



119TH BOARD OF REGENTS MEETING

BOR RESOLUTION NO. 18
Series of 2025

APPROVING THE PROPOSED UTILIZATION OF ADMINISTRATIVE COST GENERATED FROM EXTERNALLY FUNDED PROJECTS FOR CY 2025 AMOUNTING TO THREE MILLION FIVE HUNDRED FORTY-FIVE THOUSAND ONE HUNDRED TWENTY SEVEN PESOS AND FORTY NINE CENTAVOS (P3,545,127.49) AND NINE HUNDRED SEVENTY-FOUR THOUSAND THIRTY PESOS AND SIXTY-SEVEN CENTAVOS (P974,030.67) CHARGE TO THE UNIVERSITY SHARE AND PROJECT PROPONENT SHARE, RESPECTIVELY

Whereas, Section 4(b) of the Visayas State University (VSU) Governing Board's powers, in accordance with Batas Pambansa Blg. 68 (Corporation Code of the Philippines), grants the Board the authority to receive and appropriate all sums provided for the support of the University or College, and to determine in its discretion the manner of utilizing such funds to carry out the purposes and functions of the institution;

Whereas, these externally funded projects include provisions for administrative costs, which will be used to ensure proper management, oversight, and compliance with both institutional and external funding guidelines;

Whereas, as indicated in the Board of Regents (BOR) Resolution No. 66, s. 2008, the University, as a matter of policy shall charge externally funded projects through the collected Administrative Overhead Fund for the following considerations: (a) the use of the VSU name and the honor attached to it; (b) the use of university resources and facilities – personnel, library, laboratories, utilities, etc;

Whereas, the administrative overhead cost charged per project/program shall be shared by the constituent university administration and the unit which generated the project/program at the ration of Sixty Percent (60%) and forty (40%) or as otherwise determined by the President upon consultation with the units concerned;

Whereas, BOR Resolution No. 66, s. 2008, the university administrative overhead fund shall primarily be used for the following purposes: (a) to help shoulder the utilities and maintenance bills, (b) to assist with academic programs, such as the acquisition of equipment and supplies and materials in support of such programs, (c) to help upgrade the library collection of the university, (d) to grant salaries/honoraria/incentive pay to deserving personnel and/or offices service to the project/program;

Whereas, the amount shall be allocated as salaries/honoraria/incentive pay to deserving personnel shall in no case exceed Fifty Percent (50%) of the share of the administration per project/program and in no case shall any part or portion of that honoraria be paid to any personnel of the university who is not involved in providing administrative support to the project as approved by the appropriate university official;

Whereas, as of December 31, 2024, the table below summarizes the admin cost generated, its utilization and available balance;

A RESOLUTION APPROVING THE PROPOSED UTILIZATION OF ADMINISTRATIVE COST GENERATED FROM EXTERNALLY FUNDED PROJECTS FOR CY 2025 AMOUNTING TO THREE MILLION FIVE HUNDRED FORTY-FIVE THOUSAND ONE HUNDRED TWENTY SEVEN PESOS AND FORTY NINE CENTAVOS (₱3,545,127.49) AND NINE HUNDRED SEVENTY-FOUR THOUSAND THIRTY PESOS AND SIXTY-SEVEN CENTAVOS (₱974,030.67) CHARGE TO THE UNIVERSITY SHARE AND PROJECT PROPONENT SHARE, RESPECTIVELY

	Total	University Share (60%)	Project Proponent Share (40%)
Admin Cost Generated	₱26,716,855.56	₱15,999,459.94	₱ 10,717,395.62
Amount Utilized	15,954,679.97	9,535,767.14	6,418,912.83
Available Balance	10,762,172.59	6,463,692.80	4,298,482.79

Whereas, it has been proposed that out of the available balance of ₱6.46 million of the University's share, ₱3.55 million is proposed to be utilized, while ₱0.97 million out of the project proponent's share of ₱4.30 million is also proposed for use, in accordance to BOR Resolution No. 66, s. 2008;

