



Interest on Research Grants Policy

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

PURPOSE:

This policy formalises the University's adoption of compliance measures in recording and attributing accrued interest to research cost centres where required by grant funding bodies.

SCOPE:

This policy:

- specifies the obligations of University of Canberra researchers, Faculties and University Research Centres, Finance and Business Services and the Research Services Office in relation to Interest Accrual Cost Centres (IACCs);
- applies to all University Cost Centres designated as IACCs and as such holding research grant funds contractually bound to conditions relating to the calculation and expenditure of accrued interest, as identified by Research Services Office.

PRINCIPLE:

1. Grant funding programs providing research and other income to the University are subject to contractual conditions. The University seeks to:
 - i. manage research grants effectively and efficiently;
 - ii. maintain eligibility for all available future grant funding; and ensure the best prospect for obtaining funded grant income; and
 - iii. ensure full utilisation of grants funding for the project purposes.
2. The University seeks to achieve this by ensuring compliance with all grant conditions on the part of the University, its employees and representatives
3. In certain instances specific grant funding bodies and programs require interest amounts accrued on the funding received by the University to be recorded and devoted to the research project for which those funds are granted^[1]*

4. Where the University is contractually obliged to record accrued interest and to expend it on the funded research program, the Cost Centre for that program will be registered as an Interest Accrual Cost Centre (IACC).
5. The attribution of accrued interest to a specific University Cost Centre will only occur where the contract determining the agreement for the research project explicitly requires that interest be attributed to the project funding.

[1] * In December 2009, the National Health and Medical Research Council (NHMRC) sought written assurance from all administering institutions that proper accounting for all NHMRC funding and the accrued interest relating to their grants be undertaken.

NHMRC contracts contain the following conditions:

4.2 ...the Institution must...use any apportioned interest earned on the funds only for the purpose of Awards provided...

6.3...Financial acquittal must include (b) the total interest attributable to the Funds.

RESPONSIBILITIES:

Responsibilities for implementing this policy are set out in *Interest on Research Grants Procedures*.

- Policy owner – Director, Finance and Business Services
- Policy contact – Manager, Research Finance

LEGISLATION:

This policy is governed by the University of Canberra Act 1989 (ACT) and its Statutes and Rules.

Documents related to this policy are:

- *External Research Funding Policy (to be developed by RSO)*
- [Interest on Research Grants Procedure](#) which outlines the operational procedures and approaches which apply to this policy

DEFINITIONS:

Terms	Definitions
Interest Accrual Cost Centres (IACC)	Interest Accrual Cost Centres are those cost centres which relate to research grants that, as per the relevant funding agreement or contract, require the University to accrue interest on unspent grant funds and attribute this interest back to the research grant cost centre for expenditure on the project.