

**UCLA**

Technology  
Development Group

Research & Industry Alliances



# IDC Rates and Waivers

for Industry Sponsored Research  
Agreements

# The Invisible Infrastructure.

Indirect Costs / Overhead / F&A

## Research Space

State-of-the-art labs and physical plant maintenance.

## Compliance & Safety

Human subject protections, export control, and research security.



## Digital Backbone

High-speed data processing and IT services.

## Essential Services

Utilities, library resources, and accounting personnel.

Current F&A Rate Agreement  
Applied to all industry sponsored projects  
PI's not authorized to negotiate lower rates

## Current Rates

Organized Research	<b>57.5%</b>
Instruction	<b>42.0%</b>
Other Sponsored Activities	<b>39.0%</b>
Industry Clinical Trials	<b>33.0%</b>
Individual Fellowship	<b>0%</b>
Off-Campus	<b>26%</b>

33% rate applies only if meeting campus definition.  
Contact [clinicaltrials@mednet.ucla.edu](mailto:clinicaltrials@mednet.ucla.edu).

**CTCSR Definition of a Clinical Trial** is consistent with the NIH definition - *a research study in which human participants are prospectively assigned to one or more interventions (which may include a placebo or other control) to assess the effects of those interventions on health-related biomedical or behavioral outcomes.*

### Determination Checklist

- Does the study involve human participants?
- Are participants prospectively assigned to an intervention?
- Is the study designed to evaluate the effect of the intervention on the participants?
- Is the effect being evaluated a health-related biomedical or behavioral outcome?

⇒ If the answers are all "yes," the study is a clinical trial

⇒ **If any answer is "no," the study is not a clinical trial.**

# Location Matters.

## On-Campus



Buildings owned or leased by Regents. Rate: 57.5%.

## Off-Campus



Facilities owned by others or where rent is directly charged. Rate: 26%.

### Split Project Rule

**General Rule:** Use ONE rate based on majority of salary costs.

**Exception Requirement:** >\$250k UCLA salaries AND >25% costs clearly identified at each location.

# Strategic Recovery When Rates are Capped

Maximize Direct Costs before requesting a waiver.



## Direct Charging

Charge allocable administrative and facility costs as Direct Costs



## Total Direct Costs (TDC)

Apply the lower rate to the Total Direct Costs rather than MTDC to capture a wider base.

# When is a Waiver Granted?

Case-by-case basis

- Compelling Case:** Benefit to campus outweighs financial loss.

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- Sponsor Policy:** Published, universal policy restricting overhead.

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- No commercial rights:** sponsor does not receive rights to data or IP.

Authority to approve waivers delegated to Vice Chancellor for Research

# SOP Step 1: The Affirmative Case Letter

Address to: Vice Chancellor, Research

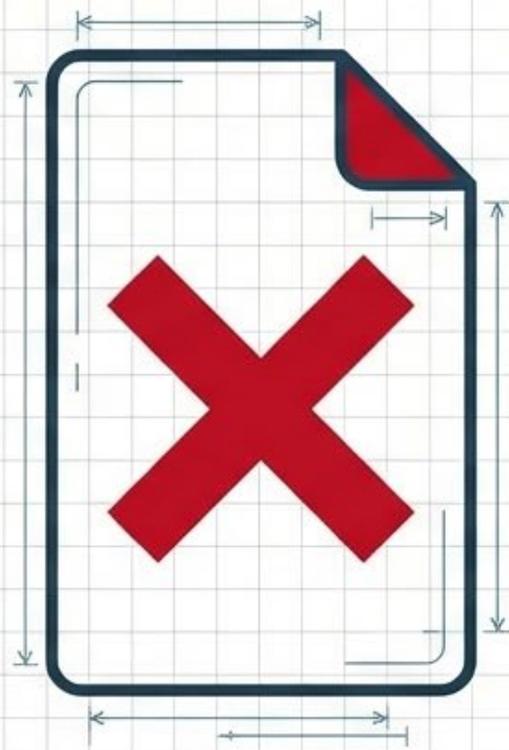
## The Affirmative Case

- Detail specific project merits.
- Identify unique budget needs.
- Highlight strategic value/prestige.



## The Passive Summary

- Summarizing sponsor refusal.
- Citing sponsor policy without context.
- Generic requests.



# SOP Step 2: Leadership Endorsement



## Delegated Authorities

- **School of Medicine:** Stephen Smale (Act/interim Assoc Dean)
- **School of Engineering:** Rob Candler (Associate Dean)

**Local leadership must agree to the waiver because their budget bears the lost recovery.**

# The Critical Constraint: Commercial Rights



**TDG Rule:** For an Overhead Waiver to be appropriate, the final SRA cannot include commercial rights or options.  
**The Logic:** We cannot subsidize the research via a waiver AND give sponsor commercial access.

## Permissible:

- Reports or deliverables only.

## Impermissible:

- Licenses, options, exclusive rights.

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# Summary of Key Takeaways

## 1. Rates are Real

Audited federal costs.  
FY25 Research Rate: **57.5%**.

## 2. Know the Rate

Clinical trial rate is not applicable.  
Obtain approvals from Chair and Dean.

## 3. Location Matters

Off-Campus (**26%**) applies only if rent is directly charged.

## 4. Protect the Base

Waivers are rare. For-profit sponsors should pay full costs.