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VIII. POLICY MATTERS ... (cont'd)

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E. Proposed Revision ... (cont'd)

To: *Sec. 13. Source and Purpose of the LIBRARY ACQUISITION AND MAINTENANCE [Book] Fund. The LIBRARY ACQUISITION AND MAINTENANCE [Book] Fund shall consist of the library fees collected by colleges, schools and institutes. It shall be used exclusively for acquisitions and maintenance of library collections, COMPUTER SOFTWARE, DATA-BASES AND EQUIPMENT of the Main Library and the various units. It shall be augmented by allocations from the University*

F. Amendments on the Implementing Guidelines on the Use of University Administrative Overhead Funds for Research and Special Projects*

(Words in capital letters and figures in bold to be added, bracketed words or figures to be deleted)

*Approved during the 980th meeting of the Board of Regents on 29 August 1985 and amended during the 1037th meeting of the BOR on 31 January 1991

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2 **VIII. POLICY MATTERS ... (cont'd)**

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5 **F. Amendments ... (cont'd)**

6
7 **I Definition of Terms**

- 8
9 **A. *University Administrative Overhead Cost***
10 refers to expenses incurred by the University
11 for accounting and bookkeeping, personnel
12 support services, maintenance of facilities,
13 utilities, etc. which are not provided for in the
14 itemized budget of a RESEARCH/project/
15 program. These are indirect costs of a
16 RESEARCH/project/program borne by
17 external funding agencies.
18
19 **B. *External Funding Agency*** refers to
20 institution, both local and foreign, which
21 provide financial assistance to the University
22 for the conduct of research, training, or other
23 projects/programs.
24
25 **C. *Constituent University Administration***
26 unless otherwise specified, this term refers to
27 the campus administration in the university
28 concerned, e.g. the administration of UPLB.
29
30 **D. *University OF THE PHILIPPINES SYSTEM***
31 ***Administration (UPSA)*** refers to offices with
32 Systemwide functions. [shall be referred to as
33 part of the "University Administration"]
34
35 **E. *University Administrative Overhead Fund***
36 refers to the fund maintained by the
37 administration derived from its share of the
38 administrative overhead cost charged against
39 externally funded RESEARCHES/projects/
40 programs.

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2 **VIII. POLICY MATTERS ... (cont'd)**

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5 **F. Amendments ... (cont'd)**

6
7 **II Rationale**

8
9 The University, as a matter of policy, shall charge
10 externally funded RESEARCHES/projects/
11 programs of University units or its constituents an
12 administrative overhead cost for the following
13 considerations.

14
15 A. The use of the U P name and the honor
16 attached to it

17
18 B The use of University resources and facilities
19 – personnel, library, laboratories, utilities, etc.

20
21 **III Negotiation of Contracts**

22
23 A. All contracts for RESEARCHES/
24 projects/programs negotiated with external
25 funding agencies by the University or any of
26 its units or personnel shall include a charge
27 by the University for administrative overhead
28 costs.

29
30 B All such contracts shall first be reviewed by
31 the VICE PRESIDENT FOR
32 ADMINISTRATION/ Vice-Chancellor for
33 Administration and by the appropriate
34 officer(s) or unit in the University, in
35 accordance with existing rules and
36 procedures, before the signature of the
37 parties concerned.

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2 **VIII. POLICY MATTERS ... (cont'd)**

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5 **F. Amendments ... (cont'd)**

6
7 **IV Rates of Administrative Overhead**

8
9 A. A percentage of all RESEARCH/
10 project/PROGRAM funds shall be allocated
11 for University administrative overhead costs in
12 accordance with the following schedule:

13	Less than P100,000	Minimum of 5%
14	P100,001 – P200,000	Minimum of 7%
15	P200,001 – above	Minimum of 10%

16
17
18 B The administrative overhead cost charged per
19 RESEARCH/project/program shall be shared
20 by the SYSTEM/Constituent University
21 administration and the unit which generated
22 the RESEARCH/project/program at the ratio
23 of sixty percent (60%) – forty percent (40%)
24 or as otherwise determined by the Vice
25 President for Administration/Chancellor
26 concerned upon consultation with the units
27 concerned.

28
29 1 NO MORE THAN FIFTY PERCENT
30 (50%) OF THE AMOUNT GIVEN TO
31 THE SYSTEM/CU SHALL BE USED
32 TO PAY FOR HONORARIA, 25% OF
33 WHICH SHALL GO TO
34 ACCOUNTABLE OFFICERS AND 75%
35 TO THE STAFF WHO PROCESS
36 DOCUMENTS AND OTHERWISE
37 ASSIST IN EXPEDITING THE FLOW
38 OF PAPERS.

