

## EXAMPLE OF CALCULATING INDIRECT COST.

### What is indirect-cost?

Indirect costs are costs that support an employee and are paid by the institution by which they are employed.

These costs are in addition to the salary and on-costs paid to the employee and include laboratory and office space, electricity, building maintenance, cleaning, and so on.

1. PROFESSIONAL STAFF					
Professional staff includes technical and administrative staff.					
Name			Total Salary	Multiplier ( 114%)	Total Cost
Ms Sarah Claire	Admin Asst.	\$	35,000.00	\$ 39,900.00	\$ 74,900.00
2. OFFICE SPACE					
Check out indicative rent rates from real estate agent.					
2nd Floor Building 102 ( 500 m2 )					
\$450/m2 office space					225,000.00
\$70m2 for outgoings.					35,000.00
					<b>260,000.00</b>
			Total Indirect Cost covered by ARC	\$	74,900.00
			Total Indirect Cost not covered by ARC	\$	260,000.00
			<b>Total Indirect Cost</b>	<b>\$</b>	<b>334,900.00</b>

← to be entered on to application form.

### NOTES:

#### \*Multipliers:

Multipliers will vary according to the type of schools: high-laboratory-based schools, medium-laboratory-based schools and low-laboratory-based schools.

high-cost school – 127 per cent

medium-cost school – 114 per cent

low-cost school – 100 per cent.

#### ARC APPLICANTS:

To calculate the indirect costs, the total amount for professional staff shown for salaries and on-costs should be multiplied by the appropriate multiplier and entered under the relevant column (University or Other).

Nothing is entered under the ARC column because ARC does not pay for the laboratory and office space, electricity and the like.