Whereas, the proposal was presented to the University Administrative Council during its special regular meeting on March 10, 2025 and obtained favorable action;

Whereas, the Board has reviewed the financial projections for CY 2025, including the estimated administrative costs related to the externally funded projects, and has determined the appropriate allocation of these funds to support the University's operations;


Whereas, finding the UADCO's recommendation in order, the Governing Board has agreed to approve the proposal;


Now, therefore, on motion, duly seconded, and unanimously approved, be it;

Resolved, as it is hereby resolved, that the Board of Regents of Visayas State University approves the proposed utilization of administrative cost generated from externally funded projects for CY 2025 amounting to Three Million Five Hundred Forty-Five Thousand One Hundred Twenty Seven Pesos And Forty Nine Centavos (₱3,545,127.49) AND Nine Hundred Seventy-Four Thousand Thirty Pesos And Sixty-Seven Centavos (₱974,030.67) charge to the university share and project proponent share, respectively.

IN WITNESS of our approval thereof, we affix our signatures this 29th day of April 2025 at VSU, Baybay City, Philippines.

VSU BOARD OF REGENTS


HON. ETHEL AGNES P. VALENZUELA
CHED Commissioner and Chairperson
VSU-Board of Regents


HON. PROSE IVY G. YEPES
VSU President, Vice Chairperson
VSU-Board of Regents


(Absent)


HON. BERNADETTE REMALLA-MAYBITUIN
Representing Hon. **ALLAN PETER S. CAYETANO**
Chairperson, Senate Committee on Higher,
Technical and Vocational Education
Member, VSU BOR


HON. CARL NICOLAS C. CARI
Representing Hon. **MARK O. GO**
Chairperson, Committee on Higher & Technical
Education, House of Representatives
Member, VSU BOR


HON. MEYLENE C. ROSALES
Regional Director, National Economic and
Development Authority Regional Office VIII
Member, VSU BOR


HON. ANDREW RODOLFO T. ORAIS
Regional Executive Director, Department of
Agriculture-RO8
Member, VSU BOR



HON. ERNESTO F. BULAYOG
Faculty Regent - VSU System Faculty Union of
Baybay Leyte
Member, VSU BOR


HON. OSCAR B. POSAS
President, VSU Federated Alumni Association
Member, VSU BOR


HON. RYAN C. ILAIDA
Student Regent - VSU Student Council Federation
Member, VSU BOR

Private Sector Representatives:


HON. ALAIN CHARLES J. VELOSO
Member, VSU BOR
Villaba, Leyte


HON. RUPERTO O. APARRI, III
Member, VSU BOR
Tacloban City, Leyte



VISAYAS
STATE UNIVERSITY

ACCOUNTING

**Proposal for the Utilization of Administrative Cost
Generated from Externally Funded Projects for CY 2025**

To request BOR approval for the utilization of administrative cost amounting to **Three Million Five Hundred Forty-Five Thousand One Hundred Twenty-Seven Pesos and Forty-Nine Centavos (P3,545,127.49)** and **Nine Hundred Seventy-Four Thousand Thirty Pesos and Sixty-Seven Centavos (P974,030.67)** charged to the university share and project proponent share, respectively.

As indicated in the Board of Regents (BOR) Resolution No. 66, s. 2008, the University, as a matter of policy, shall charge externally funded projects (through the collected University Administrative Overhead Fund) for the following considerations:

- a. The use of the VSU name and the honor attached to it.
- b. The use of university resources and facilities – personnel, library, laboratories, utilities, etc.

The administrative overhead cost charged per project/program shall be shared by constituent university administration and the unit which generated the project/program at the ratio of Sixty Percent (60%) and Forty Percent (40%) or as otherwise determined by the President upon consultation with the units concerned.

Per Section VI of BO Resolution No. 66, s. 2008, the university administrative overhead fund shall primarily be used for the following purposes:

- a. To help shoulder the utilities and maintenance bills.
- b. To provide assistance to academic programs, such as the acquisition of equipment and supplies and materials in support of such programs.
- c. To help upgrade the library collection of the university.
- d. To grant salaries/honoraria/incentive pay to deserving personnel and/or offices service to the project/program.