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2 **VIII. POLICY MATTERS ... (cont'd)**

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5 **F. Amendments ... (cont'd)**

- 6
7
8 2. THE BALANCE OF THE AMOUNT
9 GIVEN TO THE SYSTEM/CU SHALL
10 CONSTITUTE SAVINGS OF THE
11 SYSTEM/CU WHICH MAY BE USED
12 FOR UTILITIES, EQUIPMENT, ETC.
13 AS AUTHORIZED BY THE
14 VPA/CHANCELLOR CONCERNED
- 15
16 3. OF THE FORTY PERCENT (40%)
17 RECEIVED BY THE GENERATING
18 UNIT, FIFTY PERCENT (50%) SHALL
19 GO TO PAYMENT OF HONORARIA
20 OF STAFF INVOLVED IN THE
21 PROJECT AND WHO ARE TO BE
22 RECOMMENDED BY THE HEAD OF
23 THE UNIT, FOR APPROVAL BY THE
24 VPA/CHANCELLOR, FIFTY PERCENT
25 (50%) SHALL GO TO SAVINGS OF
26 THE UNIT WHICH MAY BE USED FOR
27 UTILITIES, EQUIPMENT, ETC. AS
28 AUTHORIZED BY THE VPA/
29 CHANCELLOR CONCERNED
- 30
31 4. IN NO CASE SHALL THE
32 HONORARIUM OF ANY ACCOUNT-
33 ABLE OFFICER/ADMINISTRATIVE
34 STAFF FOR A PARTICULAR
35 PROJECT BE BIGGER THAN THAT OF
36 THE PROJECT LEADER/PRINCIPAL
37 INVESTIGATOR.

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2 **VIII. POLICY MATTERS ... (cont'd)**

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5 **F. Amendments ... (cont'd)**

6
7 **V University Administrative Overhead Fund**

8
9 There shall be a University Administrative
10 Overhead Fund [in each autonomous University],
11 hereinafter referred to as the Fund, under the
12 administrative control of THE VICE PRESIDENT
13 FOR ADMINISTRATION/ the Chancellor The
14 source for this fund shall be the percentage share
15 of administration from the administrative overhead
16 costs charged against RESEARCHES/projects/
17 programs sponsored by external funding agencies.

18
19 The VICE PRESIDENT FOR ADMINIS-
20 TRATION/Vice-Chancellor for Administration shall
21 prepare an annual plan indicating a system of
22 priorities for the use of such fund for approval by
23 the PRESIDENT/Chancellor THEY SHALL
24 LIKEWISE MONITOR THE USE OF SUCH FUND
25 AND SHALL SUBMIT A REPORT TO THE
26 PRESIDENT/CHANCELLOR AT THE END OF
27 THE CALENDAR YEAR.

28
29 [The Vice President for Planning and Finance
30 shall monitor the use of such fund and report to the
31 President.]

32
33 **VI Uses of Fund**

34
35 The University Administrative Overhead Fund shall
36 primarily be used for the following purposes:

37
38 **A. To help shoulder the utilities and maintenance**
39 **bills.**

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2 **VIII. POLICY MATTERS ... (cont'd)**

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5 **F. Amendments ... (cont'd)**

6
7 B To provide assistance to academic programs,
8 such as the acquisition of equipment and
9 supplies and materials in support of such
10 programs.

11
12 C To help upgrade the library collection of the
13 University

14
15 D To grant salaries/honoraria/incentive pay to
16 deserving personnel and/or offices
17 PROVIDING service to the
18 RESEARCH/project/program.

19
20 The amount to be allocated as
21 salaries/honoraria/incentive pay to deserving
22 personnel shall in no case exceed fifty percent
23 (50%) of the share of the administration for
24 RESEARCH/project/program and in no case shall
25 any part or portion of that honoraria be paid to any
26 personnel of the University who is not involved in
27 providing administrative support to the projects as
28 approved by the appropriate University official.

29
30 **VII Coverage**

31
32 These general guidelines shall apply to the entire
33 University System.

34
35 \ CONSTITUENT [Autonomous] units may
36 formulate implementing details in accordance with
37 these guidelines, subject to the approval of the
38 President, in order to ensure compliance with said
39 policy and guidelines.
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VIII. POLICY MATTERS ... (cont'd)

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F. Amendments ... (cont'd)

In meritorious cases, administrative overhead charges may be waived by the President for RESEARCHES/projects/PROGRAMS with total budgets of more than [P500,000] **P1,000,000.00**. The chancellors are authorized to waive administrative overhead costs of RESEARCHES/projects/PROGRAMS with total budgets not exceeding [P500,000] **P1,000,000.00**.

VIII Repealing Clause

Existing policies/guidelines contrary to these are hereby deemed repealed.

IX. Effectivity

These guidelines shall take effect immediately

Board action: Approval

G. Proposed revisions on Rules and Guidelines for U.P. System Scholarships

005

Background and Summary

The BOR in its 1054th meeting (29 October 1992) revised the rules on UP System scholarships, which aimed to standardize benefits and requirements of the different UP System-funded scholarships at that time. It also pegged the number of slots per scholarship.