MEMORANDUM

TO: Mānoa Deans and Directors
FROM: Gary K. Ostrander  
Vice Chancellor for Research and Graduate Education
SUBJECT: Indirect Overhead Waivers and Reductions

This memo is to update and clarify my June 30, 2006 memo to you, which is attached for your reference. Below are the guidelines to use for when it is appropriate to obtain an indirect overhead waiver or reduction.

We have found it necessary to remind you of this policy as overhead dollars were either being left off proposal budgets or were being reprogrammed into direct costs. This is especially problematic for units that must pay utilities, space, and other support charges for their research activities from overhead return (e.g. SOEST, CTHAR, IfA, JABSOM, Cancer Center etc.).

1) Sponsor rate matches UH current F&A rates posted on the Office of Research Services website
   Approval is not necessary since full overhead is charged to the grant per negotiated federal rate.

2) Sponsor imposed rate or sponsor caps to overhead
   Approval is needed from the Dean/Director of the unit to agree upon the rate. A copy of the sponsor policy should be attached to the proposal (weblink is fine). This is required since the Dean/Director will be responsible for providing necessary space and other overhead support for the effort.

3) Election of the PI to lower or waive the overhead independent of the two scenarios described above.
   Approval is needed by the Office of the Vice Chancellor for Research and Graduate Education. The requests should contain the following information:
   a) the requested amount (% and dollar value) of the reduction or waiver
   b) the reason for the reduction or waiver
   c) the benefit to be derived by the University as a result of the reduction or waiver
   d) the ramifications if the approval is not granted
4) **Sponsor request reduced overhead rate**
Approval is needed by the Office of the Vice Chancellor for Research and Graduate Education. The requests should contain the following information:

   a) the requested amount (% and dollar value) of the reduction or waiver 
   b) the reason for the reduction or waiver 
   c) the benefit to be derived by the University as a result of the reduction or waiver 
   d) the ramifications if the approval is not granted 

Thank you for your attention to this matter.

Attachment

c: James Gaines, VP for Research  
   Vassilis Syrmos, Associate VC for Research  
   Yaa-Yin Fong, Director, ORS  
   Tracie Nakagawa, Administrative Officer  
   Mānoa Administrative Officers
MEMORANDUM

TO: Mānoa Deans and Directors

FROM: Gary K. Ostrander

SUBJECT: Indirect Overhead Waivers and Reductions

June 30, 2006

On April 10, 2006, Dr. Jim Gaines, Vice President for Research, delegated the authority for approving indirect cost reductions and waivers to the Office of the Vice Chancellor for Research and Graduate Education. Therefore, any reductions or waivers from the approved indirect cost rates require prior written approval from our office.

The requests should contain the following information: the requested amount of reduction or waiver, the reason for the request, the benefit to be derived by the University as a result of the reduction or waiver, and the ramifications if the approval is not granted. For more information please refer to APM A8.927 at http://www.hawaii.edu/svpa/apm/congrant/a8927.pdf.

Thank you for your attention to this matter.

c: Jim Gaines, VP for Research
   Yaa-Yin Fong, Director, ORS
   Tracie Nakagawa, Administrative Officer
   Mānoa Administrative Officers