The amount to be allocated as salaries/honoraria/incentive pay to deserving personnel shall in no case exceed Fifty Percent (50%) of the share of the administration per project/program and in no case shall any part or portion of that honoraria be paid to any personnel of the university who is not involved in providing administrative support to the project as approved by the appropriate university official.



ACCOUNTING

Visayas State University, VPGG+Q70, Baybay City, Leyte,
Email: accounting@vsu.edu.ph
Website: www.vsu.edu.ph
Phone: +63 53 565 0600 Local 1006



Management
System
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www.tuv.com
ID 910856749



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FM-VSU-03
V4 01-23-2025
No.2025-138


As of December 31, 2024, the table below summarizes the admin cost generated, its utilization, and available balance:

	Total	University Share (60%)	Project Proponent Share (40%)
Admin Cost Generated	P26,716,855.56	P15,999,459.94	P10,717,395.62
Amount Utilized	15,954,679.97	9,535,767.14	6,418,912.83
Available Balance	10,762,175.59	6,463,692.80	4,298,482.79

As shown above, available balance of the admin cost amounted to P6.46 million and P4.30 million for the university share and project proponent share, respectively. For CY 2025, out of the P6.46 million available balance of the university share, P3.55 million is planned to be used while P0.97 million out of P4.30 million for the project proponent share.

Attachments: A - BOR Resolution No. 66, s. 2008
B - Consolidated Line-Item-Budget (LIB) to be charged against Admin Cost
C - Certificate of Availability of Funds

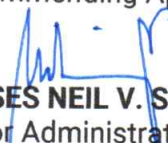
Prepared by:


NICK FREDDY R. BELLO
Head, Accounting

Endorsed:


LOUELLA C. AMPAC
Financial Management Director

Recommending Approval:


MOISES NEIL V. SERIÑO
VP for Administration and Finance

Vision: A global green university providing progressive leadership in agriculture, science & technology, education and allied fields for societal transformation.
Mission: To produce graduates equipped with advanced knowledge and lifelong learning skills with ethical standards through high quality instruction, innovative research, and impactful community engagements.

O.P. Am 11/7
OVPAF [Signature]
Accounting Div. [Signature]
FMO [Signature]
Budget [Signature]



VISAYAS STATE UNIVERSITY

6521-A Visca, City of Baybay, Leyte, Philippines

BOR RESOLUTION NO. 66, s. 2008

**A RESOLUTION APPROVING THE
POLICY AND GUIDELINES ON THE USE OF
UNIVERSITY ADMINISTERED OVERHEAD FUNDS**

WHEREAS, the Leyte State University was created by virtue of Republic Act 9158 which converted the then Visayas State College of Agriculture (ViSCA) into a state university last 11 August 2001 and was later renamed Visayas State University (VSU) by virtue of R.A. 9437;

WHEREAS, Section 7 of R.A. 9158 specifically empowers the Board of Regents of the University to exercise all the powers granted to the Board of Directors of a corporation under Section 36 of Batas Pambansa Blg. 68, otherwise known as the Corporate Code of the Philippines;

WHEREAS, among other powers granted to the Board of Regents is the power "to enact rules and regulations not contrary to law, as may be necessary to carry out the purposes and functions of the University" as stipulated in Item (a), Section 7 of R.A. 9158;

WHEREAS, the University undertakes a substantial number of externally funded research and extension programs annually as part of the trilogy of functions of a University;

WHEREAS, there are a number of non-project employees that are involved in such research and extension projects who have to work over and above their normal workload in order to serve said projects;

WHEREAS, the funding agency permits the allocation of some funds specifically for Administrative Overhead Cost.

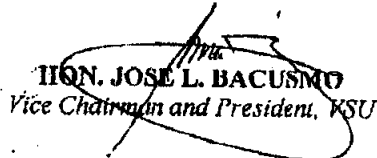
THEREFORE, BE IT RESOLVED AS IT IS HEREBY RESOLVED to approve the proposed policy guidelines on the use of University Administrative Overhead Funds.

