

David M. Dooley, Ph.D.
President

DATE: October 9, 2012
TO: Sharon Bell
Controller
FROM: Dr. David M. Dooley
President
SUBJ: Overhead Distribution



On September 24, 2012, the Board of Governors approved the University's proposed new overhead policy previously reviewed by the Board on August 20, 2012. The new policy, effective October 1, 2012, allows the University, after discussion with various groups, to establish the specific distribution by category. After thorough discussions with the Faculty Senate Executive Committee, the Council for Research, the Council of Deans, the Faculty Senate and the Senior Team, I approved the following:

Approved F&A Distribution effective October 1, 2012

SPA – Administration	18.40%
SPA – Research	24.50%
Research Utilities & Insurance	13.10%
Provost*	6.00%
Vice President Research & Economic Development*	9.00%
President*	2.00%
Dean/College/Department	27.00%

*Provost, Vice President Research & Economic Development and President provide support for Alternate Agreements. These Agreements include amounts beyond the 27% for CPRC, I-Cubed, and GSO. GSO is to receive an additional 5% (for a total of 32%) of the overhead they generate as support for their Bay Campus operations responsibilities. In addition, the Coastal Institute-Kingston is supported by the Provost, Vice President Research & Economic Development and President's portion being redirected to the Coastal Institute-Kingston providing them with 17% of the overhead generated by the Coastal Institute-Kingston. Without these agreements, the percentages (%) for Provost, Vice President Research & Economic Development and President are 4.2%, 6.3% and 1.4% respectively.

For input efficiency to the PeopleSoft financial system, the method used to accomplish the approved distribution will include:

All Colleges/Areas

SPA – Administration	18.40%
SPA – Research	24.50%
Research Utilities & Insurance	13.10%
Provost*	6.00%
Vice President Research & Economic Development*	9.00%
President*	2.00%
Dean/College/Department	27.00%

CPRC, CI, I-Cubed and GSO currently have Alternate Agreements.

GSO Only (for input efficiency)

SPA – Administration	18.40%
SPA – Research	24.50%
Research Utilities & Insurance	13.10%
Provost	4.20%
Vice President Research & Economic Development	6.40%
President	1.40%
Dean/College/Department	27.00%*
Dean/College/Department (from Prov, VPRED, Pres Share)	5.00%*

*results in 32% of GSO OH returned to GSO

CPRC (for input efficiency)

SPA – Administration	18.40%
SPA – Research	24.50%
Research Utilities & Insurance	13.10%
Provost	0.00%
Vice President Research & Economic Development	0.00%
President	0.00%
Dean/College/Department (CPRC)	27.00%*
CPRC (from Prov, VPRED, Pres Share)	17.00%*

*results in 44% of CPRC OH returned to CPRC per agreement

Coastal Institute – Kingston (for input efficiency)

SPA – Administration	18.40%
SPA – Research	24.50%
Research Utilities & Insurance	13.10%
Provost	0.00%
Vice President Research & Economic Development	0.00%
President	0.00%
Dean/College/Department	27.00%
Coastal Institute-Kingston (from Prov, VPRED, Pres Share)	17.00%

I-Cubed (for input efficiency)

SPA – Administration	18.40%
SPA – Research	24.50%
Research Utilities & Insurance	13.10%
Provost	0.00%
Vice President Research & Economic Development	0.00%
President	0.00%
Dean/College/Department	0.00%
I-Cubed (from Dean's Share)	27.00%*
I-Cubed (from Prov, VPRED, Pres Share)	17.00%*

*I-Cubed is to receive an additional 16% from Provost, VP Research and Economic Development and President's share. This will result in 60% of I-Cubed OH being returned to I-Cubed per agreement. The 16% will be accomplished via a quarterly journal entry in order to transfer the cash. However, the annual projected overhead budget for all colleges/areas will be input to the PeopleSoft financial system which allows college/areas to spend up to their annual budget at the start of the fiscal year.

Thank you for your input and guidance as we transition to the implementation of the new policy.

Cc: Don DeHayes Peter Alfonso
 Bob Weygand Linda Barrett