

17 September 2007

TO: File

From: Frank Sansone
Professor and Department Chair

Subject: Overhead (RTRF) Return Policies

Over the past week I have had discussions with a number of Ocean faculty in an effort to rationalize and systematize the department's policies regarding the return of overhead funds (RTRF) generated by extramural grants awarded to departmental faculty. According to UH system, UH-Manoa, and SOEST policies, 25% of this overhead is returned to the department. The following is a summary of how the department uses and disperses these funds.

The department uses overhead return from the Research and Training Revolving Fund (RTRF) to balance its budget, given the chronic underfunding of university-supplied G- and S-funds allocated to the department. Overhead return is used to support 1) administrative functions and 2) educational operations: the former are conducted by both the departmental and research-division offices, and the latter are conducted primarily by the departmental office. In general, any overhead funds not needed for these two purposes are returned to the Principal Investigators for their use, as detailed below.

(1) For overhead generated by faculty that are not in the International Pacific Research Center (IPRC), or who do not receive grants administered by the UH Joint Institute for Marine and Atmospheric Research (JIMAR):

The overhead return not needed to balance the department's annual budget will be returned to the research division of each faculty member. Division members will decide the proportion of the returned overhead which will be used for divisional operations, with the remainder being made available for use by the faculty.

(2) For overhead generated by faculty that are in the International Pacific Research Center:

The overhead return of faculty who have non-compensated positions in Oceanography will be returned to the IPRC for dispersion according to IPRC policies. This reflects the fact that these faculty obtain neither administrative nor education support from the Oceanography Department.

Half of the overhead return of faculty who have compensated positions in Oceanography will be returned to the IPRC for dispersion according to IPRC policies, and the remainder will be handled as described in section (1), above.

This reflects the fact that these faculty do not obtain administrative support from the Oceanography Department.

(3) For overhead generated by faculty that receive grants administered by the UH Joint Institute for Marine and Atmospheric Research (JIMAR):

JIMAR keeps a portion to cover administrative costs

Merrified - 20% of remainder to Ocean (This will be ramped up to 100% over time)

Others (Drazen, Firing, Li) - 100% of remainder to Ocean