



**UNIVERSITY OF GUAM
UNIBETSEDAT GUAHAN
Board of Regents**

Resolution No. 24-15

**RELATIVE TO MODIFYING THE INDIRECT COST RECOVERY ALLOCATION
RELATIVE TO AUXILIARY OPERATIONS**

WHEREAS, the University of Guam (UOG) is the primary U.S. Land Grant and Sea 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 by receiving a share of the indirect cost allocation and self-sufficiency has now been reached;

WHEREAS, the University desires to refine the resolution to address the situation wherein auxiliary units obtain grants subject to the indirect cost allocation formula;

WHEREAS, the Administration and the BOR Committee on Budget, Finance, and Audit (BFA), having reviewed and discussed the proposed purposes and allocations, 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. BOR Resolution No. 24-02 remains in effect.

Adopted this 25th day of April 2024.

Sandra H. McKeever, Chairperson

ATTESTED:

Anita Borja Enriquez, D.B.A., Executive Secretary

EXHIBIT A

Indirect Cost Allocation

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

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. For grants obtained by auxiliary units, the VPAF may waive the inclusion of the Indirect Costs in this formula as most auxiliary units have targets to contribute back to the general fund of the University.

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