

ARC RESEARCH GRANT ACQUITTAL AND CARRY FORWARD PROCEDURES

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OVERVIEW

The University of Adelaide is contractually obliged under a Funding Agreement with the Commonwealth Government to prepare reports and acquittals for research funding received from the Australian Research Council (ARC). This document sets out the responsibilities and tasks associated with ARC grant acquittals and carry forwards, to ensure the University's contractual obligations are met.

SCOPE

This procedure must be applied by all staff involved in the use and administration of ARC grants, and by relevant staff of other institutions when ARC grant funds are transferred to other institutions as contained in the relevant Multi-Institutional Agreement (MIA).

DEFINITIONS

Agreement means the Funding Agreement between the Commonwealth Government and the University of Adelaide.

Faculty Finance Manager means the persons holding the following positions:

Faculty	Position
Engineering, Computer and Mathematical Sciences	Finance Manager
Health Sciences	Faculty Executive Manager
Humanities & Social Sciences	Business Manager
Professions	Faculty Finance Manager
Sciences	Finance Manager

Grant means any ARC grant administered by Research Branch.

Nominated Grant Acquittal Officer means the person nominated by a Faculty Finance Manager under Procedure 1.1.

RMS means Research Management System, the ARC's online system for management of its grants.

PROCEDURES

1. Grants Where the Chief Investigator is a University Employee

1.1. Grant expenditure oversight

Step 1:

Responsibility: Chief Investigator

- i. Ensure that all awarded income is spent in accordance with the Agreement and that expenditure is in line with the broad structure of the proposed project cost detailed in the proposal or any revised budget, aims and research plan approved by the ARC.

The University requires that Chief Investigators review their grant expenses at least quarterly to ensure that accurate financial records are maintained for each grant.

Step 2:

Responsibility: Faculty Finance Manager

- i. Oversee an appropriate financial management framework to allow each Chief Investigator in the Faculty to manage their grants and meet their responsibilities, including assigning a Faculty staff member to be the Nominated Grant Acquittal Officer to carry out the responsibilities specified in these Procedures.

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- ii. Make available to the Chief Investigator financial information about the grant in accordance with a timeline agreed with the Chief Investigator. [The Operational Research Business Information Tool (ORBIT) assists with this.]

1.2. Carry forward requests

A carry forward request is required when a grant has unspent funds at the end of the year, including the final year of the project.

Step 1:

Responsibility: Chief Investigator

Timeline: Annually, by 28 February

- i. Use ORBIT or liaise with the School Finance Officer to determine if there are unspent funds as at 31 December.
- ii. If a carry forward request is required, complete the Internal Signature/Carry Forward form available on the Research Branch website at <http://www.adelaide.edu.au/rb/funding-opportunities/arc/reporting/>.
- iii. Submit the completed, unsigned form in Word format to arcgrants@adelaide.edu.au.
- iv. Forward the original, signed, hard copy of the form to:
ARC Team, Research Branch
Level 7, 115 Grenfell St
Adelaide SA 5000

Step 2:

Responsibility: Research Accounting

Timeline: Annually, by 15 March

- i. Enter ARC expenditure figures into RMS.

Step 3:

Responsibility: Research Branch staff

- i. Enter carry forward reason code and 750 character justification (if required) into RMS.

Step 4:

If queries are received from the ARC about a carry forward request:

Responsibility: Research Branch staff

- i. Forward the queries to the relevant Chief Investigator.

Responsibility: Chief Investigator

- i. Address the queries and provide a response for Research Branch to forward to the ARC.

1.3. Acquittal process

The ARC acquittal process includes a Period 1-10 and 1-12 review. The ARC Period 1-10 review is a preliminary check of expenditure allocated against ARC grants. Both the ARC Period 1-10 and ARC Period 1-12 spreadsheet must be authorised by the Faculty Finance Manager.

