Costing Research Applications

Frequently asked questions

General Questions

Q1 What is full economic costing (fEC)?

Full economic costing (fEC) is the process of costing all the activities undertaken by the University. fEC is an integral part of applying for research funding. The TRAC methodology for costing is been applied via the Project Costing Tool which is available to all members of staff to facilitate the costing of research applications.

Q2 Why are we doing fEC?

fEC is a crucial part of the University's sustainability agenda, and will allow future investment in its infrastructure. Also, to be able to access Research Council funding we have to apply for research funding on a fEC basis.

Q3 How is the time allocation survey (TAS) linked to fEC?

TAS is required to allocate academic staff and non-staff costs to Teaching, Research or Other activities. These allocations are also used to calculate the estate and indirect cost rates. The Transparency Review results have identified significant shortfalls in funding of both teaching and research and have resulted in additional funding for the sector.

Q4 Where can I find information about TAS?

There is more information available on the Transparency Review website: *http://www.bristol.ac.uk/finance/systems/tas/*

Q5 What is Partnership Funding?

Partnership Funding is available to help with the costs of research funded by charities in Universities. This will be distributed through HEFCE. Further details can be found via HEFCE's web site: http://www.hefce.ac.uk/research/funding/

Q6 What about costing Teaching?

Teaching can be costed using the Unit Costing Tool.

Q7 What are the main differences between a project costing using fEC and a proposal costed under the previous methodology?

The key changes are:

- time spent by academic staff on the research is estimated and charged
- more costs are identified as direct, for example space, which will be specifically identified
- residual indirect costs are costed on an FTE basis rather than as a percentage of staff costs.

Q8 What are the types of costs that make up the full economic cost?

The total cost of the activity includes all the following types of costs

Type of Cost	**Examples**
Directly Incurred	Research Assistants, Travel, Consumables
Directly Allocated	Principal Investigator Time, Departmental Technicians
Estates Costs	Estimate of the space cost for the project calculated by FTEs on projects. Covers Depreciation, Heat, Light, Power, Cleaning, Security, Porters, Maintenance, as well as the costs of already established equipment.
Indirect Costs	Central support services e.g. Finance, Personnel, Library services etc

Q9 How much of the full economic cost are the Research Councils paying?

From September 2005, Research Councils have paid 80% of the full economic cost, except where equipment totals over £50,000. In this instance, they will pay 100% of the balance of equipment costs. Within the next decade they hope to move towards 100%.

Q10 If the Research Councils pay 80% of the fEC where does the remaining 20% come from?

The University will identify the additional 20% from its other income sources. The Principal Investigator will be allocated a budget of 100% of the directly incurred costs, so will be able to pay for 100% of the consumables, equipment, Research Assistant salary and so on.

Q11 What about Funders other then Research Councils? Do we have to apply fEC rules to them?

Yes, **all proposals should be costed using fEC**. It is the **price** that will vary according to the sponsor:

- Other Government Departments: Should pay 100% of the fEC except for NIHR who will follow the 80% model for HEI costs.
- Charities: Will continue to pay eligible costs only, which in general will be only the direct costs of a project.
- Industry: when applying to Industrial Organisations the price is market-driven and should be as high as the market will bear.

The specific rules for each scheme should be checked before completing a costing.

Q12 Are 'prices' competitive under fEC?

Yes. All Higher Education Institutes implement fEC so prices are broadly comparable across the sector.

Q13 Are there any restrictions on who we can and can't apply to?

There are no blanket restrictions on which funding organisations you can or can't apply to. The Head of Department or School and the Dean will continue their responsibilities for managing the portfolio of grants and research undertaken in the context of their overall budgets.

Q14 How can I pass on my views about fEC at Bristol?

If you have any feedback on the site or any queries about fEC, please use the feedback link below to contact the fEC team. We would be delighted to hear your views.

fec-feedback@bristol.ac.uk

Training

Hands-on training for the web based project-costing tool is now available via the Staff Development course diary. This course provides training in how to use the Project Costing Tool to cost research proposals. It takes you through the process of costing a standard Research Council proposal, and provides information on how to use the tool for other research sponsors. It is open to all staff and highly recommended for those involved in costing research proposals on a regular basis.

