs. I hold a bachelor's degree in mechanical engineering from the University of New Mexico, a master's degree in mechanical engineering from the California Institute of Technology and a doctorate in theoretical and applied mechanics from the University of Illinois at Urbana-Champaign. I am a fellow of the American Association for the Advancement of Science, the American Physical Society, and the American Society of Mechanical Engineers.

2. As the Chancellor, I have personal knowledge of the contents of this declaration or have knowledge of the matters based on my review of information and records gathered by CU Denver personnel and could testify thereto.

3. CU Denver receives significant annual funding from the National Science Foundation ("NSF"). In CU Denver's fiscal year 2024 the university received $3.17 million in funding from NSF, with $870,600 in indirect expenses.

4. CU Denver intends to apply to NSF for new funding awards, and/or renewals and continuations of existing funding awards, in the next year and in future years to come.

5. The funding CU Denver receives from NSF supports critical and innovative research that enhances U.S. scientific competitiveness, supports advanced workforce development and technological innovation, and contributes to national security by accelerating breakthroughs in AI, cybersecurity and scientific computing, electric grid engineering, and radio frequency (RF) sensing. Americans benefit from and depend on this research. For example:

a. CU Denver supports workforce development in cybersecurity through its NSF-funded Early-concept Grants for Exploratory Research (EAGER) program which incorporates gamification elements into cybersecurity training in order to fully engage students.

b. CU Denver's Department of Electrical Engineering conducts NSF-funded research to gather new multi-point, extremely/very low frequency radio wave measurements to study the behavior of the magnetosphere and ionosphere. Interference in the ionosphere can disrupt radio communications and knock out the electric grid.

c. CU Denver conducts research to ensure stronger energy infrastructure. With an NSF-funded Strengthening American Infrastructure (SAI) grant, interdisciplinary researchers are investigating optimal electric vehicle charging strategies in order to maintain a healthy power grid and reduce carbon emissions. Other NSF-funded research examines how extreme weather affects wind turbines and is developing ways to improve wind farm efficiency during these events.

d. CU Denver's Department of Chemistry conducts NSF-funded research in automated/AI-assisted data analysis for nuclear magnetic resonance (NMR) spectroscopy. Development of software tools enables further adoption of powerful NMR spectroscopy methods for studying biomolecular functions.

e. CU Denver's Department of Integrative Biology was going to use its grant to fund evidence-based practices to improve outcomes in learning and research for STEM students.

Indirect Costs

6. Reimbursement of CU Denver's indirect costs is important in supporting this research. NSF's cutting of indirect cost rates to 15% would likely preclude conducting much of the research described in paragraph 5 in the future.

7. Physical facilities costs are often supported by indirect costs.

8. In addition, indirect costs fund the administration of awards, including staff who ensure compliance with a number of regulatory mandates from agencies such as NSF and the United States government. These mandates serve many important functions, including research data and administrative security and human subjects research. Indirect costs are used to ensure research integrity; protect research subjects; properly manage and dispose of chemical and biological agents and other materials used in research; manage specialized procurement and security requirements for sensitive research; provide the high level of cybersecurity, data storage, and computing environments mandated for regulated data; and maintain facility accreditation and equipment calibration to meet research quality and security standards.

9. Recovery of CU Denver's indirect costs is based on predetermined rates that have been contractually negotiated with the federal government.

10. Through fiscal year 2024, the predetermined indirect cost rate is 56% of the modified total direct cost for on campus research.

11. The effects of a reduction in the indirect cost rate to 15% are impactful. Of the $3.17 million in NSF funding that CU Denver received in the university's fiscal year 2024, approximately $2.30 million consisted of payment of direct costs, and $870,600 consisted of reimbursement of indirect costs. Similarly, in fiscal year 2025, CU Denver expects to receive $4.33 million in NSF funding for direct costs and $1.80 million in NSF funding for indirect costs. Considering growth trends over the last four years, CU Denver anticipates over the next five years receiving an average of $6.40 million from the NSF for annual direct costs. Based on the predetermined indirect cost rate of 56%, which was agreed upon by the federal government as of 05/11/23, and applying that rate to the direct costs (as modified pursuant to the CFR), CU Denver reasonably expects to receive approximately $2.29 million in indirect cost recovery on an annual basis over the next five years.

12. If—contrary to what CU Denver has negotiated with the federal government—the indirect cost rate was reduced to 15% for new awards, that would significantly reduce CU Denver's anticipated annual indirect cost recovery. For example, applying the 15% rate to the anticipated modified direct costs over the next five years, CU Denver's anticipated annual indirect cost recovery would be reduced by $1.68 million: from $2.29 million each year to $613,255 a year.

