

COLLEGE OF MICRONESIA-FSM
BOARD POLICY No. 5111

Overhead/Indirect Revenue Policy

Date Adopted: 27-29 August 1996
Date Revised: 26-30 August 2006
Date Reviewed: 22-24 March 2014
References: Indirect Cost Agreement, US Department of Health and Human Services

~~All grants and contracts that provide for overhead and are conducted on the National Campus will divide the overhead in the following manner:~~

Office of the President (Research/Personnel)	25%
VP-SSA or VP-IA	50%
Business Office	25%

~~All grants and contracts that provide for overhead and are conducted at the State Campuses and the accounting, financial reporting and expenditures are the responsibility of the National Campus Business Office will share the overhead in the following manner:~~

Office of the President (Research/Personnel)	25%
State Campus	50%
Business Office	25%

~~Indirect cost revenue not used during a particular grant period or fiscal year shall be recorded in the fund balance after end of the next fiscal year. Thus, use of the unexpended indirect cost revenue shall be processed in accordance with guidelines of using positive fund balance.~~

~~Charges of indirect cost to the grant at the maximum of 8% of the modified total direct cost base must be in compliance with the Education Department General Administration Regulations (EDGAR) 75.562.~~

The College of Micronesia–FSM shall recover allowable indirect costs (overhead) on grants and contracts in accordance with its federally negotiated indirect cost rate agreement with the U.S. Department of Health and Human Services.

Distribution of Indirect Cost Revenues:

For all grants and contracts that provide for indirect cost recovery, the recovered indirect costs shall be distributed as follows:

- 50 percent – Vice President managing the grant
- 25 percent – Office of the President
- 25 percent – Vice President for Innovation and Sustainability

The college can charge a maximum of 25% predetermined indirect cost rate.

See Administrative Procedure 5008