



Procedure for Distribution of Research Overheads

Brendan Jennings

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1. Document Control Summary

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2. Introduction / Context

In line with its legislative mandate TU Dublin is committed to the provision of an environment that encourages and facilitates its staff and students to undertake research and innovation activity with significant and lasting beneficial impact in the Dublin region, across Ireland, and beyond. In particular, our Strategic Intent 2030 targets that by 2030 “our research activities will have grown and be concentrated in 5 key fields, delivering a weighted portfolio of research outputs.”

A large portion of the university’s research and innovation activity will continue to be funded or co-funded by external entities including, but not limited to, national and international research funding agencies, commercial partners, government agencies, non-government organisations, charities, and philanthropic donors. Typically, entities funding or co-funding TU Dublin research and innovation provide funds to cover the “direct” costs of research activities, which can be directly attributed to that activity, as well as contributions to “indirect” costs (also known as “research overhead costs”). Research overhead costs are expenditures incurred by the university in the conduct of research and innovation activities that are not readily identifiable as specific expenses to a research-related contract. Many funding entities provide different levels of “research overheads” to cover these indirect costs according to their own policies. Other funding agencies do not provide any research overheads. Finally, individual research overheads levels can be negotiated by the university with some funding entities (notably industry partners), cognisant of state aid rules and national best practice.

The university has the responsibility to pay for the enabling costs of university research and innovation activity (this is, essentially, the ‘research overhead’ or ‘indirect costs’ of the activity). As outlined above, funding entities may contribute to offsetting a portion of the university’s costs in this regard. The university, as the owner of the costs, can, at its sole discretion decide to re-allocate portions of its funds to support research and innovation activity.

This procedure provides a transparent, rules-driven framework for the distribution of funds, reflective of research overhead contribution income, to the various actors and entities within the university that are directly and indirectly involved in delivering and supporting the university’s funded research activity. Funding for research overhead costs from external entities is critical in sustaining and developing the research infrastructure of the university in a manner that allows us deliver on our Strategic Intent 2030.

The procedure is designed to be consistent with relevant legislation and regulations, notably the EU Commission Framework on State Aid in Research & Development & Innovation 2014/163 (the “RDI Framework”), and with the Terms and Conditions of the university’s main research funding entities.

3. Purpose

The purpose of this procedure is to provide a fair and transparent re-distribution of funds, reflective of research overhead contribution income, to support the delivery of the university’s strategic objectives outlined in the university’s Strategic Intent 2030 and the statutory obligations contained within the Technological Universities Act 2018.

It supports the notion of ‘subsidiarity’ by enabling faculties, research hubs and Principal Investigators (PIs) have access to resources that they can use at their discretion and in their own best interest to support the relevant local research and innovation

The procedure specifies the manner in which funds, reflective of research overhead contribution income, are distributed between the various entities within the university that are directly or indirectly involved in delivering and supporting the university's funded research and innovation activities. It provides clarity for all members of the TU Dublin community regarding financial aspects of research and innovation activity and ensures fair and equitable treatment for all TU Dublin colleagues. Moreover, the procedure supports the realisation of the university's strategic objectives in terms of growing and sustaining impactful research and innovation activity.

4. Scope

This procedure applies to all TU Dublin Colleagues and Students carrying out and supporting externally funded research and innovation activity. The policy will apply to all research projects active at a designated commencement date following the date of policy approval and to all subsequent research projects. The commencement date is the start of the 2023/24 academic year.

The procedure applies to research projects where the value of the externally funded direct costs (before OHs are included) is greater or equal to €50,000, as well as to Innovation Vouchers (direct costs of €10,000). Overhead attached to projects outside this scope will be retained by the Vice President for Research and Innovation to support the research environment in the university.

The procedure does not apply to the financial arrangements underpinning the university's support for research and innovation activity carried out by colleagues and students that is not funded or co-funded by external entities. This procedure should be read in conjunction with the *TU Dublin Collaborative Research with External Partners Policy* and associated Procedure, which addresses a wider set of considerations relating to research and innovation activity funded or co-funded by external parties.

