# Full Economic Costing and Worktribe Research Management

**Research Finance Network
Faculty of Population Health Sciences
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**Charlene Perrier
Research Support Officer**

- **Full Economic Costing**
    - Theory
    - Financial Model
    - Practice

- **Worktribe**
    - Project lifecycle
    - Ideal workflow
    - Timeline

- **Key tips**

# Full Economic Costing (FEC)

- 1999 Labour Government establishes **TR**ansparent **A**pproach to **C**osting to standardise and increase accountability of HEI spending of public funds.

- TRAC methodology provides national HEI consistency in calculating costs relating to Research, Teaching and 'Other' activity

- Under TRAC, Research activity costs are captured using the Full Economic Costing model

- Most HEI's also use FEC for internal monitoring of project resources and institutional sustainability

- Worktribe simplifies FEC calculation

# Directly Incurred (DI) Costs
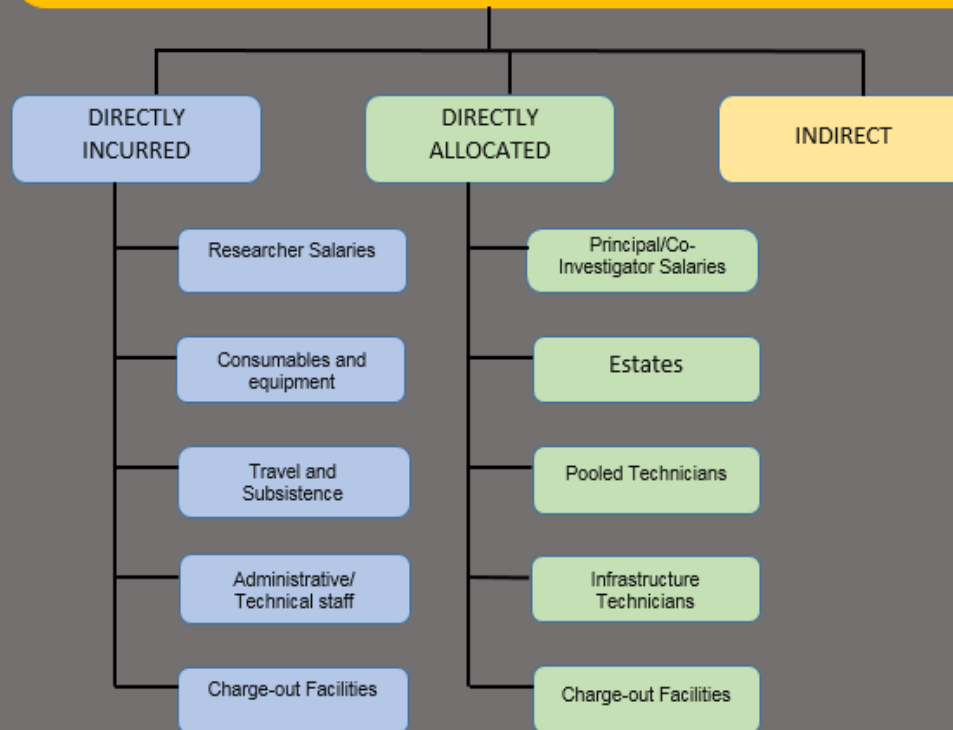
Costs specific to the project i.e. the cost would not be incurred if the project did not proceed

**Staff costs**
- Researchers, research nurses, DI technicians etc.
- Dedicated to one or more research projects, whether full- or part-time
- May be required to complete comprehensive timesheets, if charged to more than one project

**Non-staff costs**
- Recruitment and advertising
- Equipment purchase, maintenance and associated costs
- Travel and Subsistence
- Consumables
- Professional services / fees
- Internal research facilities (can also be directly allocated)

**Exceptions**
- Postgraduate Studentship Stipend and Fees

# Directly Allocated (DA) Costs

Costs of resources shared by other activities and based on estimates (of time or usage) including:

## Investigators (unless Directly Incurred or non-chargeable)
- Estimates should include the time required to manage, undertake and supervise the research project.
- All Investigators are required to estimate the time they contribute to a project, irrespective of how they are funded or whether a salary cost is to be incurred (in the latter only 'overheads' will be calculated)
- Investigator time / salary costs should not be included if already holding a full-time, fully reimbursed fellowship for the same period

## Pool technicians
- Supports more than one research project, typically < 15% FTE

## Infrastructure technicians
- Only for Departments that have an associated rate
- Automatically calculated as Department rate x Project FTE

## Internal charge-out research facilities

# Directly Allocated (DA) Costs - Estates

## Estates

UCL's Research Estates Rates are calculated as part of the annual TRAC exercise and reflects the College's premises-related research costs including:

