



POLICY AND IMPLEMENTING GUIDELINES

Externally-funded Projects

“Incentives : Sharing Scheme of Administrative Cost and Savings for Units Concerned and Psychic Reward for Units/Faculty Members Responsible for Getting the External Grant ”

By:

Ruth Guinita-Cabahug, DTE
Chancellor, USTP CDO

I. Introduction

- Section 10, Article XIV of the 1987 Philippine Constitution states:
Science and technology are essential for national development and progress. **The State shall give priority to research and development, invention, innovation, and their utilization; and to science and technology education, training, and services (emphasis supplied).** It shall support indigenous, appropriate, and self-reliant scientific and technological capabilities, and their application to the country's productive systems and national life.
- Chapter 14 – Vigorously Advancing Science, Technology and Innovation of the Philippine Development Plan under the Duterte Administration states:

University of Science & Technology
of Southern Philippines
(Formerly MUST and MOSCAT)
Office of the University & Board Secretary

Page 1 of 6

APPROVED

Resolution No. 104 s. 2018

Dated Dec. 21, 2018

University & Board Secretary

MARY KERN V. MERCADO

- Science, Technology and Innovation (STI) plays an important role in economic and social progress. It is a key driver of the long-term growth of an economy.
 - STI can lead to the creation of new public goods and services (or new methods of delivering public goods and services) that will help address the needs of society, especially of the disadvantaged, including in the areas of health, education, energy, disaster resiliency, and climate change adaptation, among others.
 - *Assessment and Challenges: (1) There is a low level of innovation in the country brought about by weaknesses in STI human capital, low research and development (R&D) expenditures and weak linkages in the STI ecosystem; (2) Global Innovation Index (GII) Report of 2016, the Philippines ranked 74th among 128 economies in innovation; (3) The country also ranked 5th out of the seven members of the Association of Southeast Asian Nations (ASEAN) in the survey, ahead of Cambodia (95th) and Indonesia (88th), but behind Singapore (6th), Malaysia (35th), Thailand (52nd), and Vietnam (59th).*
- Most often than not, the quality of output regardless of form is relative to the quality of input (be it human, physical or financial)
 - Faculty researches are potential source of invention, breakthrough and or innovation that may contribute to national development and progress
 - When conducting researches that have high likelihood of resulting to Intellectual Property (IP) outputs, some constraints encountered are lack of financial support and unavailability of specialized laboratory
 - Likewise, very few faculty conduct research for reasons ranging from lack of capability to low motivation to lack of interest to conduct research as incentive in doing teaching overload is better than getting honorarium from being involved in research projects
 - As such, the quality of research outputs, most often than not, is of low quality and do not result to IP productivity in terms of patents (utility models, industrial designs); copyright, etc
 - In view of the foregoing, there is a need to establish more “income centers” in the university that may help in putting up specialized laboratories and improve the research capability of faculty, thereby strengthening her reputation and image
 - Hence, this proposal.

University of Science & Technology
of Southern Philippines
(Formerly MUST and MOSCAT)
Office of the University & Board Secretary

Page 2 of 6

APPROVED

Resolution No. 104 s. 2018

Dated Dec 21, 2018

University & Board Secretary

Mary Fern V. Mercado
MARY FERN V. MERCADO

II. Objectives

The general objective of this proposal is to provide a set of policy and implementing guidelines that would incentivize units and faculty of the university who are able to bring external funding grants to enhance its research, instruction and extension or community relations functions. Specifically, this proposal aims to:

- to establish more academic units as “income centers” rather than “cost centers”
- to enhance the motivation of the academic officials and faculty to tap external funds in order to improve the delivery of services along Research, Instruction and Extension; and or improve institutional capabilities
- to establish a healthy competition among academic units in the university
- to improve the track record of the university in getting external funding thereby enhancing her reputation and image as a “Discovery and Innovation University”
- to augment the existing specialized laboratories of the university
- to increase the university’s IP productivity

III. Policy and Implementing Guidelines

3.1 Policy Statement

- The University recognizes that academic units are capable of contributing to the building and or enhancement of the reputation and image of the university through accessing grants from External Funding Agencies.
- Likewise, the University recognizes that the most important resource that would realize this are her human talents.
- As such, it is the policy of the University to incentivize academic units and faculty responsible of bringing grants to the university to enhance her reputation and image as a “Discovery and Innovation University”.