5. Definitions

The following are some identified core definitions used in this document. These include:

- External Funder – an entity external to TU Dublin who enter into an agreement with TU Dublin to fund or co-fund research and innovation activity to be carried out by Colleagues and Students. External Funders include, but are not limited to, national and international research funding agencies, commercial partners, government agencies, non-government organisations, charities, and philanthropic donors.
- Research and Innovation activity – for the purposes of procedure, research and innovation activity is defined as all externally funded or co-funded research and innovation activity work carried out using TU Dublin resources.
- Research Overhead Cost – expenditures incurred by the university in the conduct of research and innovation activities that are not readily identifiable as specific expenses incurred during the execution of a research-related contract¹.
- Research Overhead Income – monies provided by an External Funder to the university in consideration of the Research Overhead Costs associated with the funded or co-funded research and innovation activity.
- General Overhead Pool – a budget code, managed by the Vice President for Research & Income, into which Research Overhead Income is allocated upon receipt. Funds in

¹ Also known as 'Indirect Costs' and refer to the inevitable additional costs incurred by the University facilitating research but that are not individually or separately tracked in the accounts.

this pool may be used in the provision of the range of infrastructure and supports provided through the Vice President for Research and Innovation's teams, as well as for strategic investments and initiatives.

- Colleague – means an employee of TU Dublin, a consultant, visiting academic or researcher, or emeritus/emerita staff using TU Dublin Resources.
- Students - means undergraduate, postgraduate students registered in TU Dublin, and visiting students.
- Principal Investigator (PI) - is the primary individual responsible for and directing a given funded research and innovation activity (as described in research grants, cooperative agreements, or public service projects, contracts, or other sponsored project agreements) and is the person in whose name the activity is registered in TU Dublin. In cases where an agreement involves more than one PI, each PI will agree a breakdown of activity and associated budget allocation at the commencement of that project².
- Resources – includes, but are not limited to, TU Dublin's physical structures, research facilities, capital equipment, technical facilities, services, employees and/or TU Dublin-Owned Intellectual Property.
- Stakeholders – refers to the university through the Office of the Vice President of Research and Innovation, TU Dublin Faculty/Schools, Research Hub(s), Research Centres and PI(s) to whom a portion of Research Overheads relating to activity covered by a given research grant or agreement are to be allocated.

6. Procedure Details:

6.1 Overview

This document describes the procedure that TU Dublin Colleagues and Students follow in relation to Research Overhead Income:

- Upon seeking budget approval for Research and Innovation activity funded or co-funded by External Funders prior to proposal submission / contract agreement;
- Throughout the lifecycle of a Research and Innovation activity;
- When using allocated Research Overhead Income.

6.2 Budget Approval for Research and Innovation Activity

- The PI responsible for a research and innovation activity will obtain approval from the Head of Research Support Services for the planned project budget by an internal deadline prior to submission of a research funding proposal, or in advance of the commencement of negotiation/finalisation of an agreement with an External Funder. This budget will specify the expected Research Overhead Income amount.³

² This agreement will be lodged within the project registry (Pure) entry for that project. In the absence of an agreement Research Overhead Income associated with that project will be allocated in its entirety to the Office of the Vice President for Research and Innovation.

³ Projects that result from proposals or negotiations where the budgets were not properly verified by Research Support Services may, at the discretion of the VP for Research and Innovation be refused, or all associated Research Overhead Income may be allocated to the General Overhead Pool.

