

Schedule - Indirect Cost Recovery Rates and Distribution

Indirect cost recovery rates

The indirect cost recovery charge, applies to all research and project and consultancy activities (according to Section 3 clause 3), as outlined in the [Indirect Cost Recovery Procedure](#). The indirect cost recovery rate used for the calculation of Indirect costs (Section 5 clause 8) will be per Table 1 below:

Table 1: Minimum Indirect cost recovery rate

Organisation Type / Funding Request	Philanthropic Funding	Indigenous Funding Body	Not For Profit /Non-Government	Corporate and Government	Equipment only	Project/s where University staff request payment of any surplus through University payroll**
Indirect Cost Recovery Rate	10% [^]	15%	20%	35%*	15%***	17% surcharge on any payment through payroll, which is retained centrally* (in addition to standard 35% rate)

* from 1 January 2025 for all new funding applications, proposals and/or contracts.

**All eligible projects must be facilitated by TUNRA Connect and be approved in alignment with the Project and Consultancy Procedure. Requests by any University staff to receive any project surplus through University payroll must be approved by the appropriate delegate prior to the project commencement

*** With the exception of philanthropic funding, any funding which is solely for the capital cost of equipment, facilities or infrastructure for research will have a minimum indirect cost recovery rate of 15% from 1 January 2025. The 15% will be retained centrally. Any associated funding including but not limited to installation, maintenance and/or operating costs will attract the standard rate in Table 1.

[^] by agreement with the donor after discussion with the Office of Alumni and Philanthropy

Distribution of recovered indirect costs

Unless otherwise specified in the table above, indirect costs for research funding and project and consultancy work will be recovered and distributed as follows:

- 1/5 of the costs recovered will be distributed to the relevant research team in accordance with the University of Newcastle lead Chief Investigator, or Responsible Officer listed on the grant, project of consultancy at the time of distribution;
- 1/5 of the costs recovered will be distributed to the College for subsequent re-allocation on research related activity and/or research related infrastructure as determined by the relevant College Pro Vice-Chancellor; and
- 3/5 of the costs recovered will be retained centrally to support University-wide engagement activities with industry and other partners in consultation with the Division of Research and Innovation, leveraging external funding and to support broader University initiatives.

Where the funding is Philanthropic funding with no identified researcher in the donation then the full indirect costs recovered will be retained centrally.

Where an Indirect cost recovery rate exceeds the minimum stated in Table 1, then subject to DVC(R&I)

approval the additional indirect costs recovered may be distributed per item a. above.

Noting that where there is partial waiver of indirect costs, or debt write off that reduces income received, any distribution will be first taken from the Chief Investigator's allocation, then the College, and lastly the allocation retained centrally (section 5 clause 20).

This schedule is subject to review/change at any time. The rate for Corporate and Government is forecast to increase to 40% in 2026 and this will be confirmed in mid 2025.

Version Date: 14 November 2024