If there is enough interest, we can arrange for departmental sessions or overhead demonstrations of the tool. Please contact fec-feedback@bristol.ac.uk if you wish to follow this up.

If at any stage you have a query please contact your Research Development Manager or your Assistant Faculty Accountant.

Costing Research

Staff time:

Q1 How is Principal Investigator (PI) and Co-Investigator (CoI) time be costed?

The PI/CoI will need to estimate the time spent on projects over the lifetime of that project. Costs are calculated on a cost per hour basis so the preferred unit of measurement is absolute hours per project, but there are other measurements that can be used, e.g. % of time that will be converted into total hours per project.

Q2 What is a standard working year?

For **costing** purposes the accepted standard working year is a total of 1650 hours. It is recognised that many individuals work significantly more hours. However, for calculating a cost per hour the total staff cost (which does not vary with hours worked) is divided by the standard number of hours. If a higher number of hours was used then staff time would appear cheaper than it ought to.

Q3 Will academics have to fill in timesheets?

No, there is currently no intention that Academics should complete timesheets. However, information on how staff time is spent is still required for completion of the annual Transparency Review Returns. This information will be gained from the Time Allocation Survey.

Q4 As a Principal Investigator (PI) is my salary be displayed in a costing?

Yes, under fEC the Principal Investigator's and Co Investigators' (CoI) salaries are costed into the project. All salaries are confidential and to ensure that only the appropriate people view salaries staff will need to provide their consent for their own details to be viewed.

Q5 Who can give consent for my salary to be displayed?

You can accept or refuse to be named on a project. However, where you have yet to provide consent and a funder's deadline is approaching there can be a departmental override to allow you to be added.

Q6 Who has access to see my salary?

PI and CoIs see all details on the project including salaries. These staff are able to allow others to view the project details and have the facility to restrict such users to non salary details. Anyone involved in the approval of the project at the department or University level can view all details.

Q7 Where will my salary details come from?

For UoB named staff the data will be extracted from PIMS **once** consent has been received.

Estates Rates

Q1 What are the estate rates?

There are 2 rates; one for classroom or office based research and one for laboratory or clinical research. These rates are available to members of University staff, please email a request for them to fec-feedback@bristol.ac.uk

Q2 Which estate rate should I use?

The University has two estates rates: one is for laboratory or clinical research and the other is for office or classroom based research. The table below indicated which rate you should use, dependent of which Faculty the funding application is submitted from. You should contact your Assistant Faculty Accountant of you wish to use a different rate.

Faculty	**Agreed Rate**
Arts	Office/Classroom
Engineering	Laboratory/Clinical
Medical and Veterinary Sciences	Laboratory/Clinical
Medicine and Dentistry	Laboratory/Clinical
Science	Laboratory/Clinical
Social Science and Law	Office/Classroom

Indirect Costs

Q1 What is the indirect rate?

The indirect rate is available to members of University staff, please email a request for them to fec-feedback@bristol.ac.uk

Q2 Are there different indirect rates for different levels of staff?

No. There is only one indirect rate, which is to reflect the fact that the support costs of a post do not necessarily correlate with its grade.

Research Facilities

Since 1st February 2008 Research Facilities and Laboratory Technicians are required to be separately identified in research applications.

Research Facilities are the provision of a product or service which is provided internally by the University and used on research projects e.g. Cell Imaging, Crystallography. They can be divided into two categories; Major and Small Research Facilities or MRFs and SRFs.

- Both Major and Small Research Facilities must be approved by the fEC Project Steering Group).
- New research facilities (or changes to existing facilities) can only be added to the accounting methodology for Research Councils ONCE a year. Therefore if a facility is not identified during this period then it will have to wait until Autumn 2008 to be included in the accounting method for implementation (i.e inclusion in research applications) from February 2009.

Major Research Facilities

MRFs have running costs of over £300,000* per year. They are accessible to all Faculties and Departments (although not all may have cause to use them) and they can be charged to Research Councils as directly incurred or directly allocated depending on the nature of the facility. Depreciation and the cost of estates must be included within the cost of the facility.

