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CLINICAL RESEARCH OVERHEAD RATES		
<u>EXECUTIVE SPONSORSHIP</u> Vice President, Quality	<u>INITIALLY RELEASED:</u> October 2021	<u>VERSION:</u> October 31, 2024

PURPOSE

To acknowledge that [indirect costs](#) are attributable to all industry and academic sponsored research projects including clinical research, and to provide a mechanism for Fraser Health to optimize its recovery of some or all these indirect costs through clearly established overhead rates to support sustainability.

POLICY

This policy applies to all sponsored research conducted within Fraser Health facilities, using Fraser Health resources and/or Fraser Health [staff](#).

Overhead costs are indirect expenditures incurred by Fraser Health in the conduct of research and are not readily identifiable as specific expenses to a specific research project. They are real costs to Fraser Health which enable the conduct of research in accordance with [regulatory, ethical, and operational standards](#) and include, but are not limited to:

- Regulatory requirements and compliance training
- Standard operating procedures (SOP) development and maintenance
- Quality system development, maintenance, and updates
- Clinical trials study management
- Research facilitation and methods support
- Clinical research unit facilities
- Provision of functional workspace for monitors
- Hazardous goods pick up and destruction
- Administrative services for applicable Fraser Health departments
- Facilities maintenance and upgrade
- Accounting support
- Administrative supplies
- Library and electronic resources
- Document storage and archiving
- Communications and IT support (including data security)
- Knowledge translation activities including, but not limited to; capacity building, research promotion, knowledge dissemination and mobilization, and developmental activities.

Overhead costs are recovered through an [overhead charge](#) incorporated into the research project budget. This applies to all research where indirect costs are not recovered via alternative mechanisms (e.g., Research Support Fund [e.g. CIHR]). Funding sources include but are not limited to: industry sponsors, grants, grant-in-aid.

DEFINITIONS

Direct cost: The cost that is attributable to a specific research project and is allocated based on actual use or time dedicated to the project such as research personnel salary, materials and supplies, equipment, departmental fees, consultant fee, publication costs, and other project-related expenses.

Indirect cost: The central, and/or departmental, and/or facility cost that Fraser Health incurs to support research but that is not attributable to specific research projects.

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Overhead charge: The amount set out in a research budget to cover the indirect costs associated with a specific research project.

PROCEDURE

Overhead is charged as a percentage of the total direct costs of a research project unless another calculation has been approved by the Department of Evaluation and Research Services. Exemptions may be given in certain cases (e.g., funding from charitable organizations (e.g., hospital foundations) or non-profit healthcare institutional cooperative group trials).

Overhead rates are negotiated in the budget for each research project. The rates are charged and paid according to the agreement and must be sufficient to cover Fraser Health costs.

Overhead rate structure:

- Overhead charged to industry is at a minimum rate of 40 percent;
- Overhead charged to government or academic institutions is at a minimum rate of 15 percent;
- Subcontracts are usually charged the same overhead rate as the primary contract.

Adjustments to overhead rates may be negotiated by Fraser Health taking into consideration factors specific to the agreement.

Overhead charges will be recorded in the financial management for each study and reported to the principal investigator and funding agency as required.

Overhead funds will be managed and allocated by the Department of Evaluation and Research Services to support research infrastructure and activities within Fraser Health.

RELATED RESOURCES:

- [Research – Corporate Policy](#)

DATE(S) REVISED / REVIEWED SUMMARY

Version	Date	Comments / Changes
1.0	October 2021	Initial policy released
2.0	October 31, 2024	Revision