University of Science & Technology
of Southern Philippines
(Formerly MUST and MOSCAT)
Office of the University & Board Secretary

APPROVED

Resolution No. 104 s. 2018
Dated Dec 21, 2018

University & Board Secretary


MARY EERN V. MERCADO

3.2 Implementing Guidelines

3.2.1 Sharing Scheme

Almost always, externally-funded projects provide administrative cost as part of the "Indirect Cost" component of the Project. As practiced by the USTP CDO, "Indirect Cost (IC)" are not given to individuals who are indirectly involved in the implementation of the externally-funded projects. Instead, IC is treated as "common fund" under the Special Trust Fund (Fund). On the other hand, there are External donors who do not require unexpended amount (savings), associated with the completion of the project, to be returned. In this regard, a mechanism of incentivizing the units responsible of getting external funds through a sharing scheme is hereby proposed.

- 1) Administrative Cost (AC)
 - Finance - 25%
 - Administration Units - 25%
(R & D Office, HRMO, SPMU, Procurement Services)
 - College - 25%
 - Department - 25%
- 2) Savings that are retained by the University

Savings generated from externally-funded projects are directly attributable to the manner the project is implemented by the project leader and team members, assuming that approved methods and other protocols are adhered to. As such, it is proper that the bulk of the savings shall go to the implementing units. Hence, the sharing scheme for savings is as follows:

- Finance - 10%
- Administration Units - 10%
- College/Satellite Campus - 30%
- Department - 50%

Note:

- a) College Level. *When the externally-funded project is undertaken by faculty members coming from several colleges or satellite campuses, the share of the College or Satellite Campus from the Administrative Cost and Savings shall be equitably distributed using an index based on the number of faculty members involved in the project*

University of Science & Technology
of Southern Philippines
(Formerly MUST and MOSCAT)
Office of the University & Board Secretary

Page 4 of 6

APPROVED

Resolution No. 104 s. 2018

Dated Dec. 21, 2018

University & Board Secretary
MARY FERN V. MERCADO

- b) Department Level. When the externally-funded project is undertaken by faculty members coming from different departments, 50% from the department share shall go to the Department where the Project Leader belongs. The remaining 50% shall be equitably shared by the other departments using an index based on the number of faculty members involved.
- 3) The Colleges, Satellite Campuses and Departments are given the flexibility in utilizing their share for projects/activities that would lead to the attainment of their goals and objectives, provided that it shall not be used to pay personnel services.

3.2.2 Psychic Reward

One way of improving the self-esteem/morale and productivity of organizational units and talents is to recognize their contribution to the university, be it in the form of monetary and or psychic reward. Considering that external grants are based on the trust and confidence of the grantor to the grantee (in this case university and faculty), the latter are able to access these grants because of their intellectual (psychic) capabilities. In this regard, the University shall incentivize academic units and faculty by giving them psychic reward in the form of a Plaque of Recognition (substantial size and design) to be awarded during the traditional Annual Year-end Fellowship of the University in December. Likewise, names and photos of awardees shall be posted in the University website and a tarpaulin shall be hang in strategic places to disseminate their contribution.

3.2.3 Role of the Director, Research and Development

The Director, Research and Development or its equivalent in the major campuses or satellite campuses shall be responsible in ensuring that this policy and implementing guidelines are properly and smoothly implemented. As such, the Director shall see to it that the following are addressed, among others:

- 1) Preparation of Budget, to be included in the Annual Work and Financial Plan of the Research and Development Office, for the Plaques of Recognition to be awarded to units and faculty involved in the Externally-funded projects
- 2) Establishment of a Database of all Externally-funded projects

University of Science & Technology
of Southern Philippines
(Formerly MUST and MOSCAT)
Office of the University & Board Secretary

Page 5 of 6

APPROVED

Resolution No. 104 s. 2018

Dated Dec 21, 2018

University & Board Secretary


MARY FERN V. MERCADO

- 3) Monitoring of all Externally-funded projects
- 4) Preparation and submission of monthly accomplishment reports to the Chancellor/Executive Director concerned
- 5) Evaluate and recommend to the Chancellor concerned the appropriate sharing scheme for the equitable distribution of Administrative Cost and savings from the projects by units involved
- 6) Evaluate and recommend the units and faculty to be given Plaque of Recognition as a form of Psychic Reward during the traditional Annual Year-End Fellowship in December. The Text for the Plaque shall be harmonized with NBC No. 461 Guidelines.

IV. Effectivity

This policy shall take effect upon approval by the Board of Regents (BOR).

Prepared and submitted by:


RUTH GUINITA-CABAHUG, DTE
Chancellor, USTP CDO

University of Science & Technology
of Southern Philippines
(Formerly MUST and MOSCAT)
Office of the University & Board Secretary

APPROVED

Resolution No. 104 s. 2018

Dated Dec. 21, 2018

University & Board Secretary


MARY FERN V. MERCADO