- Repairs, maintenance, basic services and utilities, rates, rents, insurance, gross buildings depreciation, Estates staff, cleaning, porters, security, existing equipment and research facilities (except listed charge-out facilities)

At project level, the Estates Cost Rate:

- should be applied irrespective of whether or not a salary is to be incurred
- is *dependent* on the location of the research
- UCL's 2018/19 departmental rates are:
    - Band A - £6,511 / FTE
    - Band B - £12,959 / FTE
    - Band C - £21,696 / FTE
    - Off-site activity should not be costed unless UCL is to incur costs

**Estates Cost (of a project) = Estates Rate x Project FTE**

## Indirects

UCL's Research Indirect Rate is calculated as part of the annual TRAC exercise and reflects College's non-specific research costs including:

- General office and basic laboratory consumables, Library services / learning resources, Typing/Secretarial, Finance, personnel, public relations, departmental services, Central and distributed computing if not Directly Allocated

At project level, the Indirect Cost Rate:

- should be applied irrespective of whether or not a salary is to be incurred
- is *independent* on the location of the research
- UCL's 2018/19 Indirect Cost rate is £48,624 / FTE

**Indirect Cost (of a project) = Indirect Rate x Project FTE**

Under FEC a researcher is defined as:

*'A Researcher in a project is anyone who will make a significant intellectual contribution to a research project. Typically such a person would be qualified to carry out independent or supervised research, might provide an academic lead for research, or could provide expert advice to a research project. A researcher has a thorough understanding of what they are doing, can interpret results and devise appropriate ways forward (rather than, for example, carrying out a set of routine operations under carefully supervised conditions)'*

Support staff do not usually count within the Project FTE (unless they have been identified as a researcher and can be justified as meeting the above definition), so do not attract overheads

# What is the project FTE and why is it important?

The **Project Full Time Equivalent** is the sum of the researchers FTE (including academic and research staff) and project postgraduate students (based on weighted values) e.g. a PI at 10% FTE per annum for 3 years, gives a total project FTE of 0.30

The Project FTE is the <u>driver</u> for the calculation of the Estates, Infrastructure Technicians and Indirect Costs at project level i.e. **Cost = Rate x Project FTE**

Worktribe automatically calculates the Project FTE and applies this to the rates to calculate the project Indirect Costs, Estates Costs and Infrastructure Costs (where applicable)

## Considerations when building a worktribe:

**Detail**
- Accuracy for data mining purposes
- Where applicable, include deadlines
- For budget purposes, project dates must be accurate

**Budget**
- Standard templates, if variable scheme contact RSO
- Categorise cost
- Itemisation generally at dept discretion

**Partner costs**
- UCL should not calculate project costs/currency rates on behalf of partner
- authorised report uploaded to documents tab
- Partner costs allocated to relevant worktribe category
- Complete worktribe 'Partner' tab

**Considerations when submitting a worktribe:**

**Documents**

- Draft application with a minimum of completed finances
- Case for support
- Pertinent email discussion
- Guidance
- Authorised partner budgets

**Comments function, pre-empt approver queries:**

- Unusual funder terms/conditions
- Amended funding model
- Application submission actions
- Matched funding
- Explanation for Faculty escalation

