Policy: Research and non-research funds management

Purpose
To set the governing principles for financially managing internal and external funds for ANU research and non-research activities.

Overview
This policy outlines the key principles of research and non-research funds management across the University in order to provide standardisation and consistency.

The University is committed to providing a sustainable and interactive system to streamline funds management services across the University.

Scope
This policy applies to S, Q and D funds held in the general ledger of the University.

Definitions
Commercial service is a contract or agreement between the University and a third party undertaken to apply the existing stock of knowledge and known methods of analysis to problems specified by third parties utilising technical facilities of the University. The activity is not intended to generate peer reviewed publications or new patentable inventions, as defined in the Costing and Pricing of Externally Funded Research Projects, University Consultancies and Commercial Services policy.

D ledger is an accounting ledger within the University’s finance system used to identify term gift funds managed under the Gifts and Fundraising Policy.

Fund(s) refers to both research and non-research funds held and managed by the University in the S, Q and D ledgers.

Non-research fund(s) refers to internal or external funding provided for non-research activities, including but not limited to University consultancies, commercial services, teaching, and non-recurrent operationally funded scholarships and prizes. Non-research funds can be held in the S, Q and D ledgers.
**Q ledger** is an accounting ledger within the University’s finance system used to identify funds where there is no specific reporting requirements and the University does not have to return unspent funds.

**Research** is a short form for research and experimental development. It is defined by Higher Education Research Data Collection (HERDC) Specifications as ‘*creative and systematic work undertaken in order to increase the stock of knowledge – including knowledge of humankind, culture and society – and to devise new applications of available knowledge*’. This could include synthesis and analysis of previous research to the extent that it leads to new and creative outcomes. Research is expected to lead to publication, or research output. The detailed criteria and examples of research and non-research activities are listed on [HERDC Specifications](#).

**Research fund(s)** refers to internal or external funding provided for undertaking research, which are held in the S, Q and D ledgers.

**S ledger** is an accounting ledger within the University’s finance system used to identify external funds where there are explicit reporting requirements and deliverables. The funds are held contractually by ANU, with ANU obligated to return any unspent funds at the completion of the contract. Australian Research Council (ARC) and National Health and Medical Research Council (NHMRC) grants, a significant source of research grant income for ANU, are managed against this fund type.

**University consultancies** are contracts or agreements between the University (or its subsidiaries) and a third party undertaken to apply the existing stock of knowledge and known methods of analysis to problems specified by third parties. This includes providing expert advice, specialist knowledge or object review within a particular field. The activity is not intended to generate peer reviewed publications or new patentable inventions. The primary direct cost in a consultancy is staff time, as defined in the [Costing and Pricing of Externally Funded Research Projects, University Consultancies and Commercial Services policy](#).

**Policy statement**

**Use of funds**

1. Funds are used and managed for a proper purpose, that is, they are used and managed in a manner that is considered efficient, effective, economical and ethical.

2. Funds are expended on goods and services for approved purposes. All tendering and procurement activity, including the use of University preferred suppliers, are to be compliant with the University [procurement policy, procedure](#) and related purchasing policies and procedures.
3. Funds tied to particular purposes are used only in alignment with the specified purpose.

**Funds records**

4. All research funds are properly documented and accurately recorded in the University’s Research Information Enterprise System (ARIES), Financial Information Management System (ES Financials) and other endorsed University systems, e.g. Electronic Records Management System (ERMS) for completeness and accessibility.

5. All non-research funds are properly documented and accurately recorded in ARIES, ES Financials and other endorsed University systems, e.g. ERMS. Note the following exceptions for recording in ARIES are:
   a. Non research grants and contracts where all revenue will be received and services delivered in the same year, by end of 31 December;
   b. Donations;
   c. Internally funded grants and contracts;
   d. Non-Research grants and contracts with a total contract value below $150,000.00 (GST Exclusive); and
   e. Commercial Rental Arrangements.

   For the above named exceptions, it is still recommended that the non-research funds are properly documented and accurately recorded in ARIES and in other endorsed University systems, e.g. ERMS for completeness and accessibility.

**Authorisations**

6. Only an authorised financial delegate signs a financial acquittal or financial statement of funds to a granting body on behalf of the University in accordance with the University Delegations of Authority policy.

**Integrity**

7. Consistent with the Code of Conduct, all University staff, students and affiliates act in an ethical and honest manner in all aspects of procurement and financial expenditure involving funds.

**Compliance**

8. The University manages funds in accordance with relevant laws and Australian Accounting Standards. Financial reporting is based on the transactions recorded in and provided from the University’s Financial Information Management System (ES Financials).
9. The University manages gift funds in accordance with the Gift Fund Governance and Gift Acceptance procedures.

10. All funds held and managed within the University are auditable and reportable in accordance with the contractual and accountability obligations required by fund providers.