

Full Cost of Research Policy Exceptions and Exemptions (May 1, 2024)

Full Cost of Research Policy indirect cost rate exceptions and exemptions are listed below. They are subject to change over time and will be reflected in updates to the information herein.

Table 1: Policy Exceptions

Research agreements where the external sponsor prescribes a different recovery rate for indirect costs in their published terms or policy, and this is accepted by the University, the external sponsor's indirect cost rate will apply. Other types of research funding where the Full Cost of Research Policy's standard 40% policy rate may not apply are described below. See page 3 for a [glossary of acronyms](#).

An *external sponsor* is an entity or individual that provides direct support for research at the University, including support from government, business and industry, not-for-profit and/or community organizations, individuals, etc. Internal communications or external sponsor communications may reference the term 'sponsor' in place of 'external sponsor' and/or the term 'partner' may be used to mean co-funding external sponsor (i.e., external sponsors who provide co-funding).

Type of Research Funding	Indirect Cost Rate	Specific Considerations
Low-value agreements for which the total budget per external sponsor for a given project is \$5,000 or less	0%	Applicable only when the total external sponsor funding for the entire project does not exceed \$5,000 (CAD) and the project is distinct and separate from any other research activities previously or currently funded by the same external sponsor.
Tri-Agency (CIHR, NSERC, SSHRC, CRC), Mitacs, and CFI Note: not including New Frontiers in Research Fund	0%	Indirect costs are not eligible expenses in accordance with these external sponsors' policies and guidelines. Indirect cost rates for external sponsor co-funding are specified below.
External sponsor co-funding that has been successfully matched with funding from Tri-Agency (NSERC, SSHRC and CIHR); Tri-Agency funds must be <i>contingent</i> on the external sponsor's co-funding (e.g. SSHRC Partnership, NSERC Alliance)	25% on external sponsor co-funding	Indirect costs will be charged at the Full Costs of Research Policy 40% rate and will be reduced to 25% only after Tri-Agency funding has been secured. Indirect costs will be reduced only on external sponsor co-funding that has been matched, and those funds that have not been spent more than three (3) months prior to the date the funded grant application is submitted to the Tri-Agency.
External sponsor co-funding matched with non-Tri-Agency funding (e.g. ORF-RE, Ontario Genomics, Ontario Centres of Innovation, Ontario Agri-Food Innovation Alliance)	40%	

External sponsor's co-funding matched with Mitacs funding	0%	External sponsor co-funding is to be remitted to Mitacs directly and indirect costs are not eligible expenses under Mitacs' program guidelines.
Funding available through the Ontario Agri-Food Innovation Alliance Research Program	0%	The Ontario Agri-Food Innovation Alliance provides funding for indirect costs (both general and specific) at the program-level rather than the project-level; thus, these indirect costs are already recovered through other mechanisms. No additional indirect costs are required on funding requested directly from the Ontario Agri-Food Innovation Alliance. Indirect costs must be included in external sponsor co-funding contributions per above.
Charitable gifts/donations	Maximum allowable rate as per their published guidelines or policies, or to be determined by AA&D and RSO	Consult with Alumni Affairs & Development (AA&D) and Research Services Office (RSO) to determine applicable indirect cost rate.
Sub-agreements where an institution provides flow-through funding from a prime external sponsor's source of funds to U of G (e.g., federal government funding awarded to the lead university, which flows funding to U of G)	Indirect cost rate set by prime external sponsor	If there is no prime external sponsor rate or specific program guidelines, then the acceptable rate is the one communicated by the lead institution in accordance with their institution's policy.
Internal funding	Current indirect cost rates will continue	Applies to internal funding provided by departments, colleges, or units within the University, including but not limited to Pet Trust, Equine Guelph, CARE-AI, etc.
AFL and AHL employees applying for OMAFRA funding (outside of the Ontario Agri-Food Innovation Alliance) where research occurs largely within the AFL or AHL facilities	15%	This rate reduction is based on the Ontario Agri-Food Innovation Alliance providing funding toward indirect costs associated with operating the AHL and AFL.
Registration (orthogonal) and performance variety trials conducted under the Recommending Ontario Crop Committees (OCC, OCCC, OSACC, OPCC)	10%	

Table 2: Research Budget Exemptions

Specific direct costs included in research project budgets that are exempt from calculating indirect costs (indirect cost rate = 0%), as listed below:

Research expenses exempt from indirect cost calculations
External per diem rates for Central Animal Facility and Isolation Unit
Services provided by the OVC Health Sciences Centre
Research Centre Fees for ARIO Research Centres or user fees for University Facilities that are part of the Ontario Agri-Food Innovation Alliance (Guelph Turfgrass Institute, Bovey Growth Facilities, Crop Science Growth Facilities)
Analytical service fees paid to the Laboratory Services Division – Animal Health Laboratory and Agriculture and Food Laboratory

Glossary of Acronyms

AFL	Agriculture and Food Laboratory
AHL	Animal Health Laboratory
CFI	Canada Foundation for Innovation
CIHR	Canadian Institutes of Health Research
CRC	Canada Research Chairs
NSERC	Natural Sciences and Engineering Research Council
OCCC	Ontario Cereals Crop Committee
OCC	Ontario Corn Committee
OMAFRA	Ontario Ministry of Agriculture, Food and Rural Affairs
OPCC	Ontario Pulse Crop Committee
ORF-RE	Ontario Research Fund – Research Excellence
OSACC	Ontario Soybean and Canola Committee
SSHRC	Social Sciences and Humanities Research Council