



**UNIVERSITY OF GUAM
UNIBETSEDÁT GUÅHAN
Board of Regents**

Resolution No. 19-40

RELATIVE TO MODIFYING THE INDIRECT COST RECOVERY ALLOCATION

WHEREAS, the University of Guam (UOG) is the primary U.S. Land Grant institution accredited by the WASC Senior College and University Commission (WSCUC) serving the post-secondary needs of the people of Guam and the region;

WHEREAS, the governance and well-being of UOG is vested in the Board of Regents (BOR);

WHEREAS, UOG requires financial stability and long-term viability to deliver its missions and sustain educational effectiveness;

WHEREAS, the federal government, in addition to paying the direct cost of research, reimburses UOG for the indirect costs of research to cover overhead costs related to research;

WHEREAS, UOG, in turn, provides facilities, infrastructure and support for research;

WHEREAS, part of UOG's research grants portfolio is now managed through the Research Corporation of the University of Guam (RCUOG), which was established by P.L. 32-114 in 2014 with the intent that it become a self-sufficient public corporation;

WHEREAS, the BOR through Resolution No. 08-40 revised the indirect cost recovery allocations to include providing a share to RCUOG;

WHEREAS, the University now desires to modify the formula for allocating indirect costs to better align with the mission and goals of the University and with some peer universities;

WHEREAS, the Administrative Council and Faculty Union have reviewed the proposed re-allocation of indirect costs; and

WHEREAS, the Administration and the BOR Committee on Budget, Finance, and Audit (BFA), having reviewed and discussed the proposed purposes and allocations, and recommend the proposal to the BOR for approval.


NOW, THEREFORE, BE IT RESOLVED, that the BOR now adopts the indirect cost allocation methodology described in Exhibit A.

Adopted this 18th day of September, 2019.



Christopher K. Felix, Chairperson

ATTESTED:



Thomas W. Krise, Ph.D., Executive Secretary

EXHIBIT A

Indirect Cost Allocation

The following Indirect Cost Allocation methodology is being brought to the Board of Regents for approval:

IDC Recipient	Current Allocation	New Allocation
President's Development Fund	30%	30%
Finance and Administration Fund	12%	12%
Capital Improvement/Facilities Fund	0%	5%
Research Corporation of the University of Guam (RCUOG)	20%	18%
Office of Research and Sponsored Programs (ORSP)	0%	3%
Unit/PI	38%	22%
Principal Investigator	19%	22%
Unit/PI	19%	10%

One of the most significant of the Para Hulo initiatives is to become a recognized research university. In keeping with this objective the University will require every dollar of Indirect Cost funds received be used for the furtherance of the research mission of the University.¹

The allocation table applies to all Indirect Costs received by the University of Guam and the Research Corporation of the University of Guam.

¹ To the extent monies are paid for the research mission from the UOG General Fund, those funds may be credited to the President's Development Fund and the Finance and Administration Fund