



Tied Research Funds Policy

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OVERVIEW

Staff members are encouraged to secure external research funding in support of their research and the University's strategic vision. Funding is often subject to an [Agreement](#) with the [Funding Body](#), and requires the University to meet specific obligations. Research funds secured in this way are designated as research [Tied Funds](#). The purpose of this Policy is to provide a clear statement of the University's expectations, requirements and practices for the management of research [Tied Funds](#).

SCOPE AND APPLICATION

This Policy applies to all staff, students and affiliated titleholders of the University of Adelaide. The scope is limited to [Tied Funds](#) received by the University in accordance with the [Research Grants, Contracts and Consultancies Policy](#) and for higher degree by research scholarships administered by the Adelaide Graduate Centre, and specifically excludes donations and bequests.

POLICY PRINCIPLES

1. Funds received in accordance with an [Agreement](#) are deemed committed for the specific purpose prescribed by the [Agreement](#) and, together with any compulsory University co-investment as detailed within the [Agreement](#), are designated as research [Tied Funds](#).
2. [Tied Funds](#) will be recorded in the University Financial System within a unique [Tied Project](#) associated with each [Agreement](#).
3. Each [Tied Project](#) will have one assigned [Responsible Person](#) who is accountable on behalf of the University of Adelaide for the delivery of the [Agreement Milestones](#), and to ensure the Tied Project remains within the approved funding envelope.
4. All revenue received and expenditure incurred by a [Tied Project](#) must be in accordance with the associated [Agreement](#).
5. Interest revenue will not be applied to a [Tied Project](#), unless the associated [Agreement](#) specifically requires the University to do so.
6. If a Tied Project has unspent funds at [Completion Date](#), the unspent funds will be managed as follows:

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- a. If required by the associated [Agreement](#), the University will return all unspent [Tied Funds](#) to the funding body in accordance with the [Agreement](#).
 - b. If the [Agreement](#) requires the University to use unspent [Tied Funds](#) for a specific purpose, the unspent funds will be used in accordance with the [Agreement](#).
 - c. If the [Agreement](#) does not require the University to return or to use unspent [Tied Funds](#) for a specific purpose, the unspent funds will be transferred to a project available for supporting research in accordance with the [Research Grants, Contracts and Consultancies Policy](#). This will occur six months after the project completion date, with advice of such provided to the Responsible Person.
7. Only financial reports prepared and authorised by Research and Management Accounting and in accordance with [Agreement](#) requirements, may be provided to funding bodies.

PROCEDURES

1. Creating a Tied Funds Project

Before a [Tied Project](#) can be created and recognised, an [Agreement](#) must be fully executed between the University and the [Funding Body](#). The [Agreement](#) must detail the contractual obligations, including the [Milestones](#), associated with the [Tied Funds](#) provided.

For each new [Agreement](#):

- I. Accounting Services must create a unique [Tied Project](#) in the University Financial System (there are instances where Accounting Services will create more than one [Tied Project](#) per Agreement);
- II. the [Administering Organisational Unit](#) must record the [Milestones](#) in an appropriate University system and ensure the Agreement is recorded in accordance with the [Contracts and Agreements Policy](#); and
- III. the [Responsible Person](#) is accountable for the delivery of the [Milestones](#);

Responsibility: Accounting Services

- a) Create a unique [Tied Project and record Financial Milestones](#).

Responsibility: Administering Organisational Unit

- b) Ensure the Agreement is recorded in accordance with the [Contracts and Agreements Policy](#).

Responsibility: Responsible Person

- c) The delivery of the [Agreement Milestones](#) and the management of the funds in accordance with the funding agreement.

2. Tied Project Revenue

To ensure a [Tied Project](#) receives the [Tied Funds](#) granted under the [Agreement](#), invoices must be raised to the [Funding Body](#) in accordance with the [Milestones](#), unless an alternative (documented by a variation agreement) is specifically requested by the [Funding Body](#). Any compulsory University co-investments must be transferred to the [Tied Project](#) in accordance with the [Agreement](#).

Responsibility: Accounting Services

- a) Raise revenue invoices to the [Funding Body](#) in accordance with the recorded [Milestones](#).
- b) Transfer compulsory University co-investments in accordance with the [Agreement](#).

3. Tied Project Expenditure

As per Principle 4, all expenditure charged against a [Tied Project](#) must be in accordance with the [Agreement](#). Any expenditure incurred before the [Agreement](#) is executed will require approval by either the [Funding Body](#) or the Executive Director, Research Services, after appropriate due diligence, and will be at the University's own risk until such time approval is granted.

As per Principle 3, the [Responsible Person](#) must ensure that the [Tied Project](#) remains within the approved funding envelope.

