

Research Overhead Policy

Classification Research	Table of Contents 1 Purpose 1 2 Scope 1 3 Definitions 1 4 Policy Statement 2 5 Responsibilities..... 3 6 Related Policies 3 7 Related Procedures 3 8 History 3
Approval Authority Vice-President (Research)	
Implementation Authority Vice-President (Research)	
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1 Purpose

The purpose of this policy is:

- a) to recognize the significant cost of conducting research and providing research-related analysis and technical services;
- b) to ensure the proper accounting of direct costs in research projects; and
- c) to provide a mechanism for the University to recover indirect costs through established overhead rates.

2 Scope

This policy applies to University employees and others who conduct research activities or approve research budgets or research agreements under the auspices of the University.

3 Definitions

In this policy:

- a) “Direct Costs” means costs that are identified as directly attributable to a Research Project. Direct Costs include but are not limited to the costs of:
 - i. salaries and related benefits of Research Project personnel, pro rata if the individuals are working on multiple projects;
 - ii. equipment;
 - iii. capital costs;
 - iv. consumables;
 - v. insurance; and
 - vi. travel.
- b) “Indirect Costs” means central, faculty and departmental costs that the University incurs to support research and other operations which are not directly attributable to a specific Research Project. Indirect Costs include but are not limited to the costs of:
 - i. heat, light and water;

- ii. cleaning;
 - iii. general liability, property damage and other insurance;
 - iv. departmental administrative support;
 - v. research services;
 - vi. legal and financial administration;
 - vii. environmental health and safety services;
 - viii. IT services;
 - ix. building maintenance services; and
 - x. libraries and library services.
- c) “Overhead” means the amount required in accordance with the Research Overhead Procedure to be set out in a Research Project’s budget as a contribution towards Indirect Costs.
- d) “Principal Investigator” means the individual who has primary responsibility for the design, execution and management of a Research Project.
- e) “Research Project” means research or research-related activities, including research-related analysis and technical services, for which the Principal Investigator, on behalf of the University, receives funds from sources other than the University.
- f) “University” means the University of Calgary.

4 Policy Statement

General

- 4.1** The research budget for a Research Project must include all Direct Costs. Capital costs will be included as a Direct Cost if capital costs will be incurred in connection with the Research Project. Capital costs may include the costs of constructing or renovating buildings.
- 4.2** The research budget for a Research Project must also include Overhead, at the rate required by the Research Overhead Procedure.
- 4.3** Research Project proposals and applications must be submitted to the Research Services Office, the Calgary Centre for Clinical Research or Med Legal for review and approval of the terms that apply to the funding for the Research Project, including the applicable Overhead rate, before research budgets or specific funding requirements are agreed to with funders.
- 4.4** This policy will apply to all Research Project applications, proposals and budgets submitted to funders, the Research Services Office, Calgary Centre for Clinical Research or Med Legal on or after the effective date of this policy. Any Research Project application, proposal or budget agreed to by funders and approved by the Research Services Office, the Calgary Centre for Clinical Research or Med Legal prior to the effective date of this policy will continue to be governed by the Overhead rates in effect at the relevant time.

Waivers

- 4.5** A waiver or reduction of Overhead will only be approved by the Vice-President (Research) in exceptional circumstances. A waiver or reduction of Overhead must be recommended by the Principal Investigator’s Dean before it is submitted to the Vice-President (Research). A Dean will only recommend a waiver or reduction of Overhead in exceptional circumstances.

4.6 A waiver or reduction of Overhead approved by the Vice-President (Research) will only apply to a specific source of funding for a Research Project. A waiver or reduction will not be approved for a research program or for all of the activity of a Principal Investigator.

5 Responsibilities

5.1 University employees and others conducting research or approving research budgets or research agreements will:

- a) be familiar with this policy, the Research Overhead Procedure and the Overhead policies of funders.

5.2 Principal Investigator will:

- a) include all of the Research Project’s Direct Costs, including capital costs if applicable, and Overhead in the research budget when applying for external funding for the Research Project.

5.3 Research Services Office, the Calgary Centre for Clinical Research, and Med Legal will:

- a) ensure that Direct Costs, including capital costs if applicable, and Overhead have been included in Research Project applications, proposals and agreements in accordance with this policy and the Research Overhead Procedure.

5.4 Dean will:

- a) ensure that the Research Project’s Direct Costs, including capital costs if applicable, and Overhead have been included in the research budget in accordance with this Policy and the Research Overhead Procedure; and
- b) recommend waivers or reductions of Overhead only in exceptional circumstances.

5.5 Vice-President (Research) will:

- a) review requests for waivers or reductions of Overhead and approve them only in exceptional circumstances.

6 Related Policies

[Contracts for Research Policy](#)
[Research Integrity Policy](#)
[Code of Conduct](#)

7 Related Procedures

[Research Overhead Procedure](#)

8 History

May 1, 1987	Approved and Effective.
January 1, 1991	Revised.
April 1, 2005	Revised. Updated overhead rates and procedures, as well as to establish an overhead rate on industry-sponsored research grants. Approved by the Board of Governors on April 22, 2005.
June 16, 2014	Revised.
January 1, 2020	Editorial Revision. Updated format and links.