

Information sheet on programme grants/overheads from 01 July 2024

The University of Bayreuth provides its researchers with wide-ranging support in carrying out their research projects. As a contribution to this, from 1 July 2024, project managers will be provided with funds in the amount of a share of the acquired programme grant in the form of budget funds to be used for teaching and research projects (decision of the University Governing Board dated 18 June 2024). The funds serve *inter alia* to cover individual indirect project expenses incurred at the institutions, provided that these projects are in line with the requirements for the use of state budget funds.

Funding for individual research is on an equal footing with group research. Both are also strengthened by a new internal funding pool at the University of Bayreuth. This is intended to incentivize and encourage coordinated collaborative projects or individual applications for third-party funding.

The programme grants serve to structurally maintain and promote the performance and competitiveness of German universities in the long term. Programme grants/overheads or other lump sums to cover overheads incurred in the project (indirect project costs) must be applied for from the funding provider if the latter offers the possibility. Indirect project expenses may arise, for example, from the infrastructure used in the course of project implementation (e.g. expenses for maintenance, software or energy consumption) or from cooperating with persons who are not billed as project personnel (e.g. administration). Due to changes in Bavarian budgetary law, it has been necessary since 1 January 2023 to collect programme grants/overheads and similar funds via the corresponding revenue title of the university. This income is therefore no longer allocated to third-party funding, but to the university's central budget and can no longer be passed on directly to project managers.

The project managers are provided with funds in the form of state budget funds for teaching and research purposes in proportion to the approved programme allowance (assuming that the third-party funding provider has approved programme allowances or similar funds to cover indirect project costs). These are therefore **state budget funds to which the general budgetary management principles as well as the guidelines of the University of Bayreuth (e.g. the hospitality guidelines) and the budget implementation regulations apply**. The funds are allocated to one individual **collective account** per project manager (personal). This means that there is one account for programme grants/overheads across all projects and all third-party funding providers. The funds are **made available at the start of the project**. The amount is determined proportionately based on the amount of the approved programme grant/overhead (see points 1-4 for detailed information according to the various third-party funding providers).

The funds are generally transferable. For liquidity and residual management of the funds allocated to the individual collective accounts (in cover pool 40) from 1 January 2023, their amount is limited by two **upper limits**¹ :

- The **maximum amount available per collective account is €100,000 (before determination)**. Any capping to this amount is carried out at the end of each quarter by division II/1.1.3.

Concrete processing: The pro rata funds are continually booked to the collective account of the project manager, in each case after receipt of the authorization and processing by division II/1.1.4. At the end of the quarter, the amounts available (before stipulations) that exceed the upper limit of € 100,000 on the respective key date are collected. Individual case regulations are possible for specific purchases or lumped allocations (multiple authorizations at short intervals) with application to the provost in justified exceptional cases. In the year of introduction 2024, any collection will be made for the first time on 31 December 2024, then quarterly.

- The **maximum utilization limit across all collective accounts is € 5 million (before stipulations)**. If the limit is exceeded on two consecutive quarters, a possible percentage cap is applied by division II/1.1.3 on the second reporting date.

Concrete processing: The deans are informed at the end of a quarter if the account is exceeded for the first time. If the amount is exceeded again in the following quarter, the percentage cap is applied across all collective accounts (directly based on the account balances on this second reporting date). In the introduction phase, the first relevant review will take place on 31 December 2024 and a possible first capping will take place on 31 March 2025 at the earliest.

- The €100,000 upper limit per collective account takes precedence over the €5 million upper limit across all collective cost centres (i.e. quarterly review of the €100,000 upper limit per collective account and, if necessary, capping and subsequent review of whether the €5 million upper limit has been exceeded).

Special arrangements are made for projects with more extensive regulations or larger collaborative projects such as DFG collaborative projects with a (co-)spokesperson/chairperson at the University of Bayreuth (Africa Multiple, Collaborative Research Centres, Research Training Groups) and EU projects with a residual cost allowance. The decision of the University Governing Board dated 18 June 2024 does not include any provisions for these projects.

