Research Cost Centre Management Procedure

Section 1 - Purpose

(1) This Procedure outlines the standard system for administration and management of Research Cost Centres associated with research activities, and enables the University of Canberra (University) to:

a. comply with reporting and acquittal requirements for research funding;
b. accurately account for research funding in a timely manner;
c. facilitate cost centre processing and accounting by confirming area roles and responsibilities; and
d. ensure the accurate capture of all eligible research funding.

Section 2 - Scope

(2) This Procedure applies to all University staff and affiliates (academic, professional, honorary appointments) undertaking research activities.

Section 3 - Policy

(3) Refer to the Research Cost Centre Management Policy.

Section 4 - Procedure

Financial Management of a Research Cost Centre

(4) A Research Cost Centre will only be opened at the request of the Research Services, and only if the project grant is deemed to be research and satisfies the University's research compliance requirements.

(5) Financial accountability for a project rests with the Cost Centre Owner of the project (usually the Chief Investigator of the project).

(6) Where the Cost Centre Owner leaves the project and the Funding Agreement allows for a replacement Chief Investigator, the replacement Chief Investigator becomes the new Cost Centre Owner and assumes financial responsibility for the cost centre. If there is no replacement of the Chief Investigator, then the Faculty Executive Dean becomes the new Cost Centre Owner.

(7) Cost Centre Owners should ensure they are fully informed of their obligations under the Funding Agreement governing the research grant. Research Services will keep copies of all research grant agreements and contracts and can provide them on request.

(8) Cost Centre Owners should ensure that the Research Cost Centre remains in credit and that management control is exercised when requests for expenditure are made to ensure that sufficient funds are available to cover the payment required.

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Appropriate Types of Expenditure

(9) A Cost Centre Owner can only approve invoices and expenditure that relate to the research project specific to the cost centre and, this is allowable expenditure as per the relevant Funding Agreement.

(10) A Cost Centre Owner who authorises payment of invoices from their cost centre, which later proves to not be related to that Research Project may face disciplinary action, for example in accordance with the Enterprise Agreement (Misconduct/Serious Misconduct).

(11) It is the responsibility of the Cost Centre Owner to advise Research Services if Ethics clearance is required:

a. prior to commencement of the research project; or
b. only for some activities forming part of the research projects and/or occurring in the latter part of the research project.

(12) For research projects falling under:

a. clause 11(a) above, no expenditures shall be incurred against a Research Cost Centre until all necessary Ethics approvals have been granted;
b. clause 11(b) above, the Cost Centre Owner must notify Research Services of the Ethics Clearance Due by Date at the time of acceptance of award. Expenditures can be charged against the Research Cost Centre up to the 'Ethics Clearance Due by Date' specified. The Research Cost Centre will be automatically suspended on the 'Ethics Clearance Due by Date' if Ethics approval has not been granted by this date.

(13) Actual costs only can be charged to a Research Cost Centre. Notional or approximate amounts of expenditure cannot be charged to a Research Cost Centre. Research Cost Centres are generally subject to audit substantiation and as such any expenditure must have proper supporting documentation such as invoices for expenditure incurred or salary reports provided by Payroll that detail salaries costs for staff involved in the Research project.

(14) The value of researcher time inputs can be charged to a Research Cost Centre as an expense for Research Professional Fees which will be credited to the relevant Faculty Research Support Cost Centre on request by the Research Cost Centre owner and with the authorisation of the Faculty Executive Dean. Research Professional Fees are only applicable to Research Consultancy projects.

(15) Any expenditure of a private or personal nature is prohibited and may give rise to a tax liability for the staff member concerned and/or disciplinary action.

Creation of a Research Cost Centre

(16) Finance & Analytics will only create a Research Cost Centre at the request of Research Services after they have reviewed the relevant grant agreement and determined that the project meets the definition of research.

Financial Reporting of Research Cost Centres

(17) Research grants generally require some form of periodic reporting during the duration of the research project as well as at the completion of the project.

(18) Research Services will identify when financial reports are required to be generated (through the Research Master database) and request Finance & Analytics to prepare these.

(19) Only financial acquittals prepared and authorised by Finance & Analytics are to be provided to granting bodies. Cost Centre Owners should not prepare or provide any financial information to granting bodies without Finance & Analytics review and certification.

Transfer of Expenditure To or From a Cost Centre

(20) Transfer of expenditure from one Research Cost Centre to another Research Cost Centre requires the approval of the relevant Faculty Executive Dean.

Transfer of a Research Project to Another Institution

(21) Where the Cost Centre Owner leaves the University and wishes to take the project with him/her to another organisation, then Research Services will arrange for the transfer of the project through liaison with the recipient institution.

(22) The transfer of unspent research project funds to another institution shall conform with the research contract conditions and will require the approval of the Deputy Vice-Chancellor in consultation with the Faculty Executive Dean, Director, Research Services and the Chief Financial Officer.

At the End of a Project

(23) At the end of the Project period, it is the responsibility of the Cost Centre Owner to ensure that all transactions are reconciled, and the Cost Centre is finalised and closed. This is done in consultation with the Research Services (for grant reporting) and Finance & Analytics (for financial acquittal reporting).

