



# "Full kostnadstäckning" Erfaringer af den svenske model for indirekte omkostninger og overhead.

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Dan Guttke, Karlstads universitet og SUHF.

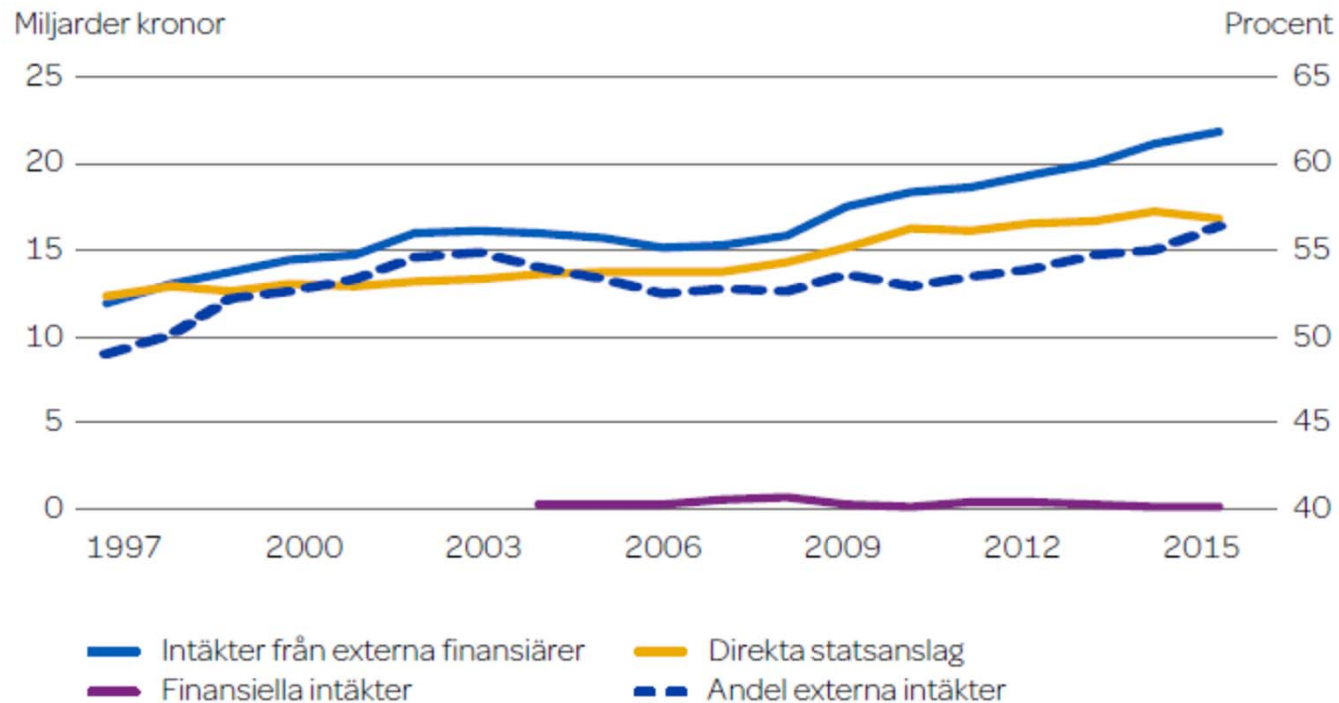


## Agenda

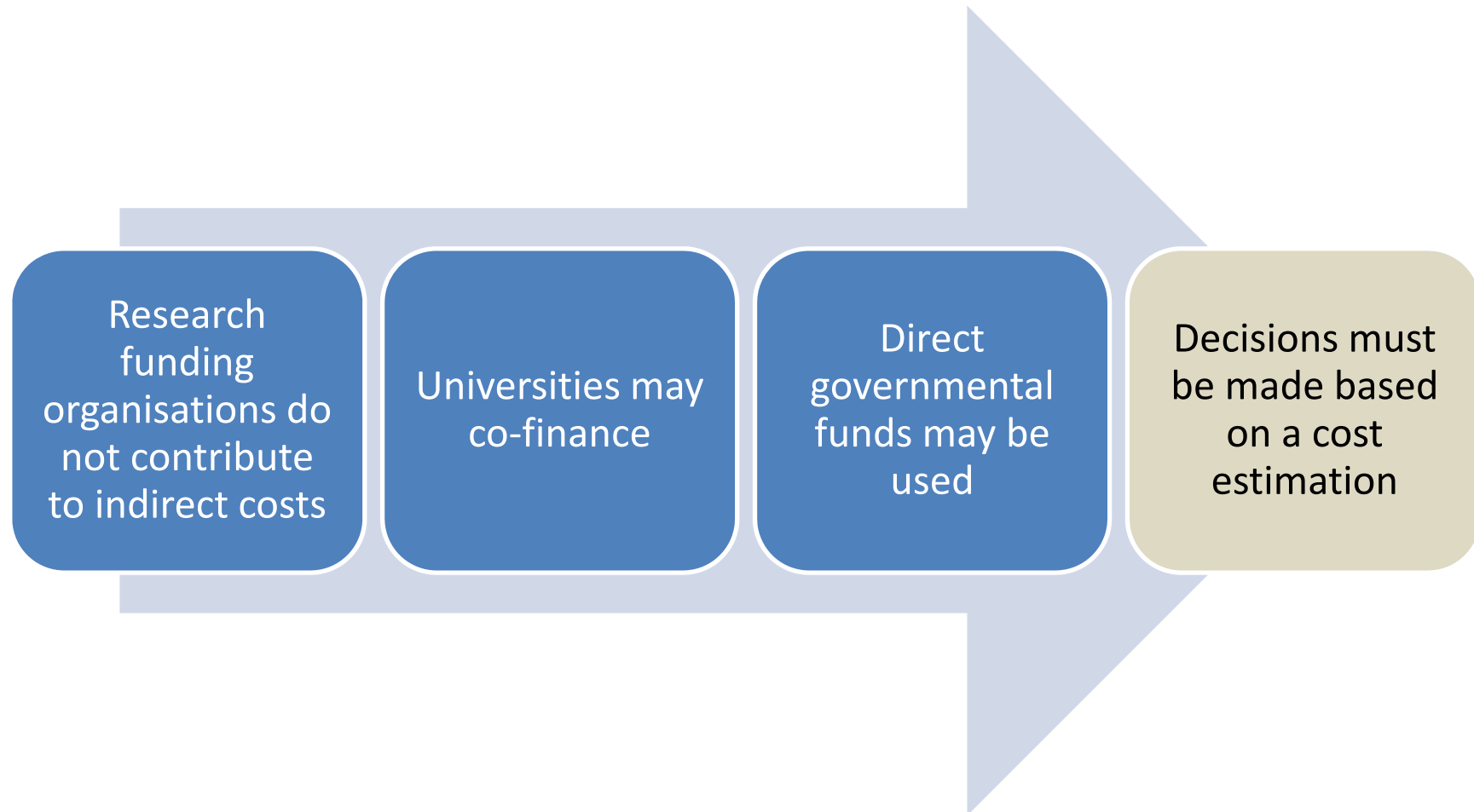
- Research funding in Sweden
- The full cost *model*
  - Background
  - Principles
- Success factors and lessons learnt
- The model in 2017

# Research funding in Sweden

Since 2005, the share of external funding increased from 53.4 to 56.4 percent