- The entities that may be allocated a portion of the expected Research Overhead Income are:
 1. The Office of the Vice President for Research and Innovation;
 2. The TU Dublin Faculty/School⁴ to which the PI is affiliated;⁵
 3. The TU Dublin Research Hub or Hubs whose resources the PI used in the initial development of the research and innovation activity or will use throughout the activity's lifecycle;
 4. The PI.
- At the time of budget submission the PI will confirm to the Head of Research Support Services (via Pure) whether a portion of the overheads associated with the research and innovation activity should be allocated to one or more TU Dublin Research Hubs. This will be recorded in the university Research Information System and the relevant Research Hub Head will be informed of the proposed allocation.
- Once the project is approved the Research Support Services team will prepare a schedule of expected overhead payments, which will be shared as part of the project setup process with Research Finance and the Stakeholders who will be allocated funds reflective of the generated overhead income.
- At the discretion of the Vice President for Research and Innovation the amount of funds reflective of research overhead income to be allocated to Stakeholders may be reduced prior to distribution in order to cover specific costs associated with supporting the project and/or the PI that cannot be charged to the project as direct costs. For example, costs associated with the use of external consultants to assist with the preparation of research funding proposals may be recouped by the university in this manner. The Research Support Services team will inform each of the Stakeholders of the amount of overheads that will be expected to be allocated to them as a result of the successful completion of the approved research and innovation activity. Provision of this estimate allows each of the stakeholders plan for future use of allocated funds that are reflective of research overhead income.
- In cases where a PI indicates that a project is being supported by one or more research hubs⁶ the default percentage allocation will be as follows:
 1. The Office of the Vice President for Research and Innovation: 50%
 2. The TU Dublin Faculty/School to which the PI is affiliated: 15%
 3. The TU Dublin Research Hub or Hubs whose resources the PI used in the initial development of the research and innovation activity or will use throughout the activity's lifecycle: 25%
 4. The PI: 10%

⁴ The Faculty Dean and Head of School will be responsible for agreeing and effecting the split of the allocation between faculty and school level.

⁵ In a small number of cases a PI may not be affiliated with any TU Dublin School. In this case, the portion of research overheads that would otherwise have been allocated to a school, will be allocated to the General Overheads Pool.

⁶ Where there is more than one hub supporting a project, the overheads allocation will be proportionally share between the hubs using a percentage agreed between the PI and the relevant research hub leads.

- In cases where a PI indicates that a project is not being supported by one or more research hubs⁷ the default percentage allocation will be as follows:
 1. The Office of the Vice President for Research and Innovation: 65%
 2. The TU Dublin Faculty/School to which the PI is affiliated: 25%
 3. The PI: 10%
- As an exception to these default allocations, for Innovation Vouchers where the claimed direct costs are €10,000, the allocations will be as follows:
 1. The TU Dublin Faculty/School/Function to which the PI is affiliated: €2,000
 2. The PI: €1,000
- Funds are only allocated to a PI when that PI remains as a member of staff (excluding Adjunct staff) or becomes an Emeritus/Emerita Fellow of the university) on the date at which funds dispersal occurs. When a PI leaves the university, any unspent funds allocation will be reclaimed by the university and shall not be transferred to another PI or a Faculty/School.

6.3 Project Lifecycle

- As Research Overhead Income is received by the University for the research and innovation activity they will be distributed in accordance with the actual project spend. The distribution process will take place annually, during the first quarter of the academic year, based on confirmed expenditure by R&I projects in the preceding academic year.
- In cases where Research Overhead Income is transferred following cost claims, the amount of Research Overhead Income may vary from the originally provided schedule; in such cases the stakeholders will be advised of a revised schedule by the Research Support Services team. In all cases a minimum of 25% of the total allocation will be retained in the General Overhead Pool pending the successful completion of the project.
- In cases where projects incur a deficit, the Vice President for Research and Innovation will put in place a plan to recover this deficit, for example through retaining current or future overheads associated with research and innovation activity undertaken by the involved PI or PIs, or their faculty/schools.

6.4 Use of Research Overhead Income

- All research overhead allocations can only be spent in line with TU Dublin finance policies and procedures, with all such expenditure being subject to financial audits.
- Research Overhead Income allocated to the Office of the Vice President for Research and Innovation will be used in the provision of the range of infrastructure and supports provided through the Vice President for Research and Innovation's teams, as well as for strategic investments and initiatives.
- Research Overhead Income allocated to Faculties/Schools are intended to be used to support development of the research and innovation capacity/capability within that faculty/school. Subject to that proviso, their use is at the discretion of the Dean of the

⁷ Where there is more than one hub supporting a project, the overheads allocation will be proportionally share between the hubs using a percentage agreed between the PI and the relevant research hub leads.