** In some circumstances, the University can choose NOT to define a facility as major, regardless of its annual turnover.*

Small Research Facilities

SRFs have lower annual running costs and will not include the costs of depreciation and space. The usage of them will be charged to Research Councils as a directly incurred cost, allowing greater flexibility within the project to vire between other directly incurred costs.

The introduction of the new category of Research Facilities will provide an opportunity to identify and recover these costs through a standardised approach.

Laboratory Technicians

Currently some laboratory technicians are charged directly to research projects whilst others are included in the Estates Rates. Research Councils now require Universities to calculate separate laboratory technicians charge out rates. These changes also have been implemented since February 2008. These changes are specific to research being undertaken in laboratory/clinical space.

Technician (DI - Direct)

These are funded by research projects. They should be assigned to specific research projects and are charged as a directly incurred (DI) cost. They are often named individuals.

They must be:

- Fully dedicated to a project, or
- They should complete a time sheet to provide an audit trail of the time spent on the proposal in question

(see http://www.bris.ac.uk/Depts/Finance/safe/exttime/gentshhr.xls for a template)

Technician (DA- Pooled)

These technicians are core funded by the department and are called on to support specific research projects. These are charged as directly allocated (DA). They may be named individuals. If there are several possible technicians who might do this work, you can create it as a new post called 'Pooled technician' or similar. Technicians should be DA if they will be contributing to a number of research projects and it is not appropriate, or practical, to complete time sheets.

(Technician types added automatically by FEC)

Infrastructure Technicians (DA)

They are involved in the general running of a laboratory, e.g. on health and safety, waste disposal. They were formerly included in estate costs but can now be viewed as a detail within estate costs on clinical / laboratory based proposals. The cost depends on the FTE of academic staff on the project. Infrastructure technicians are directly allocated (DA).

Facility Technicians (DI)

These are involved in running a chosen facility. The cost is included in the facility rate and is not shown as a separate cost. If you are not sure whether the technical support you require is covered by the facility technicians please contact the facility manager.

Facilities and Technicians Training

Video presentation of the new features in FEC

Access to this presentation has been restricted to those likely to need this information, so you will be required to log in. If you have any problems, please contact cis-training@bris.ac.uk

- View full video presentation (Please note this version requires the latest Flash player plugin).
- View slides only (1.92mb Powerpoint presentation)

Reference Guides

You can download two documents for practical instructions on using the new features:

- Costing technicians in FEC (644Kb Word document)
- Research Facilities costs in FEC (603Kb Word document)

Hands-on training

More detailed hands-on training is also available through the Staff Development course diary on the following dates. These sessions are 3 hours long and cover the full functionality of the tool, not just research facilities and laboratory technicians.

Facilities frequently asked questions

Q1 What is a Major Research Facility?

A Major Research Facility should have an annual turnover of over £300,000. However the University is allowed to classify a facility with a large turnover as small if it has strategic reasons to do so.

Q2 Will the income earned from a separate facility be earmarked for that faculty?

Income to the University contributes to its annual income targets and to its capital investment programme (where projects are prioritised according to the University's strategic objectives). Any specific request to this policy must be discussed and approved by senior management and recommended via your Dean.

Tools and support for costing research

Q1 Is there a tool to help cost projects using fEC?

Yes, a web based project costing tool has been developed that facilitates the costing of research projects. It is a holistic costing tool, which calculates things such as estates costs and the indirect costs for you. It will also convert the estimated hours to be spent on a project by, for example, the principal investigator into a salary cost.

Q2 Is training for the Project-Costing Tool available and if so, when?

Hands-on training for the web based project-costing tool is now available via the Staff Development course diary.

Q3 Will the Project-Costing tool interface with the Research Council Joint electronic Submission (JeS) system?

Yes. You can automatically upload your costs from the project costing tool into JeS for all responsive mode applications and many other funding schemes: http://www.bris.ac.uk/red/support/funding/jesupload.pdf

Q4 What about other electronic application submission systems?

Currently JeS is the only electronic application system that supports the automatic upload of costs data from the University's project costing tool.

Q5 Who should I contact for help and advice when I'm costing a proposal?

