

FACULTY OF ENGINEERING AND APPLIED SCIENCE
POLICY ON DISTRIBUTION OF INDIRECT/OVERHEAD COSTS
(Effective May 1st, 2019)

(Supersedes the policy approved by Heads January 29, 2014)

The policy on distribution of indirect costs (overhead) for FEAS departments under the current budget model is as follows:

- 1) For all FEAS research agreements that have an overhead component in the budget, except those led by members of FEAS Center(s) and Institute(s), the overhead distribution will be split: 30% to the researcher and 70% to the department.
- 2) For awards of a recognition nature to the applicant (e.g. Early Research Award), the overhead distribution will be treated as in item (1).
- 3) For Ontario Research Funding (ORF)-Research Excellence projects, except those led by members of FEAS Center(s) and Institute(s), the overhead distribution will be split: 40% to the Faculty Office and 60% to the Department. From the 60% allocated to the Department, up to a maximum of 5% may be, at the Departments discretion, dispersed to the Principal Investigator.
- 4) For Service contracts, each Department is responsible for setting prices and ensuring adequate cost recovery. The Faculty Office will continue to charge 5% of gross revenue on non-research related services, such as Service contracts and non-credit revenue generating courses.
- 5) For research agreements led by member(s) of the ePOWER Center:
 - (a) for ORF-Research Excellence agreements, the overhead distribution will be split: 60% to the Department and 40% to ePOWER.
 - (b) for all other research agreements, the overhead distribution will be split: 70% to the Department and 30% to ePOWER.
- 6) For research agreements led by member(s) of the Ingenuity Labs:
 - (a) for ORF-Research Excellence agreements, the overhead distribution will be split: 40% to Faculty Office and 60% to Ingenuity Labs
 - (b) for all other research agreements declared by the Principal Investigator as Ingenuity Labs projects, the overhead will be 100% to Ingenuity Labs
 - (c) Ingenuity Labs shall not charge members for space
- 7) Funding for CRCs will normally flow 100% to the Department.
- 8) Funds awarded through the Research Support Fund (RSF) will flow 100% to the Department.

Note on Recovery Rates

On the matter of recovery rates for research agreements, all FEAS departments will follow the University's "Recovery of the Indirect Costs of Sponsored Research Procedures"

<http://www.queensu.ca/secretariat/policies/research/indirect/indirectproced.html> (May 1, 2013).

Thus, the recovery rate will be 40% of Direct Costs. The exception is for the case where the External Sponsor's funds are to be matched with funds from a government agency (such as NSERC CRD), in which case the recovery rate will be 25% of the Direct Costs. Any variation in the recovery rate requires the permission of the Department Head and will only be considered under exceptional circumstances.