



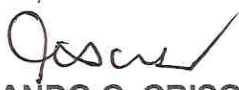
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08 February 2019

TO : DEANS, HEAD OF UNITS

FROM : 
ARMANDO C. CRISOSTOMO, MD
Vice Chancellor for Research, UPM

SUBJECT : **GUIDELINES ON THE UTILIZATION OF THE RESEARCH
UNIT FUND (RUF)**

In pursuant to the approved Amendments on the Implementing Guidelines on the Use of University Administrative Overhead Funds for Research and Special Projects (BOR 1147th Meeting in December 2000), the Research Grants Administration Office (RGAO) observes the attached guidelines on the utilization of the Research Unit Fund (RUF).

Please note that one of the requirements for the utilization of fund is the approved Internal Operating Budget (IOB). In this regard, we would like to request each unit to submit their IOB for CY 2019 on or before **February 21, 2019**. All submitted IOBs will be consolidated by RGAO for approval of the Chancellor. In addition, please submit Project Procurement Management Plan (PPMP) for procurement of items if needed.

Attachments:

1. RUF Utilization Guidelines
2. 1147th Meeting of the Board of Regents
3. Memorandum CCDP-2016-010-A
4. Memorandum CCDP-2018-007
5. Memorandum CCDP-2017-128

GUIDELINES ON THE UTILIZATION OF RESEARCH UNIT FUND

Approved during the 1037th Meeting of the Board of Regents and amended in the 1147th Meeting in December 2000

As per Article IV of the BOR ruling on the utilization of the RUF, the RUF can be used for the following purposes, subject to the approval of the Chancellor upon the recommendation of the college dean/unit head:

- A. To help shoulder the utilities and maintenance bills, which can include:
 - Communication expenses to support research (e.g. cellphone load)
 - Internet expenses
 - Payment for maintenance of equipment used for research
- B. To provide assistance to academic programs. This could include:
 - Expenses for research dissemination, including:
 - ❖ Travel grants for research presentation
 - ❖ Publication fees
 - ❖ Expenses related to conducting research forum
 - Expenses for research training, including:
 - ❖ Registration fees for the faculty to research training workshops
 - ❖ Expense related to conducting research training workshops within the unit
 - Purchase of equipment, with declaration on how the said equipment will support research and other academic programs
 - Purchase of supplies and materials to support research and other academic programs
- C. To help upgrade the library collection of the University. This can include:
 - Purchase of books, manuals, etc.
 - Payment for subscription to journals, electronic libraries, etc.
- D. To grant salaries/honoraria/incentive pay to deserving personnel and/or offices providing service to the research/project/program. This would include personnel who performs the following:
 - Technical review of protocols and research reports
 - Research administrative support, including research fund management
 - Data collection, data management, data analysis
 - Technical writing

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

REQUIREMENTS FOR THE UTILIZATION OF RUF:

1. Letter requesting for the utilization of RUF addressed to the Chancellor endorsed by Dean/Institute Director, indicating the type of expenses and the amount;
2. Internal Operating Budget (IOB) for the year, signed and approved by the Unit Head (Chair or Director), recommended by OVCR and approved by the Chancellor; and
3. Latest status of RUF report from the UPM Accounting Office.

RESTRICTIONS:

For the research unit, any expenses related to the research activities and improvement of the research unit can be charged to the RUF as long as it is allocated in the approved IOB with complete documentary requirements as per Accounting and COA rules (see attached checklist).

For the research/project itself, no more than 50% of the AOC RUF share collected from the research/project may be used. Reimbursements may be done by the research/project but the receipts should be within the duration of the research/project as stated in the MOA/CTA.

2. Sec. 13. *Source and Purpose of the Book Fund*

From: Sec. 13. *Source and Purpose of the Book Fund*. The 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 of the Main Library and the various units. It shall be augmented by allocations from the University.

Justification:

The revised purpose of the Fund will enable the UP library system to broaden its access to electronic and digital databases and materials.

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.

