



**To: Administrative Officers, Deans, Department Chairs, Directors, Faculty, Vice Chancellors and Vice Provosts**

Dear Colleagues:

The overhead rate for industry funded clinical trials will increase from 26% to 33% of total direct costs (TDC), effective October 1, 2024.

The existing industry clinical trial indirect cost rate has remained unchanged since 2005. Since that time, the costs of research facilities have increased and administrative requirements have grown. This adjustment to the industry clinical trial indirect cost rate is consistent with the rates of other UC sister campuses. The 7% increase will be leveraged by the campus to reinvest in infrastructure and improvements in clinical trials administration and support services that will enable our continued growth as a global clinical research leader.

Please note that the updated 33% indirect rate is applicable to "*sponsor-initiated*" and "*principal investigator-initiated*" **industry-funded** clinical trials contracted by the Clinical Trial Contracting & Strategic Relations (CTC-SR) unit. It does not apply to other clinical research agreements negotiated by the Technology Development Group or central Research Administration.

To mitigate an impact on industry-funded clinical trials currently undergoing activation at UCLA, the updated 33% indirect rate will be applicable to new clinical trial contracts executed by CTC-SR with a UCLA IRB application creation date on or after October 1, 2024. Notwithstanding the foregoing, any industry clinical trial contracts fully executed on or after January 1, 2025, regardless of IRB application creation date, will be subject to the 33% indirect rate. Please reference the table below for guidance and applicability of new or legacy industry clinical trial indirect rate:

UCLA IRB Application Creation Date	Contract Full Execution Date	Applicable Industry Clinical Trial Indirect Rate
On or before Sept. 30, 2024	On or before Dec. 31, 2024	26%
On or before Sept. 30, 2024	On or after January 1, 2025	33%
On or after Oct. 1, 2024	Any Date	33%

If you have any questions about the application of the clinical trials rate, please contact your assigned CTC-SR Industry Clinical Trial Contracts Officer or email [ClinicalTrials@mednet.ucla.edu](mailto:ClinicalTrials@mednet.ucla.edu).

Sincerely,

**Roger M. Wakimoto**

Vice Chancellor for Research & Creative Activities

The UCLA logo is displayed in white, bold, sans-serif capital letters on a solid blue rectangular background.