FAQ: Overhead and Indirect Distributions

Please consult these frequently asked questions for information on Vancouver Coastal Health Research Institute’s distribution of indirect costs of research, which includes Overhead and the Research Support Fund (RSF). If you have further questions please contact Joyce Wong, Finance Manager, at VCHRI.

**Overhead Distribution**

The source funds for overhead distribution is from clinical trials and research contracts and grants. The distribution itself is dependent on where the research primarily takes place. For a clinical trial conducted at VCHRI/VCH site, the overhead collected is 30%. For research projects that are industry funded and/or outside of clinical trials (i.e. service contracts, non tri-agency grants), the overhead collected is 40%. Please reference the Faculty of Medicine Indirect Costs of Research (ICR) Policy which covers other non-industry agencies that also provide overhead: [https://mednet.med.ubc.ca/ServicesAndResources/Finance/Tools/Pages/Research-Indirect-Cost-Funding-Distributions.aspx](https://mednet.med.ubc.ca/ServicesAndResources/Finance/Tools/Pages/Research-Indirect-Cost-Funding-Distributions.aspx)

**How is overhead allocated between UBC and VCHRI?**

- For a clinical trial, the collected overhead is dispersed as 20% to UBC and 80% to VCHRI
- For research outside of clinical trials or industry funded projects, the overhead collected is dispersed as 50% to UBC and 50% to VCHRI

**How is overhead distributed within VCHRI?**

Overhead is distributed to VCHRI centres and programs, VGH and UBC departments, and principal investigators. The distribution rate is as follows:

- 40% to VCHRI centres and programs
- 12% to Vancouver Acute clinical departments and UBC Faculty of Medicine departments
- 8% to principal investigator, providing the PI's total distribution for the fiscal year meets a minimum threshold of $2,500

**When does the overhead distribution occur?**

The overhead distribution generally occurs during Q3 of the fiscal year. The overhead distributed pertains to prior year research projects as the previous year comprises a complete year of data. For
example, the distribution of 2021-2022 overhead will occur in fiscal year 2023 Q3, between October to December 2022.

**How is the overhead distribution transferred?**

- The overhead distribution is transferred from a VCHRI program worktag
- VCHRI centre and program directors, VGH and UBC department heads, and applicable PIs can choose to receive their overhead allocations to a UBC worktag or a VCH cost centre

**Research Support Fund (RSF)**

The source funds for RSF is from tri-agency grants (CIHR, NSERC, SSHRC, and NCE). The calculation for RSF distribution is based on a three year rolling average of federal research grants recognized by UBC. For example, in FY 2023 the RSF distribution will be based on a three year rolling average of tri-agency grants recognized from FY 2019 to FY 2021.

**How is RSF allocated between UBC and VCHRI?**

For research projects conducted on VCHRI/VCH site, RSF is dispersed as 34% to UBC and 66% to VCHRI.

**How is RSF distributed within VCHRI?**

Approximately 40% of the RSF is distributed to VCHRI centres and programs. RSF is not distributed to departments or principal investigators; however, it is at the discretion of the centre directors to further distribute to their respective research programs or departments.

**When does RSF distribution occur?**

The RSF distribution generally occurs at the beginning of the calendar year. For example, the 2022-2023 RSF distribution will occur in January 2023.

**How is the RSF distribution transferred?**

- The RSF distribution is transferred from a VCHRI program worktag
- VCHRI centre and program directors can choose to receive their overhead allocations to a UBC worktag or a VCH cost centre

It is important for principal investigators to identify “VCHRI” as the main institution on their RPIF (research project information form) if their research is conducted on a health authority site using VCHRI/VCH infrastructure, space, and resources. This enables the collected overheads and RSF to be allocated to VCHRI for distribution.