

## Dear Principal Investigator

The high standard of research at Danish universities is only possible due to an array of different foundations donating billions of kroner each year. Receiving grants are naturally a blessing not just for the individual researcher but also the university. Those grants are essential in order to stay at the forefront of science.

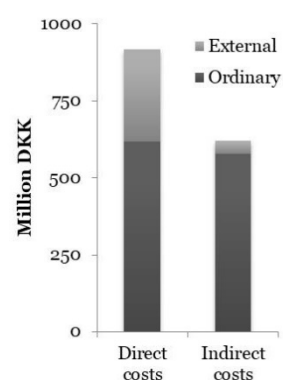
But external grants also come with a price for our institution. SDU must provide adequate infrastructure, technical staff, and administrative assistance for the grant holder to fulfill the premises of the project. In 2018, 916 million DKK were spent on direct costs for research at SDU and 618 million DKK on indirect costs related to that research (Figure 1). Hence, every million spent directly on research comes with an additional expense of 675,000 DKK for indirect costs. This distribution is well in line with international reports.

There is, however, a striking difference in the distribution of the costs by our ordinary and external funding. Whereas external sources cover 33% of the direct expenses for research, they are only responsible for 7% of the indirect ones.

The inevitable indirect costs are well-appreciated by governmental and European foundations which gives overhead of 44% and 25%, respectively. However, private foundations normally give less, and often only 5% of the grant amount for administrative purposes. This is below the actual costs for our faculty to uphold our expenses that accompanies winning a grant.

**For foundation giving less than 20% in overhead, it is therefore mandatory to include posts in the budget meant for reimbursement of the expenses associated with the research project. These posts should *together* with the allowed overhead amount to 20% of the budget.** We are aware of your unease with this procedure, but to avoid budget deficits at the faculty, it is unfortunately necessary. We are not alone in implementing this strategy. Similar initiatives are taken at other universities in Denmark.

Below, you will find suggestions on how this can be done for each private foundation. You are more than welcome to contact External Relations ([ert@sdu.dk](mailto:ert@sdu.dk)) should any questions arise.



**Figure 1** Direct and indirect costs for research at SDU.  
Source - Forskerservice. Numbers based on annual report.

Please note that the guidelines below for each foundation are general and there could be call-specific exceptions.

Foundation	Over-head	Means to cover SDUs indirect expenses		
		Include salary for main applicant (postdoctoral fellowship grant excluded)	Include salary for permanent staff <sup>1</sup>	- Full salary and tuition fee for PhD students <sup>2</sup> - Computer and licenses directly related to the project <sup>3</sup>
Novo Nordisk Foundation <a href="https://novonordiskfonden.dk/en/">https://novonordiskfonden.dk/en/</a>	5 %	Is generally not allowed	Allows for technicians (call-specific)	Is allowed
Villum Foundation <a href="https://veluxfoundations.dk/en">https://veluxfoundations.dk/en</a>	15%	Is generally not encouraged	Allowed for non-scientific personnel	Is allowed
Lundbeck Foundation <a href="https://www.lundbeckfonden.com/en/">https://www.lundbeckfonden.com/en/</a>	10%	Is often allowed	Is allowed (call specific)	Is allowed
Carlsbergfondet <a href="https://www.carlsbergfondet.dk/en">https://www.carlsbergfondet.dk/en</a>	0%	Is often allowed but call specific	Only scientific staff	Is allowed
Leo Foundation <a href="https://leo-foundation.org/en/">https://leo-foundation.org/en/</a>	5%	Is not allowed	Only if justified	Is allowed
Kræftens Bekæmpelse <a href="https://www.cancer.dk/foerskning/stoette-til-forskning/funding/">https://www.cancer.dk/foerskning/stoette-til-forskning/funding/</a>	0%	Yes	Is allowed	Is allowed
Augustinus Fonden <a href="https://augustinusfonden.dk/">https://augustinusfonden.dk/</a>	0%	Is allowed	Is allowed	Is allowed

<sup>1</sup> – In groups where it is possible, add part of the salary for a permanently employed person in your group. This are several ways to justified in the applicant: the person will perform part of the work, the person will aid in a smooth start for the PhD/postdoc hired and - importantly – having a permanently employed person involved in the group ensures that gained knowledge is not lost when the PhD/postdoc leaves and/or the project is over. You can find a guide in the coming pages on how to add a part time person to the SDU budgetsheets.

<sup>2</sup> - When including Ph.D. students in the budget, apply for full salary and full taxameter. When adding the teaching done by the PhD, teaching and taxamater equals roughly 400.000 kroner for the department.

<sup>3</sup> - Include expenses for computer purchases in the budget. This indirect cost is normally paid by the department, but it makes perfectly sense to include it in the budget proposal. In the application budget, include fees for licenses already in use. This goes for both software-licenses and service-licenses for laboratory equipment.