IN WITNESS of our approval thereof, we hereby affix our signatures this 8th day of October 2008 at Visayas State University, Visca, Baybay, Leyte.

VSU BOARD OF REGENTS



HON. NONA S. RICAFORT
*CHED Commissioner and Chairman
VSU-Board of Regents*

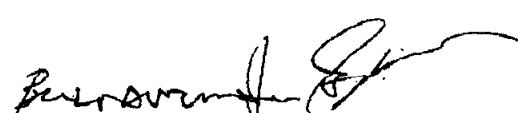


HON. JOSE L. BACUSMO
Vice Chairman and President, VSU


HON. ALAN PETER S. CAYETANO
*Chair, Committee on Education, Arts & Culture
Senate of the Philippines*

HON. CYNTHIA A. VILLAR
*Chair, Committee on Higher & Tech. Educ.
House of Representatives*

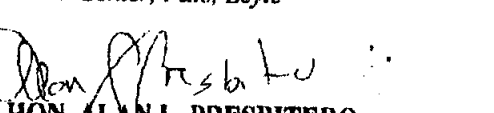
Represented by:



HON. BUENAVENTURA C. GO-SOCO, JR.
*Regional Executive Director
National Economic & Dev. Authority-RO8
Gov't. Center, Palo, Leyte*

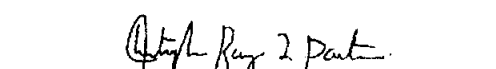


HON. LEO P. CANEDA
*Regional Executive Director
Department of Agriculture-RO8
Tacloban City*




HON. ALAN L. PRESBITERO
*Faculty Regent - VSU System
Visayas State University, Visca, Baybay, Leyte*

HON. EDGARDO M. ESPERANCILLA
*Regional Executive Director
Dept. of Science and Technology
Government Center, Palo, Leyte*




HON. CHRISTOPHER RAY Q. PANTIN
*Student Regent - VSU System
Visayas State University, Visca, Baybay, Leyte*




HON. BERNARDO H. TOCMO
*President, VSU Federated Alumni Assn.
Visayas State Univ., Visca, Baybay, Leyte*

Private Sector Representatives:



HON. VICENTE A. QUITON
Tacloban City



HON. RUFINO L. BRODETH
Ormoc City

Resolution approving the Policy and Guidelines on the Use of University Administrative Overhead Funds.

**POLICY AND GUIDELINES ON THE USE OF
UNIVERSITY ADMINISTRATIVE OVERHEAD FUNDS**

I. DEFINITION OF TERMS

- A. **University Administrative Overhead Cost** - refers to expenses incurred by the University for accounting and bookkeeping, personnel support services, maintenance of facilities, utilities, etc., which are not provided for in the itemized budget of a project/program. These are indirect costs of project/program borne by external funding agencies.
- B. **External Funding Agency** - refers to institution, both local and foreign, which provide financial assistance to the University for the conduct of research, training, or other projects/programs.
- C. **Constituent University Administration** - unless otherwise specified this term shall refer to the campus administration in the university concerned, e.g. the administration of the external campus.
- D. **University Administration** - offices with System-wide functions shall be referred to as part of the "UNIVERSITY administration."
- E. **University Administrative Overhead Fund** - refers to the fund maintained by the administration derived from its share of the administrative overhead cost charged against externally funded projects/programs.

II. RATIONALE

The University, as a matter of policy, shall charge externally funded projects/programs of University units or its constituents an administrative overhead cost for the following considerations:

- A. The use of the VSU name and the honor attached to it.
- B. The use of University resources and facilities - personnel, library, laboratories, utilities, etc.

III. NEGOTIATION OF CONTRACTS

All contracts for projects/programs negotiated with external funding agencies by the University or any of its units or personnel shall include a charge by the University for administrative overhead costs.

All such contracts shall first be reviewed by the Vice-President for Administration and Finance and by the appropriate officer(s) or unit in the University, in accordance with existing rules and procedures, before the signature of the parties concerned.