## Awards

- Upload award documents to worktribe

- Notify RSO via comments function

- RS will update the 'price to funder' to reflect the award

- RSO will liaise with contracts team if necessary

- Terms and Conditions have been agreed/documents signed

- Project code created and announced

**Supplements and Extensions**
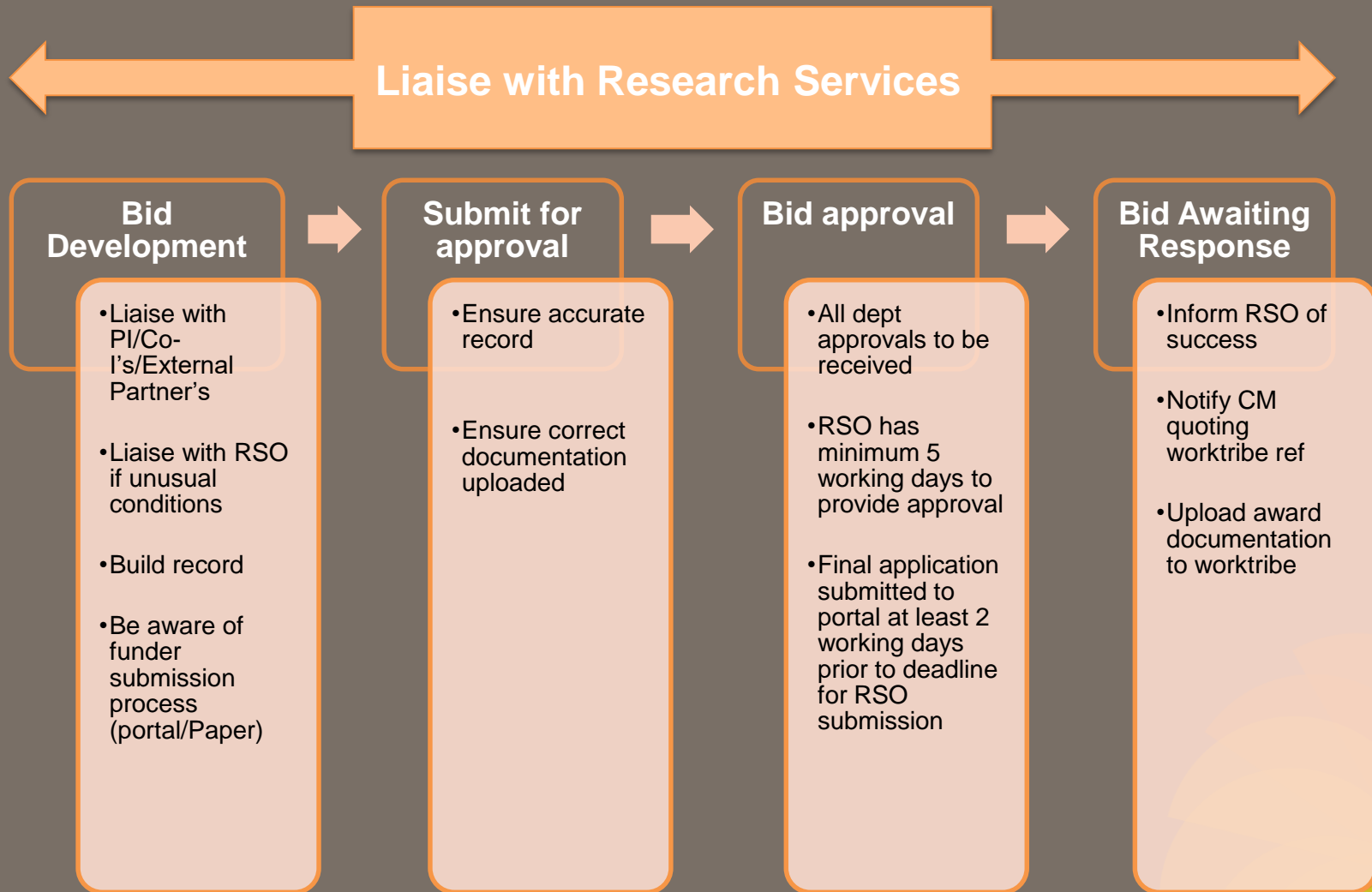
**Application pre-dates Worktribe:**

- Create worktribe record
- Identify existing project code, and supplement status within notes or comments function
- Upload application/scope of work and award letter (if available)
- Submit for approval
- Original MyFinance record uplifted

**Application originated on Worktribe:**

- Use worktribe supplement functionality
- Create budget
- Upload application/scope of work and award letter (if available)
- Submit for approval

    **In both cases RS will process the agreement and project uplift**

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**Liaise with Research Services**

### Bid Development

- Liaise with PI/Co-I's/External Partner's
- Liaise with RSO if unusual conditions
- Build record
- Be aware of funder submission process (portal/Paper)

### Submit for approval

- Ensure accurate record
- Ensure correct documentation uploaded

### Bid approval

- All dept approvals to be received
- RSO has minimum 5 working days to provide approval
- Final application submitted to portal at least 2 working days prior to deadline for RSO submission

### Bid Awaiting Response

- Inform RSO of success
- Notify CM quoting worktribe ref
- Upload award documentation to worktribe

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**25 Working days at minimum for application process**

**15 working days**
Bid Development
Local Finance Admin

**5 Working days**
Approvals
Dept/Faculty

**5 working days**
Approval
Research Services

**DO:**

- Adhere to the UCL application policy
- Follow the application timelines at a minimum
- Ensure familiarity with funder submission process
- Communicate with your contacts esp Research Services

**Do not:**

- Rush your application
- Under cost
- Avoid the UCL process
- Forget that your application may be one of many…

# Pre-Award Contact :

Charlene Perrier
Research Support Officer
C.Perrier@ucl.ac.uk

# Worktribe HelpDesk :

rs.worktribesupport@ucl.ac.uk

# Web address :

http://www.ucl.ac.uk/research-services

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