

Research-related Funded Projects

Contracting Process

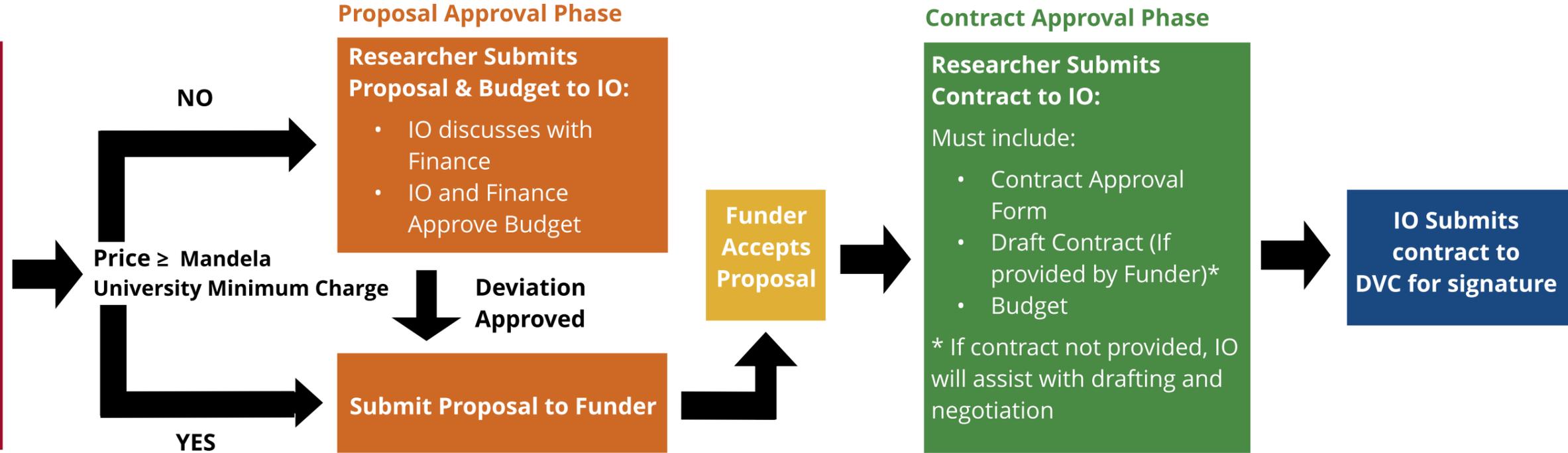
Proposal Development Phase

Researcher Develops Proposal

- Scope of work
- Budget
 - Includes CTIC as a minimum

Note: Proposal should be discussed with relevant Dean or Manco member, especially if:

- > R500 000
- Includes multiple parties



Full Cost Budget Breakdown

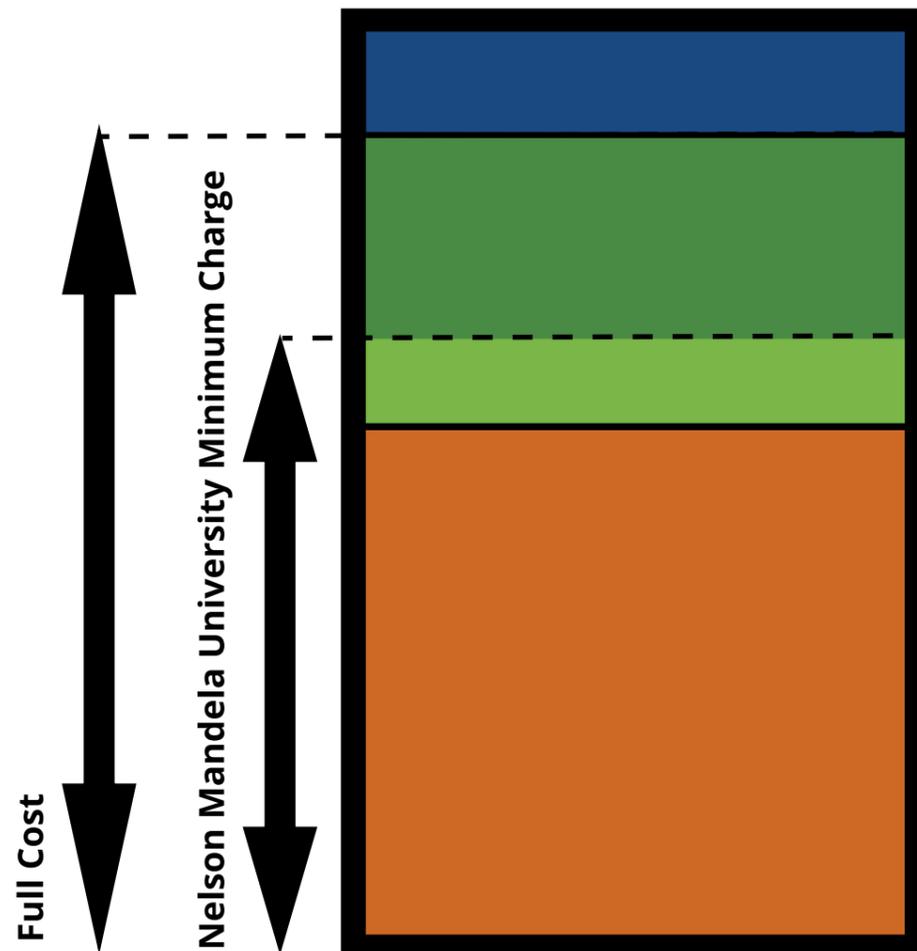
Full Cost *

(Direct Costs + Indirect Costs)

Nelson Mandela University Minimum Charge

(Direct Costs + Contribution to Indirect Costs)

* Full Cost required as minimum if funder wants to negotiate the Intellectual Property Ownership



Price (Price ≠ Cost ; Cost + Surplus / Profit = Price)
Price depends on:

- Type of project
- Type of funder
- Why you are doing it

Indirect Costs (IC)

- Legal
- Finance
- Access to libraries
- Printing Material
- HR Admin
- Rent
- Telephone costs
- Space, etc.

Direct Costs (DC)

- Staff costs:
 - Council-funded staff
 - Contract staff
- Other In/Out costs:
 - Running costs (travel, consumables, waste, maintenance, audit fees, etc.)
 - Bursaries
 - Equipment

Surplus / Profit

- Profit can be:
- Positive (Price > Cost)
 - Zero (Price = Cost)
 - Negative (Price < Cost)

Contribution To Indirect Costs (CTIC)

NMMU policy requires a minimum CTIC of 15% of Price. If Price includes large bursaries or large equipment, the CTIC can be negotiated to exclude CTIC on bursaries and large equipment.

Abbreviations:

- CTIC - Contribution to Indirect Costs
- DC - Direct Costs
- IC - Indirect Costs
- IO - Innovation Office