## How to include salary for permanent staff

For PIs with personnel directly answering to the PI, part of the salary for that personnel should be included in the budget to reach the overhead requested by the Head of Department. The rest of the salary for the person's commitment to the project can be included as co-financing by the institution. E.g. in a given project, a technician already employed in the group of the PI is involved 50% of his/her time in the project. In the budget for the grant application, half of the technician's involvement should be covered by the grant (25% of his/her salary) while the other half of the involvement can be included as co-financing.

The SDU budget sheet allows you to calculate this with a few clicks. This guide below walks you through the steps for the technician-example above.

First, enter the name, position, and type of salary as well as start and end of the project. If you plan to have the same involvement for the given person for all years, enter the numbers in the *Co-fin.* and *Employment fraction as percentage* cells. In this case, use 50% in both. End by hitting *Add person with Standard Salary to the budget*.

	A	B	C	D	E	F	G	H	I	J	K	L	M
1	<b>Sheet for the entry of persons with standard salaries</b>												
2													
3													
4													
5	OK	Add person with Standard Salary to the Budget											
6	Text (e.g. name):	Position	Type	Mth	Year	Mth	Year	Applied	Co-fin.	Other	Employment fraction	Holiday	
7	Technician	Laborant (HK)	Overenskomst løn	01	2020	12	2022	50%	50%		as percentage	Allowance?	
8	1. Select position and type for the person to be added to the budget.												
9	2. Enter start and end date for this person. Then select how the person is financed.												
10	3. Enter a text for identification/recognition of this person.												
11	4. When all fields have been completed, click on the "Add Person with Standard Salary to Budget" button.												
12	5. When you have added all persons, go back to the main menu by clicking the "Back to Main Menu" button.												
								Special financing / employment fraction plan					
								If this person is financed different each year or has a different employment fraction each year, press the above button. Normally this is not necessary.					

If you intend to have different level of commitment for the separate years, you should click the button *Special financing / employment fraction plan* before entering numbers into the *Co-fin.* and *Employment fraction as percentage* cells.

	A	B	C	D	E	F	G	H	I	J	K	L	M
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7	Technician	Laborant (HK)	Overenskomst løn	01	2020	12	2022	100%			as percentage	Allowance?	
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This redirects you so you can enter the employment fraction of the given person. Start by selecting if this follows calendar of project/employment year. Then enter the level of co-financing for each year. In this case, it is 50%. Then enter the employment fraction, the % of his/her time spent on the project for each year. In this example, it is set to 50%, but if you want the given percentage so spend more time in the beginning and less in the end, you can balance the percentages according to your needs. Finally, hit the *Apply this financing plan*.

Sheet for the entry of persons with special financing and/or employment fractions										
Text (e.g. name):	Position	Type	Start		End		Choose special financing method:			Employment fraction as percentage
			Mth	Year	Mth	Year	Applied	Co-fin.	Other	
Technician	Laborant (HK)	Overenskomst løn	01	2020	12	2022	Applied	50%	50%	50,0%
							2020	50%	50%	50,0%
							2021	50%	50%	50,0%
							2022	50%	50%	50,0%
							2023	100%		
							2024	100%		
							2025	100%		
							2026	100%		
							2027	100%		
							2028	100%		
							2029	100%		

This sends you back to the previous screen. As before, you end by clicking *Add person with Standard Salary to the budget*. This adds the person to the budget, and you can now go back to the entry menu by hitting *Back to Main Menu* at the top and finish the budget by adding consumables, etc.

Sheet for the entry of persons with standard salaries																																											
Text (e.g. name):	Position	Type	Start		End		Financing %			Employment fraction as percentage	Holiday Allowance?																																
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							Applied	100%			Yes																																
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<p>Summary of persons added to the project</p> <p>Implement Corrections in Column D</p> <table border="1"> <thead> <tr> <th rowspan="2">Text:</th> <th rowspan="2">Type</th> <th rowspan="2">Select Correction</th> <th colspan="3">2020</th> <th colspan="3">2021</th> <th colspan="3">2022</th> </tr> <tr> <th>Applied</th> <th>Co-finance</th> <th>Other</th> <th>Applied</th> <th>Co-finance</th> <th>Other</th> <th>Applied</th> <th>Co-finance</th> <th>Other</th> </tr> </thead> <tbody> <tr> <td>Technician 50-50-50 / Laborant (HK)</td> <td>Overenskomst løn</td> <td></td> <td>92.000</td> <td>93.000</td> <td></td> <td>95.000</td> <td>95.000</td> <td></td> <td>117.000</td> <td>118.000</td> <td></td> </tr> </tbody> </table>											Text:	Type	Select Correction	2020			2021			2022			Applied	Co-finance	Other	Applied	Co-finance	Other	Applied	Co-finance	Other	Technician 50-50-50 / Laborant (HK)	Overenskomst løn		92.000	93.000		95.000	95.000		117.000	118.000	
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