Indirect Cost Recovery Procedure

Section 1 - Purpose

(1) The purpose of this procedure is to outline the process for the calculation and distribution of indirect research costs associated with externally funded research activities.

Section 2 - Scope

(2) This policy applies to all research carried out by University of Canberra staff, students, and affiliates (academic, professional, honorary appointments) under the auspices of the University of Canberra.

(3) Consultancy income and levies are excluded from this policy. For consultancy income refer to Consultancy Management Procedure.

Section 3 - Procedure

(4) All external research funding applications must include a minimum indirect cost recovery levy of 25% of the research costs (e.g., if the cost of the research is $100,000, the indirect research costs are $25,000 resulting in a total funding submission of $125,000), unless one of the following exemptions applies:

a. The application is to a funding body that explicitly prohibits the inclusion of indirect research costs
b. The funding body stipulates an indirect cost rate of less than 25%, in which case the maximum permissible rate must be included
c. The application is for funding by Australian Charitable Trusts/Foundations
d. The application is for funding from a Not-For-Profit organisation which have a published policy stating that they do not pay indirect costs
e. The application is for use of Bona-fide donations
f. The application is specifically for a student stipend.

(5) The Deputy Vice-Chancellor (DVC) may approve a reduced indirect cost recovery rate in exceptional circumstances. Researchers seeking a reduced rate must submit a 'Request for Reduction of Indirect Cost Recovery Charge' form, that provides a justification of the reduced rate, to Research Services to process.

(6) The recovery of indirect costs associated with externally funded research activities will be distributed between the relevant Faculty and the Office of the Deputy Vice-Chancellor, journaled monthly by Grant Accounting Services, as follows:

a. For grants less than $10,000 the full levy is returned to the faculty
b. For grants greater than $10,000 the levy is distributed as follows:
    i. 40% of the levy goes to the Research and Enterprise portfolio (capped at $5,000 per award) and 60% to the faculty, for reinvestment in research-activities. Where the levy to Research and Enterprise is capped, the remaining levy is allocated to the faculty.

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ii. Where the named UC Chief Investigators are in different faculties the IDC is split proportionately between the relevant faculties based on the number of Chief Investigators, unless a different arrangement is specifically negotiated between the faculties.

(7) Indirect costs recovered are to be used to support additional research and research related activities.

Section 4 - Responsibilities

WHO	RESPONSIBILITIES
Researchers	• Ensure that all applications include 25% indirect research costs unless exempt. • Any request for exemption from inclusion of indirect costs and/or a reduced rate must be made to the Deputy Vice-Chancellor (DVC) on the required form.
Grant Accounting Services	• Ensure that the indirect research cost income is distributed as per this procedure.
Deputy Vice-Chancellor (DVC) and Faculties	• Ensure that indirect research cost income is used to support research-related activities. • Ensure that indirect cost recovery income use is reported annually.

Section 5 - Implementation and Reporting

(8) Grant Accounting Services will ensure that the levy is journaled according to this procedure.

(9) The DVC will report annually to Faculties on use of indirect cost income allocated to DVC.

(10) Each Faculty will report annually to the DVC on use of indirect cost income, including proposed future use.

Section 6 - Definitions

TERM	DEFINITION
NIL	NIL

Status and Details

Status	Current
Effective Date	3rd December 2024
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Custodian	Michelle Lincoln Deputy Vice-Chancellor
Responsible Manager	Faraz Hasan Director, Research Services Faraz.Hasan@canberra.edu.au
Author	Nick Markesinis Policy Specialist
Enquiries Contact	Nick Markesinis Policy Manager --- Policy