Step 1:

Responsibility: Research Accounting

Timeline: For P1-10 immediately following closure of October ledger (November) and for P1-12 late January of the following year

- i. Prepare an acquittal workbook detailing all active ARC grants for each Faculty, including a separate tab for each ARC funding scheme. The acquittal spreadsheet includes the following information for each grant:

GL project code	Eight digit PeopleSoft general ledger project code identifier.
Cost centre	Three digit cost centre code for the cost centre owning the grant.
Project description	Project description from PeopleSoft.
ARC reference	ARC project reference (i.e. DPXXXXXXXXX).
Project manager	Project manager recorded in PeopleSoft. This is the Chief Investigator of the project.
GL opening balance	General ledger opening balance as per PeopleSoft.
Adjusted ARC opening balance	Opening balance of ARC funding (as per ARC's records).
Adjusted other opening balance	Opening balance of other (non-ARC) funds in the project.

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ARC grant	ARC income for the period.
Internal recoveries	Internal recoveries processed during the year through internal trading journals. All internal recoveries are to be reviewed by Research Accounting and, if appropriate, offset against expenditure with a comment included to this effect. A comment will also be included to indicate those internal recoveries which have not been offset.
Internal funds transfers	Internal funds transfers in or out of the project during the period. Internal funds transfers are excluded in the acquittal report to the ARC. If the internal funds transfers are to be included as expenses the Nominated Grant Acquittal Officer can either process journals to bring these items to expense, or, if the transfers relate to prior year transactions complete Appendix A of the acquittal workbook.
Payment to other universities	Amount of funding transferred to other Australian Universities during the year (invoices coded to income account 1193).
Other external income	All other (non-ARC) external income receipted to the project code.
Total income	Includes all ARC income, internal recoveries, internal funds transfers and other external income.
Total current year expenditure	Total expenditure charged to the project in the reporting period.
Unacquitted ARC expenditure for prior year	ARC does not allow the University to report over expenditure. Any ARC expenditure not acquitted in a prior year is included here.
ARC expenditure	ARC expenditure to be reported in RMS. Adjusts total expenditure with the inclusion of prior year unacquitted ARC expenditure and exclusion of non-ARC expenditure and expenditure exceeding the available balance of ARC funds.
Unacquitted ARC expenditure for current year	ARC does not allow the University to report over expenditure. Any ARC expenditure exceeding the available balance of ARC funds is included here.
Non-ARC expenditure	Any expenses recorded against the project in the current year that should not be allocated against the ARC grant funds.
Expenditure check	Formula to ensure total current year expenditure + unacquitted prior year ARC expenditure is equal to ARC expenditure to be reported in the current period + unacquitted current year expenditure + non-ARC expenditure.
GL closing balance	General ledger closing balance as per PeopleSoft.
Balance check	Formula to ensure GL opening balance + total income + current year expenditure - GL closing balance = zero. This is a check to ensure any manual adjustments have not incorrectly altered the GL closing balance.
Adjusted ARC closing balance	Formula: Adjusted ARC opening balance + ARC grant – ARC expenditure
Adjusted other closing balance	Formula: GL closing balance – adjusted ARC closing balance
Comments	Comments for the Nominated Grant Acquittal Officer to review and respond to.

- ii. Email the completed acquittal workbook to each Faculty Finance Manager, with a due date for the signed acquittal workbook to be returned. The Faculty Finance Manager is responsible for distributing the data to appropriate Nominated Grant Acquittal Officer/s.

Step 2:

Responsibility: Nominated Grant Acquittal Officer

Timeline: Due date specified in acquittal

- i. Review the acquittal to ensure that:
 - a. all transactions reported are complete and accurate;
 - b. all transactions are recorded in PeopleSoft;
 - c. the expenditure to be acquitted is justifiable as having been spent on the project;
 - d. all transactions are allowable under the grant agreement;
 - e. account codes with unexpectedly large or small balances can be accounted for;
 - f. comments are included for the treatment of income recoveries;
 - g. comments are included for the treatment of internal funds transfers; and

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- h. comments are included for the treatment of other income.
- ii. Ensure details of internal recoveries, internal funds transfers or other income to be offset against ARC expenditure are included in Appendix A of the ARC acquittal workbook.
- iii. If inaccuracies are detected:
 - a. Notify Research Accounting by email of any inaccuracies.
 - b. Process any necessary correcting journals, including journals to remove disallowed costs from a project, and email a copy of the journal to Research Accounting for updating.
 - c. Await an update of the acquittal from Research Accounting, then begin Step 2 again.
- iv. Once satisfied there are no inaccuracies, provide a copy of acquittal workbook to the Faculty Finance Manager for final review and certification. The certified acquittal workbook is to be returned to Research Accounting.