Further information on processing and the regulations applicable from 1 July 2024 can be found in the *FAQs* and in the *letter from the provost dated 27 June 2024* on the [intranet](#) in the section Finances, External Funding.

¹ For programme grants/overhead funds that were forwarded to the project management to a collective account in the former third-party funding title group (now pool 41) by 31.12.2022, the familiar regulations for old projects continue to apply: for DFG projects, the intended reduction of funds up to 31 December 2025, provision of utilization plans, etc. The upper limits described in this paragraph do not apply to these funds. Details on this can be found in the *FAQs*.

The External Funding division in the Finances unit will be happy to advise you. You will find the relevant contact persons at the end of this document.

1. DFG grants

As part of its third-party funding, the DFG grants a programme allowance amounting to 22% of the project funds to cover indirect project costs.

Collaborative Research Centres, research groups with project coordination by the University of Bayreuth, Research Training Groups and Clusters of Excellence:

Distribution of the programme fee as follows:

- 40 % Infrastructure fund/community fund*
- 20 % direct allocations to the scientific areas/spokespersons' funds*
- 40 % Head office for indirect project costs for general infrastructure

* for indirect project expenditure in accordance with the positive list

Those responsible for coordinated collaborative projects such as Collaborative Research Centres, Research Training Groups and Clusters of Excellence will be informed separately of any additional regulations that apply.

Individual funding, external sub-project research group, international events:

The project manager **receives an amount of 35%** (determined proportionally to the amount of the programme grant raised) in the form of state budget funds for use for teaching and research purposes.

2. BMBF grants

The BMBF grants a project allowance of 20% for project funding.

The project manager **receives an amount of 35%** (determined proportionately to the amount of the programme grant raised) in the form of state budget funds for use for teaching and research purposes.

3. EU grants

The EU grants an overhead of 25% for project funding under Horizon (usual case).

For these projects (i.e. projects with an approved overhead of 25 %), the project manager **receives an amount of 35%** (determined proportionately to the amount of overhead raised) in the form of state budget funds for use in teaching and research.

In addition, there are EU projects for which no overhead is approved but rather a so-called residual cost allowance (usually ESF projects or EFRE projects). Projects of this kind are clearly identified as ESF or EFRE programme projects in the funding letter provided by the third-party funding body, and the cost plan shows that the financing includes a residual cost allowance and no overhead. The regulations applicable to residual cost allowances for ESF projects and ERDF projects will be communicated separately to those responsible.

4. Allocations from other funding providers

Some funding bodies (e.g. foundations) also allocate programme grants or enable application for these. If this is possible, these must also be applied for from the funding body. If programme grant or similar funds have been acquired to cover indirect project expenses, the project manager receives **an amount of 35%** (determined proportionately to the amount of the programme grant or similar acquired) in the form of state budget funds to be used for teaching and research purposes.

5. Contract research and scientific services

Overheads that are calculated for commercial projects (contract research and scientific services) and for which the University of Bayreuth provides a service as part of its commercial activities must be distinguished from the explanations above. In the case of third-party funding income from contract research and scientific services, an overhead (overhead share) of 20% must be calculated in the offer, 100% of which remains centrally to cover indirect costs of the general infrastructure. In this case, the university does not fulfil a state/sovereign task and these services are regulated even more strictly by the legislator: according to the Union Framework for State Aid for Research, Development and Innovation (Commission Communication of 27 June 2014), the inadmissibility of cross-subsidizing commercial services from state budget funds results in the need to calculate the aforementioned overhead.

Contact persons:

Finances, II/1.1.4 - Third-party funding management

- Section 1 - DFG: Wolfgang Haberbeth, Denise Meier
- Section 2 - BMBF: Karl-Heinz Merscher, Ina Schneider
- Section 3 - EU: Harald Meier, Carmen Wiesner
- Section 4 - Other funding providers: Petra Heißler, Carmen Wiesner, Sabine Greger
- Section 5 - Contract research and scientific services: division II/1.1.5 - commercial activities and taxes