

Overhead on Research Funds Policy

Effective Date: August 1, 2012

Amended (US Federal Government rates) April 1, 2018

Overhead costs are those indirect expenditures incurred by the University in the conduct of research which are not readily identifiable as specific expenses to a project. They are real costs to the University which include, but are not limited to, such items as building occupancy and operating costs; facilities maintenance and upgrade; management and administration of research; support for regulatory requirements and research compliance; support for intellectual property and technology transfer activities; library and electronic resources; communications and IT support; faculty and departmental service to support research; and research promotion and development activities. These costs are, therefore, defined as indirect and are recovered through an overhead charge incorporated in the project funding and budget.

Overhead must be included in all budgets for contracts and applicable grants as a cost item (excluding Tri-agency grants). Adjustments should be made to the project outline and range of work so that all required costs can be included in the total budget. Where the contractor or sponsor has an established policy which specifies an overhead rate that is different from the University rate, the University will accept that rate where it is verified by the contractor or sponsor in a way that is acceptable to the University.

Grants from United States (U.S.) Government agencies, such the Office of Naval Research and from U.S. universities are usually treated as contracts and overhead must be included in the budgets at the U.S. Government rate.

Overhead on Research Funds

GRANTS		
Sponsor	Overhead Rate	Notes
Federal Government departments and Agency grants, Companies, Foundations, and Industrial Consortia	15% of total direct costs or as published in application guidelines	
Partnership funds for Tri-agency grants	20% of total direct costs	Funds can be provided as a grant or a contract.
National Institutes of Health	8% of total direct costs	

CONTRACTS		
Sponsor	Overhead Rate	Notes
Public Works Government Services Canada (PWGSC) - on campus research - off campus research - travel	65% of salaries and benefits 30% of salaries and benefits 2% (travel and subsistence)	These rates apply to all Federal Government contracts that are managed through PWGSC.
All other Federal Government departments	40% of total direct costs	
Federal and Provincial Government Contribution Agreements	15% of total direct costs	
Clinical Trials, OEER/OETR	30% of total direct costs	
Other Research Contracts	40% of total direct costs	Includes industry and agencies.
Provincial Government	40% of total direct costs	
U.S. Federal Government (effective April 1, 2018)	62.9% for on-campus projects 10.9% for off-campus projects (Off-campus projects are defined as: "...all activities performed in facilities not owned by the organization and to which rent is directly allocated to the project(s)." Calculated on direct salaries and wages only (including vacation, holiday, sick pay and other paid absences; excluding all other fringe benefits).	This is a non-negotiable rate set every three years by the US Federal Government
Graduate Student Stipends	20% of the stipend amount	
International Development Projects	15% of total direct costs, or as published in application guidelines	Overhead generated is distributed: 55% to the implementing Faculty; 33.3% to the University; and 11.7% to International Research & Development (IR&D) within Dalhousie Research Services

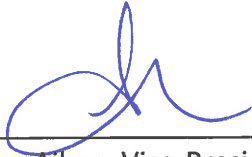
Distribution of Overhead Revenues

For University-based research, all overhead revenue generated from research is distributed between the Institution and the Faculty in which the research was carried out according to the distribution schedule below. Distribution of these revenues within each Faculty is done according to policies adopted by each Faculty.

Overhead revenue generated by University researchers engaged in hospital-based contract research is divided between the hospital in which the research is conducted and the University; the University portion will be distributed in accordance with this policy. This applies to both clinical and non-clinical hospital-based research.

Overhead Distribution Schedule

Fiscal Year	% Overhead to Faculty	% Overhead to University
2012-2013	90%	10%
2013-2014	85%	15%
2014-2015	80%	20%
2015-2016	75%	25%
2016-2017	70%	30%
2017-2018	65%	35%



Dr. Alice Aiken, Vice-President Research

March 26, 2018

Date