Your Departmental Administrator, Research Development Manager and Assistant Faculty Accountant are all able to provide help and support throughout the costing process.

The Project Costing Tool

Q1 How do I give someone permission to go into my project and edit it?

Select 'manage permissions' from the left hand side. In the add user box type the surname of the person and select search. You will be shown a list of people with that surname. Locate the correct person and select 'add'. You then need to check the boxes to give them the appropriate level of access. If they do not need to see the salary information do not give them access to this part of the costing.

Q2 Where do I find my project ID number?

The Project ID is available at the top of each project report and is also available in your project web address e.g. https://www.bris.ac.uk/research/funding/project_costing/ProjectCostsdo?**projectId=1020**

Q3 What do I do if the Funder I am applying to is not available on the system?

The UoB Full economic cost can be used for any Funder to get the **cost** of the project. You will then have to check the rules of the Funder to determine the **price**. The Universal output project report will provide you with a full breakdown of the costs including showing each item with and without inflation, so can be used to transfer the costs to the Funder's application form.

Q4 What do I do if I have a joint appointment across two departments?

The project costing tool should give you the option to choose which department the project will be associated with. At this stage it cannot be split between departments so you should select the most appropriate department for this particular piece of research.

The Head of the lead School will be prompted by the project costing tool to liaise with the Heads of any other Schools involved in the project.

Q5 What do I need to give the Finance Office to approve my proposal?

In order to get your application approved you need to submit it into the electronic approval process (workflow). This can be done by selecting submit from the options on the left hand side when logged into the tool. You will need to follow through a series of screens to confirm the price etc. If there are any queries regarding your costings the Finance Office will contact you directly. If your funder's form is still paper based you will need to send that to the Finance Office separately for their sign off.

Q6 Why does the system default to read only when you've come out of project and then returned to it later?

The system defaults to Read-only to enable other people to edit the proposal.

Q7 I don't use Microsoft excel, so how can I view the project reports?

It is possible to use Open Office calc, which is a spreadsheet application to view the output data (http://www.openoffice.org/product2/calc.html).

Q8 Are there options for exchange rates other than Dollars, Euros and Pounds sterling on the system?

No, you need to contact the Finance Office for other exchange rates as required.

Q9 Will the system log out after a certain period of time?

After one hour of inactivity in the project costing tool, the system will automatically log you out saving the data you have inputted.

Q10 Can I give my Co-Applicant from another Institute access to my proposal on the costing tool?

No, the costing tool is for internal purposes only.

Q11 Can it be accessed and filled in from overseas?

Users should be able to access the system from abroad, see the Information Services pages for guidance.

Q12 Can we still use a paper project approval form?

No, all costings should be approved electronically.

Q13 I've added my colleague as a co-applicant and included a time commitment but their cost is coming through as 0?

It is likely to be one of 3 things

1. When you add a member of staff you need to select the 'request consent' button to send the individual an email to let them know they need to access the tool and give their agreement. Their salary information will not become visible until this process has been completed.

2. If the person is on a fixed term contract that is due to end before the start of this project the system will not forecast their salary costs. The individual needs to be added as a 'new post' instead.

3. If the individual is an honorary member of staff they may not have a salary cost associated with them, therefore if you do wish a cost to be associated with them you need to add them as a 'new post' on the appropriate scale.

Q14 The UoB calculation for my RA's salary comes out different to the JeS calculation. Why is this? What level of difference is acceptable?

The reason for the difference is because the Research Councils use a different methodology for calculating national insurance contributions. It is not possible for us to change the methodology we use so a degree of difference between the two calculations is acceptable. Generally up to 2% variation on a single salary calculation is acceptable. If you are in any doubt please contact your Assistant Faculty Accountant who will be able to advise.

Q15 How do I cost a project with a co-applicant who is at another institute?

This depends on the Funder. If you are applying to a Research Council (except for the ESRC and the MRC) you should put together your costs under one application number on the Joint Electronic System, and your co-applicant should put their costs on under another. When it comes to submission there is a facility called 'edit joint proposals' where you should link the two applications by their identification numbers. For funders that don't facilitate this dual process the lead applicant needs to collect each Institutes costs onto one form. Please contact your Research Development Officer or Assistant Faculty Accountant for assistance with obtaining the necessary figures from other Institutes.

