

Procedure: Research and Non-Research grants and contracts - revenue recognition

Purpose

This procedure outlines the requirements and process for capturing research and non-research grants and contracts within ARIES and assessing the appropriate revenue recognition treatment related to grants and contracts.

Definitions

ARIES is the ANU Research Information Enterprise System used to manage the research and non-research grants and contracts across the university.

Corporate Finance and Financial Reporting team is a central finance team within the Finance and Business Services Division.

Local Area is the relevant College or Research School, including but not limited to finance, research management and school administration staff.

Master Services Agreement is an agreement that typically defines all basic and governing terms and conditions for transactions between the parties to a contract. Master agreements are typically signed by all parties to a contract.

Non-Research activities are activities that don't meet the standard of research – these may include but are not limited to consultancies, hosting a conference, equipment hire, and some travel grants.

Obligations Tab is a tab within ARIES that captures the relevant data to enable the ANU to recognise revenue in accordance with the accounting standards AASB15 and AASB1058.

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](#).

Revenue Assessment Form is the form completed by the Corporate Finance and Financial Reporting team to conclude the appropriate revenue recognition treatment of a contract or grant under the accounting standards AASB 15 and AASB 1058.

Research Contract Office team is a team within the Research Services Division.

Total contract value is the total value of expected funding agreed in the executed grant or contract.

Variation is a subsequent change to the contract or grant that was originally executed by the parties involved. This could be an extension in time, funding, or deliverables.

Work Order is a contract executed under the context of a Master Services Agreement.

Scope

This policy applies to local areas, the Research Contracts Office team and the Corporate Finance and Financial Reporting team involved in the establishment, execution, and management of research and non-research grants and contracts.

Research grants and contracts

All research grants and contracts (including any variations and work orders) that the University executes with external parties are subject to this procedure except:

- Australian Research Council (“ARC”) and National Health and Medical Research Council (“NHMRC”) grants and contracts, where there are no third party funding bodies involved (e.g. ANU led ARC Linkage and ANU led ARC Centre of Excellence, Externally Led grants etc).

Non-Research grants and contracts

All non-research grants and contracts (including any variations and work orders) that the University executes with external parties are subject to this procedure except:

- non-research grants and contracts where all revenue will be received and services delivered in the same year, by end of 31 December;
- donations;
- internally funded grants and contracts;
- non-research grants and contracts with a total contract value below \$150,000.00 (GST exclusive);
- commercial rental arrangements;
- non-research grants and contracts where associated invoices are generated through an ANU system other than ES Financials Accounts Receivable (Financial Shared Services).

Procedure

1. ARIES is the ANU's central database for all research and non-research grants and contracts.
2. The local area is responsible for entering research and non-research grants and contracts into ARIES.

Research Grants and Contracts

3. The local area is responsible for engaging with the Research Contracts Office ('RCO'). The RCO assist with reviewing, drafting, negotiating, and arranging the execution of research agreements.
4. Once a grant or contract (including any variations and work orders) is executed, RCO will notify the Corporate Finance and Financial Reporting team that the grant or contract is available for review and provide the relevant ARIES ID.
5. For any research grant or contract (including any variations or work orders) that does not go to RCO, the local area is responsible for notifying the Corporate Finance and Financial Reporting team once the grant or contract is fully executed.
6. The local area will notify the Corporate Finance and Financial Reporting team via fbs.revenuerecognition@anu.edu.au that the grant or contract is available for review and provide the associated ARIES ID.

Non-Research Grants and Contracts

7. The local area is required to notify the Corporate Finance and Financial Reporting team when a non-research grant or contract (including any variations and work orders) is fully executed.
8. The local area will send an email to fbs.revenuerecognition@anu.edu.au and advise that the non-research grant or contract is ready for review and provide the associated ARIES ID.

Research and Non-Research Grants and Contracts

9. Corporate Finance and Financial Reporting team will review the grant or contract and complete a Revenue Assessment Form.
10. Corporate Finance and Financial Reporting team will update the Obligations Tab in ARIES and upload a copy of the completed Revenue Assessment Form in the Documents Tab in ARIES.
11. Corporate Finance and Financial Reporting team will be responsible for the revenue recognition calculation.

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