Faculty and will be reviewed by the Vice President for Research and Innovation from time to time.

- Research Overhead Income allocated to Research Hubs are intended to be used to cover the costs associated with running the hub and/or for strategic investments/initiatives to support the hub community. Research Hub expenditure will be in line with an annual budget plan submitted by the Research Hub and approved by the Vice President for Research and Innovation.
- Research Overhead Income allocated to the PI are intended to be used to support the PI's ongoing research and innovation activity. Expenditure will be approved by the PI's line manager (typically a Head of School). However, Research Overhead Income can never be used to fund R&I activity on the project from which that Research Overhead Income was derived, or to fund direct costs relating to the completion/continuation of other funded R&I projects.
- Research overhead allocated to a stakeholder should be used within 1 year of the allocation. Unless agreed with the Vice President for Research and Innovation, Research Overhead Income allocations unused at the end of this period will be reallocated to the Office of the Vice President for Research and Innovation.
- The Vice President for Research and Innovation may seek to recover allocations where the spend has not been to support research and innovation activities.

6.5 Approval process

Amendments to this procedure are approved by the Vice President for Research and Innovation and noted by the R&I Academy.

6.6 Change Process

The Vice President for Research and Innovation provides administrative support, and the Research and Innovation Academy has responsibility for this procedure.

This procedure will be reviewed at least every two years and more often if needed, including within six months of the publication of any change in other relevant national policies or guidance.

7. Related Documents

TU Dublin Collaborative Research with External Partners Policy, approved February 2023.

8. Document Management

8.1 Version Control

VERSION NUMBER	VERSION DESCRIPTION / CHANGES MADE	AUTHOR	DATE
v0.1	<i>Initial Draft</i>	<i>Brendan Jennings</i>	<i>29th September 2022</i>
v0.2	<i>Updated draft for approval by R&I Academy</i>	<i>Brendan Jennings</i>	<i>30th November 2022</i>
v1.0	<i>Draft for Approval by UET</i>	<i>Brendan Jennings</i>	<i>9th December 2022</i>
v1.1	<i>Converted from a policy to a procedure on foot of a decision by UET. Added specific details on operation of the procedure. Recommended by R&I Academy for approval by UET.</i>	<i>Brendan Jennings</i>	<i>27th February 2023</i>
v1.2	<i>Specified % shares for overheads dispersal</i>	<i>Brendan Jennings</i>	<i>23rd November 2023</i>
v1.3	<i>Minor updates to align with implementation choices/timelines set by Finance Services</i>	<i>Brendan Jennings</i>	<i>6th February 2025</i>
V1.4	<i>Added a separate dispersal rule for Innovation Vouchers. This is to incentivise this activity in schools/faculties. Added clarification for what happens when a PI is no longer a staff member.</i>	<i>Brendan Jennings</i>	<i>8th April 2025</i>

8.2 Document Approval

VERSION NUMBER	APPROVAL DATE	APPROVED BY (NAME AND ROLE)
1.2	<i>23rd November 2023</i>	<i>Dr Brendan Jennings, Vice President for Research and Innovation</i>
1.3	<i>6th February 2025</i>	<i>Dr Brendan Jennings, Vice President for Research and Innovation</i>
1.4	<i>8th April 2025</i>	<i>Dr Brendan Jennings, Vice President for Research and Innovation</i>

8.3 Document Ownership

Accountability to defining, developing, monitoring and updating the content of this document rests with the Vice President for Research and Innovation.

8.4 Document Review

The Research and Innovation Academy is accountable to review this document. This document should be approved by the Vice President for Research and Innovation .

8.5 Document Storage

This document will be stored on the TU Dublin content management systems under the Procedures INTRANET folder.

8.6 Document Classification

This version of the document is for internal use in TU Dublin only.