

Research Software Program Call 3

Schedule of Eligible Costs

GENERAL CONDITIONS

The definitions and descriptions of Eligible Costs and In-Kind Expenditures are applicable to the Lead Contractor and the Participants, if any, in each Project.

Costs shall be claimable to the extent that they are reasonable and are within the intent of the Agreement, in the opinion of CANARIE.

All goods and services including labour provided by the Lead Contractor in each Project shall be valued at cost and shall not include any mark-up nor exceed market value.

Costs incurred prior to the effective date of an Agreement for a specific Project are not eligible.

Where applicable, the cost of all goods and services shall include the non-recoverable portion of taxes incurred.

All costs must align with the approved budget. Pre-approval is required from CANARIE before any Eligible Cost in excess of those in the approved budget can be claimed.

In each Project, final payment will not be made until all costs incurred have been paid.

This Schedule of Eligible Costs applies equally to all goods and services (including labour) acquired from related parties or associates. CANARIE is not obliged to accept any of these costs as eligible unless access is provided to the relevant records of the related entity.

ELIGIBLE COSTS

1. DIRECT LABOUR

- 1.1 Direct salaries paid at the rates shown in payroll documents.
- 1.2 Direct salaries include statutory holidays, vacation, and sick leave pro-rated according to the % of time allocated to the Project.
- 1.3 Overtime hours may only be claimed at the regular hourly rate.
- 1.4 The salaries of management and administrative staff directly attributable to a Project when qualified senior management work on the Project at a rate not greater than that of the highest paid engineer or researcher in the company or organization.
- 1.5 Time sheets, time logs or other CANARIE approved labour attestation forms must be used to support actual hours worked by Project staff.

- 1.6 Actual fringe benefit costs **MUST not exceed 20%** of eligible direct labour costs in any claim.

2. DIRECT MATERIALS

Costs for software licence fees required for completion of the Project, the costs of which **MUST not exceed 5%** of the total of all eligible Project costs.

3. SUB-CONTRACTORS AND CONSULTANTS

- 3.1 Work performed by Canadian sub-contractors or consultants to advance a Project to the extent it is identified in the Statement of Work. The fees charged must be reasonable and not exceed fair market value.
- 3.2 The total cost of sub-contractors and consultants fees **MUST not exceed 5%** of the total of all eligible Project costs.
- 3.3 Fee-for-service contracts with federal labs that have the authority to collect revenue.
- 3.4 Work performed by foreign sub-contractors or consultants to advance a Project to the extent it is identified in the Statement of Work and approved budget, and pre-approved in writing by CANARIE.

4. TRAINING

Training and the costs thereof, to the extent that training is required for users to benefit from the Project development.

5. TRAVEL

Domestic travel costs essential for the completion of a Project or exploitation of the results of the Project, as approved in the budget, the cost of which **MUST not exceed 3%** of the total of all eligible Project costs.

6. NON-RECOVERABLE TAXES

The Goods and Services Tax or Harmonized Sales Tax where the amount is not refundable in whole or in part by the Canada Revenue Agency as an input tax credit, or as a rebate.

7. NON-ELIGIBLE COSTS

- 7.1 Non-eligible costs include, but are not limited to:
- Salaries and benefits of university faculty or Principal Investigator;
 - Overhead and general office costs, for example utilities, rent, office supplies, telephone costs;

- Equipment and equipment repairs and maintenance, for example computers, lab equipment;
- CANARIE Inc. membership fees;
- Legal fees;
- Professional fees unless they are directly associated with the management of the Project;
- Trademarks and patents;
- Interest portion for equipment purchased by means of a lease;
- User manuals except first drafts and essential technical documentation;
- Fines;
- Costs related to the prosecution of claims against the government; and
- Costs of facilities, buildings, and land.

IN-KIND COSTS

1. IN-KIND LABOUR

- 1.1 In-kind salaries paid at rates shown in payroll and incurred for the completion of the Project, include but are not limited to:
 - University faculty; and
 - Principal Investigator.
- 1.2 In-kind salaries include statutory holidays, vacation, and sick leave pro-rated according to the % of time allocated to the Project.
- 1.3 Fringe benefit costs related to in-kind labour **MUST not exceed 20%** of eligible in-kind labour in any claim.
- 1.4 Time sheets, time logs or other CANARIE approved labour attestation forms must be used to support actual hours worked by Project staff included as In-kind Expenditures.

Note: In-Kind contributions must be at least 15% of total eligible Project costs.