

OVERHEAD/INDIRECT COSTS POLICY

Overhead (or indirect costs) refers to those costs which are real but not easily identifiable with a particular research project such as utilities; the provision of institutional facilities; space; accounting; payroll and personnel services; janitorial services; and provision for equipment replacement. Every project involves overhead/indirect costs and compensation of these costs is normally sought on all research grants. In the case of most Tri-agency grants, overhead is not an allowable expense but the total value of all such awarded grants are used to determine the amount of the [Tri-agency Research Support Fund](#) grant which is paid directly to the University to offset the indirect costs to the University.

For all other grant applications and research contracts, the standard TWU overhead rate is 25% calculated on direct costs. This is the same as the overhead rate posted by other research universities in British Columbia. At Trinity Western University, overhead charges are distributed to the ORGS, the host Faculty/School, and the host Department/Laboratory in a 2:2:1 ratio.

Not all funding agencies allow for the inclusion of overhead costs however. Faculty members should contact the ORGS to find out the rate to use with a specific funding organization. Questions concerning overhead or other eligible cost items to be charged *in lieu* of overhead should be directed to [Sue Funk](#) in the Office of Research and Graduate Studies (ORGS).

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