



**University of Puerto Rico Comprehensive Cancer Center  
Work-For-Others Activities Cost Recovery and Distribution Policy**

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**A. PURPOSE**

The University of Puerto Rico Comprehensive Cancer Center (UPR-CCC) engages in work-for-others activities, related to its mission, in order to advance its research and public service endeavors. The Center strives to recover 100% of the costs incurred in these activities. These activities are charged at a fixed price. Thus, these work-for-other activities may yield proceeds achieved through savvy financial management and efficiency throughout the duration of the activity. The Work-For-Others Cost Recovery and Distribution Policy and related procedures are intended to define how the proceeds generated from work-for-others activities are distributed in order to preserve stewardship and transparency in the management and usage of funds while fostering innovation and the advancement of new projects.

**B. SCOPE**

Proceeds from Work-for Other Activities performed by UPRCCC personnel for State, and local government entities, non-Government/non-profit entities, universities, and privately-held corporations. This work is not directly funded by UPRCCC, but is authorized by and administered by UPRCCC.

**C. APPLICABILITY**

This policy applies to work-for-other, fixed price, activities subsidized by private or public organizations when the subsidizer does not place a restriction on how the funds are expended and does not require the return of unused funds.

This Policy does not apply to federal grants and contracts, programs from sponsors abiding by the Cost Principles as stated in 2 CFR 200 or other sponsors, regardless of the type of sponsor, that place contractual restrictions on the usage and distribution of funds.

**D. DEFINITIONS:**

**Credit Distribution:** Allocation of an individual's relative contributions towards project objectives outlined in the proposal, expressed in percentage; allows the Center to recognize and record such contributions, and appropriately distribute recovered indirect costs to the Research Incentives Accounts.

**Direct Costs:** Direct costs are costs that can be identified specifically with work-for-other activities, and therefore are charged to that activity. The accounting system records these costs as they are incurred within the series of accounts assigned for that purpose and further

distribution is not required. The Center treats all costs as direct costs except general administration and general expenses.

**General Fund:** This fund accounts for all of the Center's activities, except for those activities related to the sponsored projects.

**Indirect Cost:** The costs of administrative and support functions of the Center. Costs incurred for common or joint objectives that cannot be readily assigned to a particular sponsored project or work-for-other activity. Additionally, represent overhead or administrative expenses incurred during the implementation of work-for-others activities.

**Key Personnel:** The Principal Investigator (PI), Project Director (PD) and other individuals who design, conduct, and report research, or who contribute to the scientific development or execution of the activity in a substantive, measurable way, regardless of compensation.

**Principal Investigator (PI):** A UPR-CCC appointed faculty or staff member who bears responsibility for the intellectual leadership of the activity. The PI accepts overall responsibility for directing the work, financial oversight, and compliance with relevant Center policies and sponsor terms and conditions.

**Research Incentives Accounts (RIA):** An account created for UPR-CCC appointed faculty and staff that serve as key personnel in a work-for-others activity and receive a credit distribution for their contribution to the project.

**Work-for-Others Activity:** Any externally funded activity led by UPR-CCC faculty or staff that requires the Center to perform a specified task(s) or deliver specified product(s) or services, and the sponsor does not restrict the use funds. The Center usually charges a fixed price for these activities.

## **E. RESPONSIBILITIES**

**Principal Investigator(s):** will determine and certify the credit distribution percentage when the work-for-others activity has more than one Principal Investigator or Key Personnel.

**Office of Sponsored Programs:** will analyze the work-for-other activity's contract to determine restrictions on usage of funds. OSP will collect and keep record the Credit Distribution Percentage Form. Upon activity closeout, the Sponsored Programs Accountant will certify the dollar amount of proceeds recovered through the activity, and forward the distribution forms to the Finance Department for Research Incentives Accounts to be created and/or credited when payments are received. The Office of Sponsored Programs will keep track of the Research Incentives Accounts and available funding.

**Finance Department:** will create Research Incentives Accounts for each faculty and key personnel that receives credit distribution from work-for-other activities proceeds.

## F. POLICY:

The Center will distribute the proceeds generated from work-for-others activities when: 1) the work-for others activity has closed; 2) the Center ensures that products and/or services were delivered as outlined in the activities' contract; 3) the Center has received payment in full for the agreed-upon activities, and 4) the Center has performed the financial and cost analysis necessary to ensure that 100% of the incurred costs, direct and indirect, were recovered.

This policy serves only those work-for-other activities where the subsidizer does not place restrictions how the funds are expended, and the Center does not need to return unused funds to the subsidizer when the activity ends.

Proceeds recovered from Work-for-Others activities will be distributed as follows:

Item Fund	% distribution
Research Incentive Account	90%
Research and Education Support Fund	10%

## G. PROCEDURES:

### 1. Distribution of Funds

The funds will be distributed as indicated above. When the activity closes, an analysis will be done to determine the amount of remaining proceeds to be distributed according to the following accounts:

- a. **Research Incentives Accounts (RIA):** RIA accounts will hold funds for UPR-CCC appointed faculty and staff to pay for expenses related to research support and professional development activities, such as: cost of publishing, books and journals; professional travel; research supplies and equipment; research project development expenses (i.e. pilot projects, consultant fees and grant writing), and post-doctoral researchers and student assistants expenses (i.e. stipends, salaries, professional development or travel). Food, beverage and gift cards purchases are not allowable. Supplemental compensation is not allowable.
- b. **Research and Education Support Fund:** The Research and Education Support Division will utilize the funds recovered through indirect costs for training, professional development activities, professional travel, research support and education project development, equipment and supplies, books and journals and any other allowable cost necessary to advance the objectives of the Research and Education Support Division. Food, beverage and gift cards purchases are not allowable.

Note: that these percentages will be applied to a prorated value of the proceeds earned from the activity. All distributions of proceeds remain the property of UPRCCC and are to be managed by the staff associated to the UPRCCC to facilitate additional research opportunities in cancer fields.

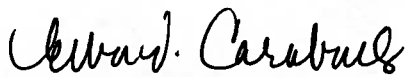
### 2. Research Incentives Account (RIA) Management

- a. RIA are created by the Finance Department for each PI or key personnel participating in

a work-for-others activity. Accounts will be credited according to the Credit Distribution prepared at the time of contract signing.

- b. Accounts will be credited when Work-for-Others activity proceeds are recovered by the UPR-CCC. Accounts cannot receive or use funds based on estimated or future costs recovery.
- c. RIA funds will be available and not expire as long as the account is utilized at least once per fiscal year.
- d. RIA funds can only cover research related or professional development expenses.
- e. The Office of Sponsored Programs will monitor, but not approve, funds in individual accounts.
- f. Personnel with RIAs must initiate and track expenses and balances of the accounts.
- g. RIA funds remain in the individual's RIA as long as the faculty or staff has an appointment with the Center.
- h. PIs that retire or leave the UPRCCC: If the PI plans to continue to perform research/projects as an emeritus faculty member, the account remains open and available for use. If not, the account will be closed and the remaining funds in the account will be transferred to the Research and Education Support Fund.

This policy is recommended by the Research and Education Support Division Director on:



Research & Education Support  
Division Director

Date: 2-26-2018

This policy is approved by the UPRCCC's Executive Director on:



Executive Director

Date: 2/26/2018