

Indirect Costs Policy

Formally known as the Policy on Overhead Charges for Research

Category: Research Policy

Approval: Senate and Board of Governors

Responsibility: Office of Research and Innovation

Date: September 2004

Preamble:

These policies apply to all research grants and contracts entered into by faculty, students and staff of Trent University that involve the use of university facilities, services, equipment or personnel. These policies are consistent with the Policy on the Indirect Costs of Research adopted by the Council of Ontario Universities in September 2003

Definitions:

Direct costs: Costs of a research project which are directly related to conducting the research, including the salaries and benefits for research personnel, materials and supplies, travel, equipment and rental of space, equipment and facilities.

Indirect costs: Costs that cannot be directly associated with a research product, function or activity, and are general costs to the university that enable or facilitate the research.

Overhead charges: Charges levied by the university to a research project to compensate the institution for the indirect costs of the research.

Research grant: Financial support for research carried out under the terms of a general agreement between the granting agency and the university, without any formal detailed stipulations as to the exact directions, procedures and deliverables of the research. The investigator is entirely free to discuss the work with colleagues, and to publish his/her findings and the interpretations of them. Expectations for receipt of a research grant are: i) the funds cannot be retracted as a function of research performance, ii) equipment purchased belongs to the university upon completion of the research, iii) there is no direct or indirect remuneration to the principal investigator or co-investigators, iv) investigator(s) and/or the university own the intellectual property arising from the project, v) payment to the university is made in advance of expenditures or in regular installments, vi) the university retains the right to use the research results in the theses and dissertations of students. Although some funding agencies or the private sector may provide support for all research using the terminology, "research contract", this financial support will be considered a research grant as long as the terms of the research support meet the criteria described above

Research contract: Financial support for research carried out under the terms of a written agreement specific to each project that outlines specific stipulations as to the exact directions, procedures and deliverables of the research. The stipulations and conditions may include limitations on the communication of research results, ownership of intellectual property, patent and publication rights, licensing arrangements, time period for activity, student participation, confidentiality, and terms for termination of the agreement. The expectations described for receipt of a research grant (see above) do not apply to a research contract and are subject to negotiation. Investigators receiving financial remuneration for contract research will be subject to the terms of the TUFA collective agreement related to part-time professional activities and remuneration will be reported by the university as consulting income.

Submission of Requests for Research Support:

All requests for research support must be submitted through the Office of Research and Innovation. Legally, the request must bear the signature of the Vice-President of Research and Innovation (or designate), and/or an officer of the Board (ie. President or Vice-President). The Office of Research and Innovation reserves the right to negotiate the terms of the grant/contract and the overhead charges. Investigators are expected to provide sufficient time for these negotiations in advance of submission deadlines.

Overhead Charges

Unless the university has a prior written agreement with a funding agency or a contractor, applications for all research support must include a request for overhead, except in cases where: i) funding comes from a federal tri-council (i.e. NSERC, SSHRC, CIHR) grant program that generates financial support to the university from the federal Research Support Fund (RSF) program, ii) funding comes from a registered foundation or charitable organization, iii) funding is used only to provide direct financial support for a graduate student (i.e. graduate research stipend).

In all other cases, overhead will be charged at a rate of a minimum of 25% for research grants and a minimum of 40% for research contracts.

Points of Negotiation:

Overhead charges may be modified in cases where a granting agency or contractor contributes to reducing the overhead costs to the university, pledges to provide a valuable piece of equipment for use on a research project and/or as a permanent donation to the university, agrees to contribute to the costs of commercialization of intellectual property, or agrees to return revenue from commercialization to the university.

Allocation of Overhead:

Revenues from overhead charges for research grants and contracts will be distributed on the basis of 50% to the Office of Research and Innovation (for institutional distribution), 40% to the Principal Investigator, and 10% to an institutionally recognized research organization (see policy on research organizations) and/or an academic unit. The latter 10% will be distributed at the discretion of the Principal Investigator.

The Office of Research and Innovation will provide an annual report to the Research Policy Committee and Senate on the use of overhead revenues. The Research Policy Committee will provide guidance on the institutional priorities for use of overhead revenues.

Contact Officer:

- Director, Office of Research and Innovation

Related Policies, Procedures & Guidelines

- a) External Research Activities Policy
- b) External Research Activities Procedure
- c) Contract Research Policy