Responsibility: Responsible Person

- a) Ensure that [Tied Project](#) expenditure is within the [Tied Funds](#) awarded.
- b) Ensure that the expenditure charged to the [Tied Project](#) is in accordance with the [Agreement](#).
- c) Ensure that the [Tied Project](#) is not in deficit at the [Completion Date](#).
- d) Approve any transfers of funding in accordance with Policy Principle 6.

Responsibility: Administering Organisational Unit

- e) Process invoice payments to subcontractors in accordance with the [Agreement](#).

4. Tied Project Interest

Interest revenue will not be calculated and applied to any [Tied Project](#) unless specifically required under the [Agreement](#). If required, the University will apply the weighted average bank interest rate earned on the University's main bank account, unless otherwise stipulated within the [Agreement](#).

Responsibility: Accounting Services

- a) Where an [Agreement](#) requires interest revenue to be applied against the [Tied Project](#), calculate interest on a six-monthly basis on the average monthly balance of the project, unless otherwise agreed with the Manager, Research Accounting.
- b) Transfer interest revenue calculated in 4(a) to the [Tied Project](#).

5. Tied Project Unspent Funds

Where an [Agreement](#) requires the University to return unspent [Tied Funds](#) at the [Completion Date](#) or to use the unspent [Tied Funds](#) for a specific purpose, the University will honour the [Agreement](#) requirements. Where the [Agreement](#) is silent on the use of unspent funds, the unspent funds will be transferred to a project available for supporting research in accordance with the [Research Grants, Contracts and Consultancies Policy](#). This will occur six months after the project completion date, with advice of such provided to the Responsible Person.

Responsibility: Accounting Services

- a) If the [Agreement](#) requires the University to return unspent [Tied Funds](#) to the [Funding Body](#), advise the [Funding Body](#) to invoice the University, and advise the Responsible Person.
- b) If the [Agreement](#) requires the University to use unspent funds for a specific purpose, in consultation with the [Responsible Person](#), extend the [Completion Date](#), as advised by the Administering Organisational Unit, to enable the University to fulfil its commitment.
- c) If the Agreement is silent on the use of unspent funds then, with approval of the [Responsible Person](#), transfer the residual [Tied Funds](#) to a project available for supporting research in accordance with the [Research Grants, Contracts and Consultancies Policy](#). This will occur six months after the project completion date, with advice of such provided to the Responsible Person.

6. Detailed Financial Procedures

Detailed financial procedures applicable to this Policy will be available via [Financial Management Policy and Procedures](#).

DEFINITIONS

'Administering Organisational Unit' means the University's organisational unit responsible for administering the Agreement. See table below:

| <i>Tied Funds Type</i> | <i>Organisational Unit</i> |
|-------------------------------|-----------------------------------|
| Research Grants | Research Services |
| Contract Research | Research Services |
| HDR Scholarships | Adelaide Graduate Centre |

'Agreement' means a legally binding agreement, between the University and one or more other parties, to provide funding to the University for a specified project or purpose.

‘Completion Date’ means the completion date defined in the Agreement.

‘Funding Body’ means the primary funding party to the Agreement, e.g., Australian Research Council, National Health and Medical Research Council.

‘Milestones’ are the agreed set of timeline deliverables, actions and other prescribed obligations documented within the [Agreement](#).

‘Responsible Person’ means the person assigned as being responsible on behalf of the University of Adelaide for delivering on the [Agreement](#) outcomes and [Milestones](#). For research grants, this person is the first-named Chief Investigator, unless otherwise agreed by the Head of School.

‘Tied Funds’ includes both external funds provided to the University committed for a specific purpose under an [Agreement](#), and any compulsory University co-investment as detailed within the Agreement.

‘Tied Project’ means a project within the University’s Financial System categorised as tied.

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| RMO File No. | 2015/6095 |
| Policy Custodian | Deputy Vice-Chancellor and Vice-President (Research) |
| Responsible Policy Officer | Pro Vice-Chancellor (Research Excellence) |
| Endorsed by | VCE on 10 August 2016 |
| Approved by | Vice-Chancellor and President on 12 August 2016 Re-affirmed by policy custodian 5 April 2021; re-affirmed 18 April 2024 |
| Related Documents and Policies | Financial Management Policy Financial Management of Tied Research Funds Procedures Research Grants, Contracts and Consultancies Policy External Funding Deeds Australian Code for the Responsible Conduct of Research Responsible Conduct of Research Policy |
| Related Legislation | Nil |
| Superseded Policies | Nil |
| Date Effective | 18 April 2024 |
| Next Review Date | 17 April 2027 |
| Contact for queries about the Policy | Executive Director, Research Services |