IV. RATES OF ADMINISTRATIVE OVERHEAD

- A. A percentage of all project funds shall be allocated for University administrative overhead costs in accordance with the following schedule:

LESS THAN P100,000	Minimum of 5 Percent
P100,001 - P200,000	Minimum of 7 Percent
P200,001 - ABOVE	Minimum of 10 Percent

- B. The administrative overhead cost charged per project/program shall be shared by CONSTITUENT UNIVERSITY administration and the unit which generated the project/program at the ratio of SIXTY PERCENT (60%) - FORTY PERCENT (40%) or as otherwise determined by the President upon consultation with the units concerned.

V. UNIVERSITY ADMINISTRATIVE OVERHEAD FUND

There shall be a University Administrative Overhead Fund in the main Campus and in each of the satellite campuses of the University hereinafter referred to as the FUND, under the administrative control of the President. The source for this fund shall be the percentage share of administration from the administrative overhead costs charged against projects/programs sponsored by external funding agencies.

The Vice-President for Administration and Finance shall prepare an annual plan indicating a system of priorities for the use of such fund for approval by the President. The Vice President for Administration and Finance shall also monitor the use of such fund and report to the President.

VI. USES OF FUND

The University Administrative Overhead Fund shall primarily be used for the following purposes:

- A. To help shoulder the utilities and maintenance bills.
- B. To provide assistance to academic programs, such as the acquisition of equipment and supplies and materials in support of such programs.
- C. To help upgrade the library collection of the University.
- ✓ D. To grant SALARIES/honoraria/incentive pay to deserving personnel and/or offices service to the project/program.

✓ The amount to be allocated as SALARIES/honoraria/incentive pay to deserving personnel shall in no case exceed FIFTY PERCENT (50%) of the share of the administration per project/program and in no case shall any part or portion of that honoraria be paid to any personnel of the University who is not involved in providing administrative support to the projects as approved by the appropriate University official.

VII. COVERAGE

These general guidelines shall apply to the entire University System.

Satellite campuses may formulate implementing details in accordance with these guidelines, subject to the approval of the President in order to ensure compliance with said policy and guidelines.

IN MERITORIOUS CASES, ADMINISTRATIVE OVERHEAD CHARGES MAY BE WAIVED BY THE PRESIDENT FOR PROJECTS WITH TOTAL BUDGETS OF MORE THAN P500,000.

VIII. REPEALING CLAUSE

Existing policies/guidelines contrary to these are hereby deemed repealed.

IX. EFFECTIVITY

These guidelines shall take effect upon approval by the VSU Board of Regents.

MINUTES OF THE 40th BOR MEETING

08 October 2008

LNU Conference Room

Leyte Normal University

Tacloban City, Leyte

7. Policy and Guidelines on the Use of University Administered Overhead Funds

President Bacusmo informed the Board that this proposal follows the practice at the University of the Philippines wherein some of the University administered overhead fund sourced from external projects will be plowed back to the units that generated the money. In the past, the University used all the generated overhead funds for hiring administrative employees to help out the project.

Chairperson Ricafort pointed out to the President that the percentages indicated in the proposal may have been inadvertently exchanged with the lower amounts having a much lower overhead cost as compared to amounts much larger. The Hon Chair then suggested that smaller projects not exceeding P100,000 will be assessed an Administrative Overhead Cost (AOC) of 10% while projects exceeding P200,000 be assessed an AOC of 5%.

President Bacusmo was in agreement with the suggestion of the Hon. Chair.

There were no objections on the proposed increase.

Regent Christopher Ray Q. Pantin moved for the approval of the proposal, as presented. Regent Bernardo H. Tocco seconded the motion.

The Board passed


BOR Resolution No. 66, s. 2008

Approving the Policy and Guidelines on the Use of University Administered Overhead Funds, as presented.

