

Overhead Charges on Research Grants and Agreements

Pertaining to All External Grants and Agreements Excluding Tri-Council Grants

Unit(s) Responsible: Office of the Vice-President Research & Innovation (VPRI),
Innovation York

Effective Date: January 2012

Preamble

The cost of conducting research includes not only the direct costs of a project, but also a range of indirect costs to support the infrastructure required for research to proceed. Such supports can range from heating, lighting and associated space and infrastructure costs, to HR, IT, research services and research account supports, among others. Overhead requirements seek to partially defray the extensive indirect cost pertaining to research projects. The inclusion of overhead in all research budgets is an expectation; an overhead waiver or reduction will only be granted in the most exceptional cases.

Purpose

To outline the overhead requirements for all research budgets created at the University.

Definitions

Overhead – is a percentage of direct costs included in a research budget to support the indirect costs of performing research, including but not limited to: maintenance of facilities and utilities; and management of legal and administrative costs.

Overhead Requirements

- Overhead must always be sought from external sponsors (other than CIHR, NSERC, SSHRC) when it is an eligible expense.
- York requires that an overhead rate of at least 40% of the total direct costs is included on all research budgets, regardless of the type of funder (e.g. government, industry).
- If a sponsor has a policy relating to allowable overhead rates that are below or above York's minimum 40% rate requirement, York will defer to the rate allowable by that funder.
- All industry contracts must include a minimum 40% overhead rate.

Process

- Overhead must be included in all research budgets at the time of application.
- Prior to providing York's signature on research applications or agreements, the Office of Research Services will ensure that the appropriate overhead rate has been included.

Contacts

For information on the overhead guidelines or how to apply overhead rates to your research budgets, please contact your Faculty Research Officer or ORU Coordinator.