Q16 My co-applicant is changing from full time to part time between now and the start date of the project – how do I account for this on the costing tool?

If you input their time contribution as hours per week or hours per period then it does not matter what their contracted hours are as the system calculates the cost using an hourly rate. Using percentage time as a unit will give you an incorrect figure. If you are not sure you can add the co-applicant as a 'new post' on the appropriate scale.

Q17 I'm trying to cost a Fellowship to a charity but my salary cost comes through as 0 on the funder's price – what do I need to do?

The salary cost is coming through as 0 because the Funder's rules on the charity templates excludes Principal Investigator time (on a standard project grant it would be an ineligible cost). Currently there is no template in place for generic charity fellowship applications, this will be included in a future version of the tool but in the meantime, you should add yourself as a 'new post' on the appropriate salary scale. A time commitment should be associated with you as a 'new post' and not with you as 'project lead'.

Q18 I am a research council fellow, how should I cost my time on my application?

Research Councils will not pay for more the 100% of an individual's salary costs. Therefore when applying as Research Council Fellow to a Research Council your time commitment should be indicated on the application but you should put a zero charge for it. When applying to other Funder types, if Principal Investigator time is an eligible cost you are entitled to include your time as a cost.

Q19 My salary is funded by a charity/industry. How should I cost my time on my application?

If your funder's rules allow you to include a cost for your salary you should cost your time as you would usually. There is nothing stopping us from recovering more than 100% of an individual's salary costs (the additional income will be returned to the department to distribute as appropriate).

Q20 How do I cost a Consultancy – are there any University agreed/recommended rates?

There are currently no University agreed or recommended rates as the level that can be charged varies with the Funder type and research area. Please contact your Research Development Officer for assistance

Q21 What does 'other' classification on the new posts refer to?

'Other' refers to non-research posts such as Secretarial support, project management, etc. It is important to select the appropriate role as the role dictates how the costs are accounted for.

Q22 Does it matter if I put items such as consumables and travel under the wrong cost category?

The most important thing at this stage is to get all the costs recorded. Best efforts should be made to get them in the right category if possible.

Q23 Why does the amount put in for consumables increase on the summary screen?

The system automatically applies inflation to all costs based on financial years. Therefore if you input £500 for consumables spread over a 3 year grant the tool will inflate the costs falling in the second and third financial year. If your funder does not allow you to include inflation then select the Universal Output from the project reports as this provides a breakdown of all the costs with and without inflation.

Q24 How do I stop inflation being applied to equipment that I know I will purchase in the first month of the grant?

To stop inflation being applied to an item that you know you will purchase in the early stages of the grant you need to amend the period end date for that item. The default position when adding non-staff direct costs is for the costs to be spread evenly between the start and end date of the project grant, if you know when an item will be purchased you should amend the dates accordingly.

Q25 Why does the summary screen give different figures to the Research Council project costs report?

The summary screen has three columns; full economic cost, Funder's price, and Difference. The full economic cost includes inflation (as inflation is a real cost to the University). However, the Research Councils require us to submit our costs to them without inflation as they choose to apply their own inflation rate after a grant is awarded. Therefore on the Project report inflation is removed from the total costs. The Funder's price should be the same on the summary screen as it is in the project report.

Q26 My project is based in office space and laboratory; can I split the space charges between the 2 rates?

No, the space charges cannot be split. You should choose the more expensive rate (laboratory/clinical) unless you have express agreement from your Head of Department to do otherwise.

Q27 Currently the system automatically assigns an estates rate according to your department. I am in a science department but my research is office-based. If I am required to use the laboratory/clinical rate, I am concerned that my research will be seen as more expensive and therefore less competitive. Would it possible for me to use a different rate?

We have been assured that the Research Councils will not scrutinise the estates or indirect rates, and will in general accept the values charged by the institution. In addition, our rates have been benchmarked against other universities and so far we are very much in line. However, if you feel that you can justify the use of a different rate, you should contact your Head of School to discuss this.