Annex B
Consolidated Line-Item Budget (LIB) to be Charged against Admin Cost

	Allocation for Admin and Finance Offices	Allocation for Ethics Board	Allocation for Animal Ethics Board	Total Charged to University Share	Total Charged to Project Proponent Share	Remarks/ Requested by
I. Personnel Services (PS)	-	-	-	-	-	
II. Maintenance and Other Operating Expenses (MOOE)				-		
Traveling Expenses	96,749.00	-	-	96,749.00	6,953.17	Janet Alexis A. De Los Santos
Office Supplies Expenses	279,076.15	50,000.00	-	329,076.15	64,690.96	Maria Juliet C. Ceniza Justine Bennette H. Millado Arturo E. Pasa
Medical, Dental and Laboratory Supplies Expenses	-	-	-	-	28,000.00	Justine Bennette H. Millado
Other Supplies and Materials Expenses	-	-	-	-	82,970.00	Aljay D. Valida Renezita S. Come
Representation Expenses	-	-	-	-	15,000.00	Moises Neil V. Serino
Professional Services	346,800.00	-	-	346,800.00	-	
Other General Services	1,127,420.68	-	-	1,127,420.68	392,192.27	Catherine M. Arradaza Lilian B. Nuñez Santiago T. Peña Jr. Maria Juliet C. Ceniza Justine Bennette H. Millado
Semi-Expendable ICT Equipment	439,757.86	-	-	439,757.86	45,824.27	Romel B. Armecin
Semi-Expendable Office Equipment	269,824.00	-	-	269,824.00	88,000.00	Justine Bennette H. Millado Feliciano G. Sinon
Semi-Expendable Furnitures and Fixtures	-	70,000.00	50,000.00	120,000.00	190,400.00	Maria Juliet C. Ceniza Justine Bennette H. Millado Harvie P. Portugaliza Renezita S. Come
Repair and Maintenance	50,000.00	-	-	50,000.00	-	
Other MOOE	85,499.80	-	-	85,499.80	-	
Sub-Total	2,695,127.49	120,000.00	50,000.00	2,865,127.49	914,030.67	
III. Capital Outlay (CO)						
ICT Equipment	150,000.00	100,000.00	-	250,000.00	60,000.00	Arturo E. Pasa
Office Equipment	100,000.00	80,000.00	-	180,000.00	-	
Technical and Scientific Equipment	-	-	250,000.00	250,000.00	-	
Sub-Total	250,000.00	180,000.00	250,000.00	680,000.00	60,000.00	
Grand Total	2,945,127.49	300,000.00	300,000.00	3,545,127.49	974,030.67	

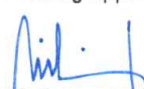
Consolidated by:


NICK FREDDY R. BELLO
Head, Accounting

Reviewed:


LOUELLA C. AMPAC
Director, Financial Management

Recommending Approval:


MOISES NEIL V. SERINO
VP for Administration and Finance



VISAYAS
STATE UNIVERSITY

ACCOUNTING

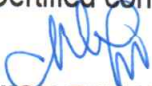
Annex C

TO WHOM IT MAY CONCERN:

This is to certify that funds in the amount of **Three Million Five Hundred Forty-Five Thousand One Hundred Twenty-Seven Pesos and Forty-Nine Centavos (P3,545,127.49)** and **Nine Hundred Seventy-Four Thousand Thirty Pesos and Sixty-Seven Centavos (P974,030.67)** are allotted and available for utilization of admin cost in CY2025 charged to **(Trust Fund) the university share and project proponent share**, respectively.

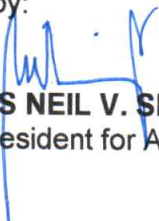
This certification is issued on the 7th day of March 2025 for whatever legal purpose it may serve.

Certified correct:


NICK FREDDY BELLO
Accountant III


LOUELLA C. AMPAC
Financial Management Director

Noted by:


MOISES NEIL V. SERINO
Vice-President for Administration and Finance



ACCOUNTING

Visayas State University, VPGG+Q70, Baybay City, Leyte,
Email: accounting@vsu.edu.ph
Website: www.vsu.edu.ph
PPhone: +63 53 565 0600 Local 1006



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System
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