# Why do we need a model?



## The model – a brief history

- An issue since the 1960s...

...

- 2005: The Swedish National Audit Office criticised several universities for incorrect income accounting



*A need for new budgeting and accounting standards*



## The model – a brief history

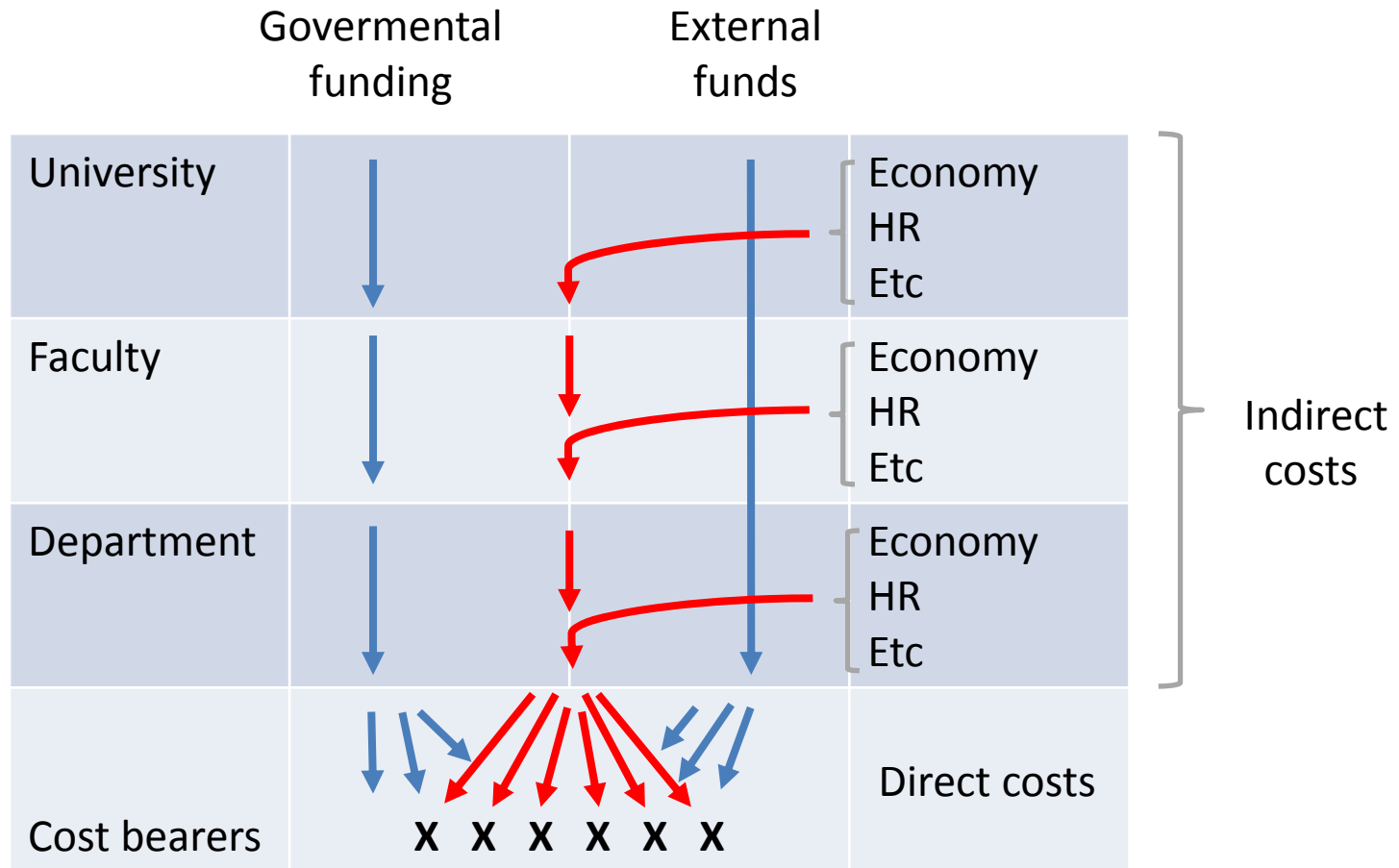
- 2007: Recommendation approved by the SUHF
- 2007-2009: implementation of the model
- 2010: introduced at the higher education institutions