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)

I. Definition of Terms

- A. *University Administrative Overhead Cost* refers to expenses incurred by the University for accounting and bookkeeping, personnel support services, maintenance of facilities, utilities, etc. which are not provided for in the itemized budget of a RESEARCH/project/program. These are indirect costs of a RESEARCH/project/program borne by external funding agencies.
- B. *External Funding Agency* refers to institution, both local and foreign, which provide financial assistance to the University for the conduct of research, training, or other projects/programs.
- C. *Constituent University Administration* unless otherwise specified, this term refers to the campus administration in the university concerned, e.g. the administration of UPLB.
- D. *University OF THE PHILIPPINES SYSTEM Administration (UPSA)* refers to offices with Systemwide functions. [shall be referred to as part of the "University Administration."]
- E. *University Administrative Overhead Fund* refers to the fund maintained by the administration derived from its share of the administrative overhead cost charged against externally funded RESEARCHES/projects/programs

II. Rationale

The University, as a matter of policy, shall charge externally funded RESEARCHES/projects/programs of University units or its constituents an administrative overhead cost for the following considerations:

- A. The use of the U.P. name and the honor attached to it
- B. The use of University resources and facilities - personnel, library, laboratories, utilities, etc.

III. Negotiation of Contracts

- A. All contracts for RESEARCHES/ projects/programs negotiated with external funding agencies by the University or any of its units or personnel shall include a charge by the University for administrative overhead costs.
- B. All such contracts shall first be reviewed by the VICE PRESIDENT FOR ADMINISTRATION/ Vice-Chancellor for

Administration and by the appropriate officer(s) or unit in the University, in accordance with existing rules and procedures, before the signature of the parties concerned.

IV. Rates of Administrative Overhead

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

Less than P100,000	Minimum of 5%
P100,001 - P200,000	Minimum of 7%
P200,001 - above	Minimum of 10%

- B. The administrative overhead cost charged per RESEARCH/ project/program shall be shared by the SYSTEM/Constituent University administration and the unit which generated the RESEARCH/ project/ program at the ratio of sixty percent (60%) - forty percent (40%) or as otherwise determined by the Vice President for Administration/Chancellor concerned upon consultation with the units concerned.

1. NO MORE THAN FIFTY PERCENT (50%) OF THE AMOUNT GIVEN TO THE SYSTEM/CU SHALL BE USED TO PAY FOR HONORARIA, 25% OF WHICH SHALL GO TO ACCOUNTABLE OFFICERS AND 75% TO THE STAFF WHO PROCESS DOCUMENTS AND OTHERWISE ASSIST IN EXPEDITING THE FLOW OF PAPERS.
2. THE BALANCE OF THE AMOUNT GIVEN TO THE SYSTEM/CU SHALL CONSTITUTE SAVINGS OF THE SYSTEM/CU WHICH MAY BE USED FOR UTILITIES, EQUIPMENT, ETC. AS AUTHORIZED BY THE VPA/ CHANCELLOR CONCERNED.
3. **OF THE FORTY PERCENT (40%) RECEIVED BY THE GENERATING UNIT, FIFTY PERCENT (50%) SHALL GO TO PAYMENT OF HONORARIA OF STAFF INVOLVED IN THE PROJECT AND WHO ARE TO BE RECOMMENDED BY THE HEAD OF THE UNIT, FOR APPROVAL BY THE VPA/CHANCELLOR; FIFTY PERCENT (50%) SHALL GO TO SAVINGS OF THE UNIT WHICH MAY BE USED FOR UTILITIES, EQUIPMENT, ETC. AS AUTHORIZED BY THE VPA/CHANCELLOR CONCERNED.**
4. IN NO CASE SHALL THE HONORARIUM OF ANY ACCOUNTABLE OFFICER/ ADMINISTRATIVE STAFF FOR A PARTICULAR PROJECT BE BIGGER THAN THAT OF THE PROJECT LEADER/PRINCIPAL INVESTIGATOR.

V. University Administrative Overhead Fund

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

The VICE PRESIDENT FOR ADMINISTRATION/Vice-Chancellor for Administration shall prepare an annual plan indicating a system of priorities for the use of such fund for approval by the PRESIDENT/ Chancellor. THEY SHALL LIKEWISE MONITOR THE USE OF SUCH FUND AND SHALL SUBMIT A REPORT TO THE PRESIDENT/ CHANCELLOR AT THE END OF THE CALENDAR YEAR.