(24) Should a Cost Centre Owner will not assist with the closure of the Cost Centre the Director, Research Services can make appropriate decisions to facilitate this happening.

(25) Should a Research Cost Centre go into deficit, funds will be recouped from the relevant Faculty operating budget.

(26) In the event that a Research Cost Centre remains in surplus at the end of a research project, it is the responsibility of the Cost Centre Owner to liaise with Finance & Analytics and Research Services to determine if there are any funding agreement conditions relevant to surplus funds.

Transfer of Remaining Funds at Completion of Project

(27) Where a research funding agreement requires the return of unspent funds to the funding body this will be administered jointly by Research Services and Finance & Analytics.

(28) The funding body will be asked to provide an invoice requesting repayment of the remaining funds. This invoice request will be approved by the Director, Research Services or Deputy Vice-Chancellor as appropriate.

(29) The transfer of unspent research project funds to another higher education provider shall conform with the research contract conditions and with the approval of the Deputy Vice-Chancellor), in consultation with the Faculty Executive Dean, Director, Research Services and the Chief Financial Officer.

(30) When the contract conditions for a Research Consultancy allow the retention of surplus funds, the same shall be transferred to the Research Support Cost Centre of the relevant Faculty. For all other types of research funding, Faculties will determine if unspent funds are to be transferred to the relevant Research Support Cost Centre or to another Research Cost Centre which the Cost Centre Owner holds.

(31) Funds credited to Research Support Cost Centre, in accordance with clauses (appropriate types of expenditure, and transfer of remaining funds at completion of project above) are to be used only on research related activities agreed to between the Faculty Executive Dean and the Cost Centre Owner.

Closure of a Cost Centre

(32) At the completion of a research project, Research Services will request confirmation from the Cost Centre Owner

that a research project has been completed. When this is received, they request Finance & Analytics to close the Research Cost Centre.

(33) Finance & Analytics will only close a Research Cost Centre after it has been reconciled and any surplus or deficit balances have been transferred or reimbursed as required.

Section 5 - Roles and Responsibilities

Role	Responsibility	Action
Cost Centre Owner (usually Chief Investigator)	Responsible for financial management of the project	• Be fully informed of financial obligations under the Project Agreement. • Authorise payment of expenditure in accordance with the research project grant conditions. • Ensure that staff working on the project are charged to the project correctly. • Review financial transaction listings regularly to ensure expenditure charged to the project is correct. • Inform People & Culture if salary charges for the project are incorrect. • Inform Finance & Analytics if expenditure charges have been incorrectly charged to the project. • At the end of a project ensure that all transactions are reconciled, and the cost centre is finalised and closed.
Research Services	Responsible for providing project management support to Cost Centre Owner	• Review project grant contracts and determine if project is research. • Provide Cost Centre Owners or Chief Investigators with a copy of their research grant agreement or contract upon inception. • Request Finance & Analytics create a Research Cost Centre.
Finance & Analytics	Responsible for providing financial management support to Cost Centre Owner	• To create a Research Cost Centre only at the request of Research Services. • To provide Cost Centre Owners with transaction listings from the Finance System for the Research Cost Centre. • To prepare and certify Financial Acquittal Reports for funding bodies. • To close a Research Cost Centre upon finalisation of the project.

Section 6 - Definitions

Terms	Definitions
Acquittal	Statement of Revenue received less Expenditure incurred which results in a remaining unspent balance for the research project.
Chief Investigator	The Researcher identified by the University or named in the relevant Research Grant Agreement or Contract, as taking the lead responsibility for the project.
Cost Centre Owner	The person that is administratively responsible for the Research Project, usually the Chief Investigator, or sometimes the Faculty Executive Dean.
Ethics Clearance Due Date	Date specified by the Chief Investigator when Ethics approval should be granted.
Faculty Support Cost Centre	Research Cost Centre created for each Faculty or Research Centre to which funds are, in certain circumstances, transferred from individual Research Cost Centres.

Terms	Definitions
Research Consultancy	The purchase by an external organisation of the services of University Staff in the provision of expert advice, specialist knowledge or objective review within a research field.
Research Contract	A contract to provide funding for a specific research project or set of projects to be undertaken by the University. It may be funded by a company, government body, charity or other body, and will contain terms and conditions governing the conduct of the project, as well as obligations incumbent upon the University and the funder.
Research Cost Centre	A cost centre that relates to a project which is for research purposes as determined by the Research Services. These are recorded on the University's Research Master database and revenue for these cost centres is classified as Category 1 to 4 as per the Higher Education Research Data Collection reporting guidelines.
Research Professional Fees	Amount included in a Research Consultancy budget that represents the value of the research team's time in undertaking the specified project.
Unspent Funds	Funds remaining at the end of a project resulting from either cost saving measures undertaken to reduce project expenses (which have not adversely affected the research outcome), changes to project activities approved by the funding body and/or gains from changes in market rates on budgeted expense items.

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Custodian	Michelle Lincoln Deputy Vice-Chancellor
Responsible Manager	Faraz Hasan Director, Research Services Faraz.Hasan@canberra.edu.au
Author	Arvind Reddy Director, Research Services
Enquiries Contact	Nick Markesinis Policy Manager --- Policy