## The principles of the model

- The SUHF model has a number of basic principles that has been implemented, but often adopted on each institution
- Costs, direct and indirect, are allocated on **cost bearer**
- Indirect costs are divided into six **different types** of costs
- **Organisational levels**



## The model



# Calculation template

Fullkostnads kalkyl för bidragsansökan						
Projektkostnader						
	Bilaga	År	2009	2010	2011	Summa
<b>Direkta kostnader</b>						
Löner inkl. soc avg						0
Driftkostnader						0
Utrustning/avskrivningar						0
Lokaler						0
Summa direkta kostnader			0	0	0	0
<b>Indirekta kostnader</b>						
Summa indirekta kostnader						0
<b>Summa projektkostnader</b>						
			0	0	0	0
<b>Finansiering</b>						
	Finansiär		2009	2010	2011	Summa
Finansiär, inomstatligt bidrag						0
Finansiär, inomstatligt bidrag						0
Finansiär, utomstatligt bidrag						0
Finansiär, utomstatligt bidrag						0
Universitetet, egen finansiering						0
<b>Summa projektfinansiering</b>						
			0	0	0	0
Datum						
Huvudsökandens underskrift		Ansökan och kalkyl godkänd av prefekt				
Namnförtydligande		Namnförtydligande				

## What has the model achieved?

- Strategic management tool for decision making and internal control
- Transparent information on costs for administration and infrastructure
- Improved accounting principles
- Reinforced confidence from funding organisations

- Support
  - Ministry of Education
  - Some major private funding organisation
- National approach
  - Information pack
  - Workshops
  - ‘Help desk’
  - FAQ

*Common definitions and ‘language’*

- Underestimated the resistance from researchers and funding organisations
- Understanding the real implications of the model
- Leadership commitment

# The full cost modell in 2017

	2016	2015	2014	2013	2012	2011
Education	33,5 %	33,5 %	33,9 %	34,2 %	34,5 %	34,6 %
Research	19,6 %	20,1 %	19,8 %	19,9 %	20,5 %	20,2 %
<b>Tot.</b>	<b>25,2 %</b>	<b>25,5 %</b>	<b>25,6 %</b>	<b>25,9 %</b>	<b>26,5 %</b>	<b>26,4%</b>

## Current status - strengths

- A common model for all universities
- Continuity; the model has been in use for many years
- Comparisons between universities and within the university
- Supports a fair allocation of indirect costs
- Allows a full cost calculation for research projects
- Calculates the need for co-financing

## Current status - weaknesses

- Difficult to understand
- Different implementations makes comparisons difficult
- Suboptimazation, e.g. buying services instead of hiring staff
- Will funding organizations only support project at the institution with the lowest costs?
- All research funders do not accept the model, requires customized templates and co-financing => the model being "eroded"
- The model may require a lot of administration





Is the full cost model fully  
accepted?

*“Full cost calculation is not a  
question any longer”*

## Further reading

- To be found at [suhf.se](http://suhf.se)
- Only available in Swedish...

