

The Woods Hole Oceanographic Institution (WHOI) is a non-profit [501c(3)] research and education organization subject to the cost principles of 2 CFR 230. WHOI Principal Investigators are responsible for conceiving, funding and carrying out their research programs. Many of them also constitute the educational faculty of the Institution. Senior Personnel are expected to raise 12 months of support for themselves and their staff by writing proposals and obtaining sponsored research grants and contracts from a variety of sources. Those who participate in WHOI's academic programs receive an average of only 2 months of Institution support per calendar year, and participation in teaching and advising is neither required nor universal. NSF has confirmed to WHOI that salary support beyond 2 months per year can be justifiable for these Principal Investigators.

WHOI calculates overhead rates (both Laboratory Costs and General & Administrative Costs) as a percent of total direct salaries and benefits, as allowed by 2 CFR 230. Direct salaries exclude overtime-premium pay. A proposed labor month is equal to 152 hours or 1824 hours annually versus 2080 hours (40 hours/week for 52 weeks). The difference is for vacations, holidays, sick time, and other paid absences, which are included in the Paid Absences calculation. WHOI cannot "waive" or reduce overhead rates on any sponsored research project due to the structure of our negotiated rates with our cognizant government agency. When a program sets limits on overhead, WHOI must use Institution unrestricted funds to pay the unfunded portion of the overhead costs.

*Graduate student stipends are included in the total direct salary costs. However, they are not included in the benefits base, and only 1/2 of the Laboratory Cost rate is applied to the stipend because it is estimated that the GRA occupies a laboratory only 1/2 of his/her time, and the balance is spent in education activities. Fifty-five percent (55%) of the GRAs' tuition is included as a direct cost in this budget. The Institution provides the balance from Institution endowment funds, including 100% of summer tuition.*

The rates included in the proposal are negotiated with our cognizant government agency or they are estimates. When estimated rates are finalized, costs will be in accordance with the rate agreement.