

FAQ Lump sum for overheads

The following FAQ provide a **general initial overview** of the Volkswagen Foundation's lump sum for overheads.

What is meant by overheads?

Overheads are **indirect costs or expenses** (e.g. energy costs or infrastructure costs at the research institution) that **cannot be directly allocated to a cost center or project**.

Direct project costs or funds include those cost items that are directly attributable to a project or endeavor, e.g. graduate student positions, equipment required to complete the project.

Does the lump sum for overheads exist in all of the Volkswagen Foundation's funding offers?

No, the lump sum for overheads is not provided for all funding offers. Under "zukunft.niedersachsen" the lump sum for overheads is generally not offered. **Please refer to the respective information for applicants to determine whether the lump sum for overheads can be applied for the specific funding offer.**

What is the amount of the Volkswagen Foundation's lump sum for overheads?

The lump sum amounts to **10% of the direct project costs** and **will be granted in addition to these**.

Is my institution eligible to apply? Which institutions are eligible to apply for the lump sum for overheads?

First of all, the respective **funding offer** must offer the option for the lump sum for overheads. This **can be found in the information for applicants**. It also specifies which institutions can apply for and receive the lump sum for overheads. **Domestic state or state-recognized universities and universities of applied sciences are eligible to apply.**

Foreign scientific institutions are only eligible to apply if this is explicitly provided for in the funding offer. Please refer to the respective information for applicants to determine whether this is the case.

Under "zukunft.niedersachsen" the lump sum for overheads is generally not offered.

Do I need to apply for the lump sum for overheads or is it automatically added?

The lump sum for overheads **must be applied for**. This may **also apply for co-applicants** for whom funds are being applied for and who are eligible to apply for the lump sum for overheads according to the respective funding offer.

Is the lump sum for overheads included in the maximum application amount for a funding proposal?

The **maximum application amount refers to the direct project costs**. The lump sum for overheads may be applied for in addition to the maximum application amount.

How can I apply for the lump sum for overheads? Does it have to be itemized or explained in the cost justification?

In the **application portal**, the lump sum for overheads can be applied for **informally without an additional document**. It is to be entered in an amount under "Lump sum for overheads", if necessary also in the respective budget plan of co-applicants. **No justification or breakdown of this cost plan item is required**, as it is a lump sum.

How is the lump sum for overheads calculated when the applying institution contributes to the budget of the funded project? Is the own contribution deducted from the total budget of the project beforehand?

The **lump sum for overhead costs** refers solely to the direct project costs approved by the **Volkswagen Foundation**. The contribution of the applying institution is therefore not included in the calculation of the lump sum for overheads.

Is there anything that needs to be considered when calling for funds regarding the lump sum for overheads?

The **lump sum for overheads is to be called up proportionately with each call for funds**. If, for example, EUR 10,000 is required for direct project costs, the plan for calling for funds should show a total of EUR 11,000 including the lump sum for overheads. **The responsibility for the correct call of funds lies with the grant recipient**. In order to avoid reclaims in the context of the statement of account and proof of utilisation, it is therefore advisable to always keep an eye on the share of the lump sum for overheads over the funding period and to adjust the plan for calling for funds if necessary.

How do changes in direct project costs affect the lump sum for overheads?

If the amount of direct project costs for the requested or granted project changes, the **lump sum for overheads** will be **adjusted accordingly**.

If, for example, fewer direct project costs are granted than requested, the grant letter will show a lower lump sum for overheads adjusted accordingly. The same applies if fewer direct project costs are needed and spent on the project. **If too much funding has been requested for the proportional lump sum for overheads, this must be returned to the Foundation or will be reclaimed as part of the statement of account and proof of utilisation**.

May the lump sum for overheads be reallocated?

The lump sum for overheads is **excluded from the possibility of reallocation**; it may neither be increased from other expenditure or cost plan items nor used to increase other expenditure or cost plan items. This is also regulated in the funding principles (No. 4 (2) and No. 11 (4)).

What happens with the lump sum for overheads when I change to another institution?

The date of the grant letter for the funded project is **decisive**. If this date is **before January 1st, 2023**, the funding principles attached to the first letter apply for the entire project. If the project is to be continued at another institution, the application and grant of the **lump sum for overheads** is **accordingly not possible**.

If the project was granted **after January 1st, 2023**, the **lump sum for overhead costs can be applied for in cases of a change of institution**. However, in order for the lump sum for overheads to be granted, the other requirements must be met - the funding offer offers the lump

sum for overheads and the recipient of the grant is an eligible institution described in the funding offer.

What evidence must be submitted to verify the use of the lump sum for overheads?

Since it is a lump sum, no itemized statements need to be submitted. However, it must be possible to determine from the statement of account and proof of utilization which amounts were used or posted for overhead costs.