Step 3:

Responsibility: Research Accounting staff

- i. On receipt of signed acquittal, undertake a final review to make any final adjustments to the figures as identified through the Faculty review process.
- ii. Load the certified financial acquittal information into RMS.

Step 4:

If queries are received from the ARC about an acquittal:

Responsibility: Research Accounting staff

- i. Forward the queries to the relevant Faculty Finance Manager, Nominated Grant Acquittal Officer and/or Chief Investigator.

Responsibility: Faculty Finance Manager, Nominated Grant Acquittal Officer or Chief Investigator

- ii. Address the queries and provide a response for Research Accounting to forward to the ARC.

2. Grants where funds transferred under Multi-Institutional Agreements (MIAs)

2.1. Acquittal process

These procedures apply when all or some grant funds have been transferred to another institution under a Multi-Institutional Agreement. The ARC Period 1-12 acquittal reports transfers to other institutions as spent in full. An adjustment is required to the ARC expenditure amount to reflect the actual amount spent by the other institution/s.

Step 1:

Responsibility: Research Accounting staff

Timeline: Annually in January

- i. Generate a list of all continuing grants requiring an acquittal.
- ii. Email this list to the relevant Finance Officer at the other institution requesting completion of the acquittal by a specified date.

Step 2:

Responsibility: Finance Officer in other institution

Timeline: Due date specified in acquittal

- i. Prepare the acquittal based on the financial information recorded against each grant in their own institution's finance system.
- ii. Arrange for their own institution's Chief Financial Officer or authorised delegate to certify that the funds have been spent in accordance with the Deed of Agreement.
- iii. Return the signed acquittal to Research Accounting by the due date. [Note: Research Accounting will return the acquittal if it is not certified under ii.]

Step 3:

Responsibility: Research Accounting staff

- i. Once the fully certified acquittal has been received from the other institution, adjust the University's ARC P1-12 ARC expenditure amount to reflect the actual amount spent by the other institution.

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- ii. Load the final ARC expenditure figure into RMS.

Step 4:

If queries are received from the ARC about an acquittal:

Responsibility: Research Accounting staff

- i. Forward the queries to the relevant Faculty Finance Manager, Nominated Grant Acquittal Officer and/or University Chief Investigator or, where appropriate, the Finance Officer of the other institution.

Responsibility: Faculty Finance Manager, Nominated Grant Acquittal Officer or Chief Investigator, or other institution's Finance Officer

- i. Address the queries and provide a response for Research Accounting to forward to the ARC.

3. Consequence of non-compliance

- a. Non-compliance with the Agreement may lead to a suspension of ARC funding until compliance is achieved, or termination of funding by ARC.
- b. Non-compliance with these Procedures by individual University staff members may lead to disciplinary action.

RMO File Number	F.2014/8258
Policy Custodian	Vice-President (Services and Resources)
Responsible Officer	Chief Financial Officer
Endorsed by (Academic Board or VCC)	Vice-Chancellor's Executive 6 August 2014
Approved by	Vice Chancellor and President on 12 August 2014
Related Documents and Policies	See the Financial Services Handbook (<i>link to come</i>) for additional procedures.
Related Legislation	Australian Accounting Standards Board (AASB) Accounting Standards Australian Auditing Standards (AUS) and Auditing Guidance Statements (AGS)
Superseded Policies	Capital Expenditure Policy Amortisation of Software and Development/Implementation Costs All Revenue and Accounts Receivable Policies Amending Customers Policy Collecting Debts Policy Creating Customers Policy Credit Notes (Adjustment Notes) Policy Customer Credit Policy Invoicing (Billing) Policy Managing and Reporting Debts Policy Receipting and Banking Policy Refunds Policy Revenue and Accounts Receivable Overview Writing Off Debts Policy
Date Effective	12 August 2014
Next Review Date	31 August 2017
Contact for queries about the Policy	Financial Services on ext. 34265