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

VI. Uses of Fund

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

- A. To help shoulder the utilities and maintenance bills.

* 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

- B. To provide assistance to academic programs, such as the acquisition of equipment and supplies and materials in support of such programs.
- C. To help upgrade the library collection of the University.
- D. To grant salaries/honoraria/incentive pay to deserving personnel and/or offices PROVIDING service to the RESEARCH/project/program.

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

VII. Coverage

These general guidelines shall apply to the entire University System.

CONSTITUENT [Autonomous] units may formulate implementing details in accordance with these guidelines, subject to the approval of the President, in order to ensure compliance with said policy and guidelines.

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.

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

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.

The current proposal amends certain provisions of the rules approved above and subsequent ones approved in the 1073rd (16 December 1993) and 1134th (26 August 1999) meetings on rates of monthly allowances, number of slots offered, and entrance and renewal requirements. Furthermore, new policies on the availment of UP System scholarships and related matters are also proposed.

Proposals

A. Benefits

- A.1 Increase of P300 in monthly living allowance for all UP System undergraduate and Oblation scholarships and P400 for all graduate UP System scholarships.

Degree / Scholarship Type	Current Monthly Rates	Proposed Monthly Rates
a. Undergraduate	P1,000 *	P1,300
b. Oblation	P1,000**	P1,300
c. Masters	P1,200 *	P1,600
d. Ph.D.	P1,500 *	P1,900

* Approved in 1054th BOR meeting, 10/29/92

** Approved in 1134th BOR meeting, 08/26/99

- **Rationale:** Current benefits are too low. Increasing the allowance will help students cope with rising costs of living and also make the grants more attractive.
- **Effectivity:** June 2000, for graduate scholarships
Nov. 2000, for undergraduate and Oblation
- **Budget:** No additional budget is needed for increase in graduate and Oblation scholarships. Savings from underutilized grants and reduction in number of slots (see item B.2) will cover these increases. Present savings will also fund the increase in undergraduate scholarship stipends until December 2000.

Starting CY 2001 an additional P750,000 will come from the General Fund to cover the increase in undergraduate scholarship stipends. (See Attachment 4)

Allowing a student to enjoy a maximum of two grants (government, private or STFAP), provided that:

- a. Allowance for tuition and related fees will be enjoyed only once.
- b. Combined living allowance of the two grants does not exceed P5,000 per month.
- c. There is no restriction in either scholarship on availment of more than one grant.

Rationale: Many scholarships offer very poor benefits and end up having few or no takers.

B. Delegation of Authority to the President

- B.1 To determine the number of slots for each scholarship.
- B.2 To determine selection priorities (degree program, regional origin, etc.) and if necessary, caps on number of grants awarded to units and programs of the university.
- B.3 To increase benefits subject to availability of funds.

Rationale:

Utilization of scholarships vary from year to year, with some underutilized and others fully subscribed. This year, for example, only 7 out of 40 slots for the Scholarship Program for Elementary and High School Teachers from Less Developed Provinces and 6 of 24 slots for the PASUC scholarship were awarded.

Distribution of scholarships by courses or college is uneven. There are also some courses that are oversubscribed while very few scholarships go to some courses or units.

Our scholarship programs have to be more flexible, purposive and responsive to changing conditions. The scholarship budget should be maximized. Delegation of authority to the President is proposed for expedience.

C. Academic Requirements

- C.1 Revision of grade requirements for the Presidential Scholarship, Scholarship for Tertiary Level Faculty from Mindanao, Tuition Scholarship for Faculty of SUCs, PASUC Scholarship and Scholarship Program for Foreign Students as follows:

	Entrance		Renewal	
	From	To	From	To
a. Undergraduate	1.75	1.75	1.75	2.0
b. Ph.D.	1.5	1.75	1.5	1.75

Rationale:

Present requirements are too stringent. The proposed renewal grade for undergraduates is the same as the Oblation