



## Research Cost Centre Management Procedure

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In developing this procedure the University had regard to the provisions of section 40B(1)(b) of the Human Rights Act 2004 (ACT).

### 1. PURPOSE:

- 1.1. To outline the procedure for a standard system for administration and management of Research Cost Centres associated with research activities, to enable the University to
  - 1.1.1. comply with reporting and acquittal requirements for research funding;
  - 1.1.2. accurately account for research funding in a timely manner;
  - 1.1.3. facilitate cost centre processing and accounting by confirming area roles and responsibilities, and
  - 1.1.4. ensure the accurate capture of all eligible research funding.

### 2. SCOPE:

- 2.1. All University of Canberra staff and affiliates (academic, professional, honorary appointments) undertaking research activities.

### 3. PROCEDURE:

#### **Financial management of a Research Cost Centre**

- 3.1. A Research Cost Centre will only be opened at the request of the Research & Innovation Services (RIS) Office, and only if the project grant is deemed to be research and satisfies the University's research compliance requirements.
- 3.2. Financial accountability for a project rests with the Cost Centre Owner of the project (this is usually the Chief Investigator of the project).
- 3.3. Where the Cost Centre Owner leaves the project and the Funding Agreement allows for a replacement Chief Investigator, then that 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 Faculty Executive Dean becomes the new Cost Centre Owner.

3.4. Cost Centre Owners should ensure they are fully informed of their obligations under the Funding Agreement governing the research grant. RIS will keep copies of all research grant agreements and contracts and can provide copies on request.

3.5. 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.

### **Appropriate types of expenditure**

3.6. 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.

3.7. 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 University's Enterprise Agreement 2019-2022 (Misconduct/Serious Misconduct).

3.8. It is the responsibility of the Cost Centre Owner to advise the RIS if Ethics clearance is required:

3.8.1. prior to commencement of the research project; or

3.8.2. only for some activities forming part of the research projects and/or occurring in the latter part of the research project.

3.9. For research projects falling under:

3.9.1. 4.8(a) no expenditures shall be incurred against a Research Cost Centre until all necessary Ethics approvals have been granted.

3.9.2. 4.8(b) the Cost Centre Owner must notify RIS 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.

3.10. 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 HR that detail salaries costs for staff involved in the Research project.

3.11. 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.

3.12. 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**

3.13. Finance and Business Services will only create a Research Cost Centre at the request of RIS after they have reviewed the relevant grant agreement and determined that the project meets the definition of research.

### **Financial Reporting of Research Cost Centres**

3.14. 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.

3.15. RIS will identify when financial reports are required to be generated (through the Research Master database) and request Financial Services to prepare these.

3.16. Only financial acquittals prepared and authorised by Finance and Business Services are to be provided to granting bodies. Cost Centre Owners should not prepare or provide any financial information to granting bodies without Finance and Business Services review and certification.

#### **Transfer of expenditure to or from a Cost Centre**

3.17. 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**

3.18. Where the Cost Centre Owner leaves the University and wishes to take the project with him/her to another organisation, then the RIS will arrange for the transfer of the project through liaison with the recipient Institution.

3.19. 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 Research & Enterprise (DVCR&E) in consultation with the Faculty Executive Dean, Director RIS and the Director Finance and Business Services.

#### **At the end of a project**

3.20. 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 RIS (for grant reporting) and Finance and Business Services (for financial acquittal reporting).

3.21. Should a Cost Centre Owner will not assist with the closure of the Cost Centre the Director, RIS can make the appropriate decisions to facilitate this happening.

3.22. Should a Research Cost Centre go into deficit funds will be recouped from the relevant Faculty operating budget.

3.23. 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 and Business Services and RIS to determine if there are any funding agreement conditions relevant to surplus funds.

#### **Transfer of remaining funds at completion of project**

3.24. Where a research funding agreement requires the return of unspent funds to the funding body this will be administered jointly by RIS and Finance & Business Services.

3.25. 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, RIS or Deputy Vice-Chancellor Research & Enterprise (DVCR&E) as appropriate.

3.26. 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 Research & Enterprise (DVCR&E), in consultation with the Faculty Executive Dean, Director, RIS and the Director, Finance and Business Services.

3.27. 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.

3.28. 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

3.29. At the completion of a research project, RIS will request confirmation from the Cost Centre Owner that a research project has been completed. When this is received, they request Finance and Business Services to close the Research Cost Centre.

3.30. Finance and Business Services 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.

## 4. ROLES AND RESPONSIBILITIES:

| Role  | Conditions  | Action   |
|---|---|--|
| Cost Centre Owner<br>(usually Chief Investigator) | Responsible for financial management of the project                       | <p>4.1. Be fully informed of financial obligations under the Project Agreement</p> <p>4.2. Authorise payment of expenditure in accordance with the research project grant conditions.</p> <p>4.3. Ensure that staff working on the project are charged to the project correctly.</p> <p>4.4. Review financial transaction listings regularly to ensure expenditure charged to the project is correct.</p> <p>4.5. Inform People &amp; Diversity if salary charges for the project are incorrect.</p> <p>4.6. Inform Finance and Business Services if expenditure charges have been incorrectly charged to the project.</p> <p>4.7. At the end of a project ensure that all transactions are reconciled, and the cost centre is finalised and closed.</p> |
| RIS   | Responsible for providing project management support to Cost Centre Owner | <p>4.8. Review project grant contracts and determine if project is research.</p> <p>4.9. Provide Cost Centre Owners or Chief Investigators with a copy of their research grant agreement or contract upon inception.</p> <p>4.10. Request Finance &amp; Business Services create a Research Cost Centre</p>  |

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|-------------------------------|---|---|
| Finance and Business Services | Responsible for providing financial management support to Cost Centre Owner | <p>4.11. To create a Research Cost Centre only at the request of RIS.</p> <p>4.12. To provide Cost Centre Owners with transaction listings from the Finance System for the Research Cost Centre.</p> <p>4.13. To prepare and certify Financial Acquittal Reports for funding bodies.</p> <p>4.14. To close a Research Cost Centre upon finalisation of the project.</p> |
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## 5. GOVERNING POLICY AND LEGISLATION:

This Procedure is governed by the [Research Cost Centre Management Policy](#).

## 6. DEFINITIONS:

| Terms                     | Definitions  |
|---------------------------|--|
| 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  |