

Issue Brief – Centers of Excellence

NUMBER EDHR-05-03

SUMMARY

The Centers of Excellence Program was established in 1986. Funding is used to develop technologies which have commercialization potential. Funding is awarded on a competitive basis to colleges and universities who have technologies with economic development potential.

OBJECTIVE

The purpose of this issue brief is to illustrate the advantages of centers of excellence and draw attention the economic development opportunities of these centers.

DISCUSSION AND ANALYSIS

Since its inception the Centers of Excellence Program has helped create thousands of high tech jobs. The average wage for jobs created through the Center process is approximately \$68,000. The Centers play a critical role in economic development by introducing technologies that have the potential to become commercial products.

New Centers are funded with a minimum requirement of 2:1 matching funds from the private and federal sectors. Matched funds are reported and audited. Centers are funded for no more than five years at the end of this time they are expected to be self sustaining programs.

Proposals from researchers or renewals requests are submitted to the Centers of Excellence Office and reviewed by the Centers Advisory Council. The requests for proposal follow a rigid evaluation process before receiving funding. Traditionally realistic requests exceed available revenues by \$2,000,000 annually. The Centers who ultimately receive funding are selected based on a ranking established by the Council.

The Centers of Excellence Program works closely with Technology Transfer Offices to receive a maximum return on investment. Technology transfer offices are located at the universities and colleges.

Among the technologies developed out of the Centers program are, products for medical research focused on the nervous system, specialty biochemicals and kits for research in cell signaling, chemical fingerprinting services for environmental forensics, and portable robotic platforms.

LEGISLATIVE ACTION

The Analyst recommends that the Committee consider placing on a priority list \$1,000,000 General Fund for the Centers of Excellence. It is recommended that funding be used to expand the program to additional centers who meet the requirements of the Centers Advisory Council.