13. CU Denver has for decades relied on the payment of indirect costs. And until now, CU Denver has relied on the well-established process for negotiating indirect cost rates with the government to inform budgeting and planning. Operating budgets rely on an estimate of both direct and indirect sponsored funding to plan for annual staffing needs (*e.g.*, post-docs, PhD students, and other research staff), infrastructure support (*e.g.*, IT networks, regulatory

compliance, and grant management support), and facility and equipment purchases. This multi-year budgeting process also assumes the availability or possibility of grant renewals at roughly similar terms – and certainly at the negotiated indirect cost rate – as had been previously available.

Grant Termination

14. In my experience, termination of an active project's funding is rare, and I have never had a project's funding terminated. To my knowledge, prior to the recent activity by NSF, terminations typically occurred as a result of scientific or budgetary issues with notice and an opportunity to correct.

15. By e-mail dated April 18, 2025 from Jamie French, Division Director, Office of Budget Finance and Award Management, Division of Grants and Administration CU Denver was informed that the National Science Foundation terminated funding for CU Denver's NSF Award ID 2411640, "Collaborative Research: Developing and testing the EDAT model of racial equity focused departmental change" (the "Grant") because it is "...not in alignment with current NSF priorities" and "...no longer effectuates the program goals or agency priorities." A fair and accurate representation of that e-mail notice is attached as Exhibit 1.

16. The e-mail terminating award ID 2411640 came without any previous process or communication relaying issues or concerns about the project from NSF. The notice contains little explanation for the termination, and no explanation with respect to the intellectual merit or broader impact of the underlying project. The notice recites that "termination of certain awards is necessary because they are not in alignment with current NSF priorities" and continues:

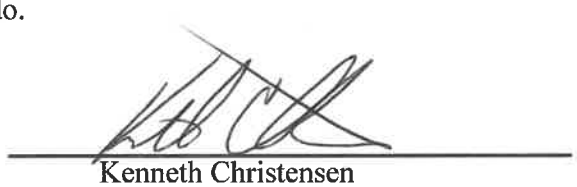
> NSF is issuing this termination to protect the interests of the government pursuant to NSF Grant General Conditions (GC-1) term and condition entitled 'Termination and Enforcement,' on the basis that they no longer effectuate the program goals or agency priorities. This is the final agency decision and not subject to appeal.

17. As a result of this termination, CU Denver has been negatively impacted and will have to terminate personnel and immediately stop the project. There is no internal funding source to continue this work. This means that the project will not benefit from time spent by applicants and project's Principal Investigator in work already performed.

18. There is no way to recover lost time or restore research continuity once disrupted, and staff who depart will take their training and expertise with them, requiring new investment in training.

19. I declare under penalty of perjury that to the best of my knowledge the foregoing is true and correct.

Executed on May 16, 2025, at Denver, Colorado.



Kenneth Christensen

Exhibit 1

From: NSF Grants <grants005@nsf.gov>
Date: Friday, April 18, 2025 at 2:20 PM
To: Buccini, Laura <laura.buccini@cuanschutz.edu>
Cc: Xenia <xenia@ucdenver.edu>
Subject: Notice from National Science Foundation

U.S. National Science Foundation Division of Grants and Agreements
2415 Eisenhower Avenue
Alexandria, Virginia 22314
(703) 292-8210

04/18/2025

Dr. Thomas Flaig
Vice Chancellor for Research
University of Colorado at Denver-Downtown Campus
laura.buccini@cuanschutz.edu

Dear Dr. Thomas Flaig:

The U.S. National Science Foundation (NSF) has undertaken a review of its award portfolio. Each award was carefully and individually reviewed, and the agency has determined that termination of certain awards is necessary because they are not in alignment with current NSF priorities.

Effective immediately, the following are terminated:

NSF Award Id
2411640

NSF is issuing this termination to protect the interests of the government pursuant to NSF Grant General Conditions (GC-1) term and condition entitled 'Termination and Enforcement,' on the basis that they no longer effectuate the program goals or agency priorities. This is the final agency decision and not subject to appeal.

Costs incurred as a result of this termination may be reimbursed, provided such costs would otherwise be allowable under the terms of the award and the governing cost principles. In accordance with your award terms and conditions, you have 30 days from the termination date to furnish a summary of progress under the award and an itemized accounting of allowable costs incurred prior to the termination date.

Sincerely,

Jamie H. French, Division Director
Office of Budget Finance and Award Management (BFA)
Division of Grants and Agreements (DGA)