1. Purpose and Scope

This procedure is to be used for UNSW research funds provided to UNSW that are not bound by a contract.

This procedure is not for grants governed by a contract which are administered by the Grants Management Office (GMO). This is covered in Research Grants – Administration and Accounting Procedures.

However, this procedure will apply to any surplus funds remaining after a completed GMO administered project where the funds are not required to be returned to the funding body. These procedures illustrate the process required for the transfer and subsequent access of these funds for research purposes.

2. Definitions

- **CSA**: Client Services Accountant.
- **GMO**: Grants Management Office.
- **RFO**: Research Finance Officer.
- **RF**: The fund code used for research projects that are not administered through the GMO. The project number allocated to this fund will begin with PS.
- **RE**: The fund code used to identify research projects administered through the GMO. The project number allocated to this fund begins with RM.
- **HERDC**: Higher Education Research Data Collection.
- **Restricted Funds**: A grouping of funds used in the Budget. For more information see [http://www.fin.unsw.edu.au](http://www.fin.unsw.edu.au).
PRJSTATB  An NS Financials accounting report summarising all income and expenditure for Non-General Funds.
Overdraft  A facility which allows a unit to borrow funds up to a pre-agreed amount. It must be repaid.
UNSW  University of New South Wales.
School/Centre  The term School/Centre has been used throughout this document to mean School/Centre/Department etc.
Project Manager  The term Project Manager has been used throughout this document to mean Project Manager, Principal Researcher etc.

3. Overview

The following provides an overview of the use and application of three fund codes established for the following purposes:

<table>
<thead>
<tr>
<th>Fund Code</th>
<th>Fund Name</th>
<th>To Be Used For</th>
<th>What Projects can be coded to this Fund?</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>RE</td>
</tr>
<tr>
<td>RF111</td>
<td>Research Surplus Funds</td>
<td>Surplus research funds are coded to this account when an RE/RF222 project has been completed and there is no requirement to return the surplus to the funding body.</td>
<td>Yes</td>
</tr>
<tr>
<td>RF222</td>
<td>Research Miscellaneous Funds</td>
<td>Use this code for research funds provided by a source external to UNSW and not bound by a contract.</td>
<td>No</td>
</tr>
<tr>
<td>RF333</td>
<td>Research Suspense Funds</td>
<td>Generally, this is a temporary account to allocate revenue and expenses prior to an RE project being established. Also for revenue and expenses used over multiple projects, but transferred on a periodic basis.</td>
<td>Yes</td>
</tr>
</tbody>
</table>

These points apply to all RF Funds:

- The funds established under RF are not subject to the overhead levy requirements as specified by the Competitive Neutrality and Pricing Policy.
- For budget purposes all RF fund codes are classified as Restricted Funds.
- The letters “PS” will prefix all RF project numbers in the ChartField.
- RF111 and RF222 are income funded whereas RF333 is budget allocated.
- They are Non-General Funds and will be included in the PRJSTATB Report.
- It is the responsibility of the schools or faculties administration officer to complete the journal documentation using the:
  - L30 to transfer revenue and costs;
  - FSD09 to transfer future salary costs;
  - FSD10 to transfer past salary costs

These journals should be forwarded to your CSA for processing.
4. Research Surplus Funds (RF111)

The RF111 fund code is used for surpluses remaining after an RE or RF222 project has been completed.

- It should be used for funds remaining in completed RE projects administered via the GMO where there is no requirement to return the funds to the granting body/funding source.

- Surplus balances remaining from the closure of an RF222 project should also be coded to this fund. Refer to the RF222 heading later in this document for details on this process.

- To arrange to have the funds transferred into RF111 the RFO will liaise with the CSA and the relevant school/faculty administration.

- It is important that the project researcher and/or administrator have ensured that all final expenses have been paid before the project is closed and the funds transferred into RF111.

- Once the funds have been transferred relevant RE or RF222 project can be inactivated in NS Financials. See Project Inactivation Procedures (to be finalised at a later date) which outlines the closure process.

Accessing the funds for subsequent research:

These transferred funds are available to be used for other research based projects within each school. The steps to access the funds are:

a. Generally one project will be established for each faculty/school/centre to consolidate the research surplus balances. Although additional projects may be established within the school/centre at the discretion of the Dean, (or his/her delegated officer) it is generally expected that no more than five projects per school/centre should be set up.

b. To establish this RF111 project in NS Financials, forward a completed NG Form to your CSA.

c. Transferring funds from an RE project into RF111 will be processed via an L30 journal by the RFO.

d. Then to access the funds for subsequent individual research projects:

   - The new project using the surplus funds must be approved by the Dean by completing an NG form.

   **Administrating the new project:**

   Once approved a new RF111 project, with a unique PS number, will be established. The project will be administered under this PS number and the funds transferred into this new project.

The Faculty will be expected to submit a two year strategic plan at the end of each year on the proposed use of these funds.
5. Research Miscellaneous Funds (RF222)

The RF222 fund code is used for funds donated or provided to the UNSW for research purposes only. These funds may come directly to the UNSW via an invoice/cheque or through UNSW Foundation as a donation. As these funds are not bound by a contract they are not administered by GMO.

To establish a project, the steps are:

a. For research donations received via UNSW Foundation and for research funds provided to UNSW and not bound by a contract, complete an NG Form.

b. The form must be forwarded to the CSA for an RF222 project to be established in NS Financials.

c. Once an RF222 project has been established in NS Financials, the School/Faculty should raise an invoice for the value of the funds received to UNSW Foundation or other funding body as appropriate quoting the PS number.

Closure of a project:

Once a project has been completed and all outstanding accounts paid it can be closed by following the Project Inactivation Procedure (to be finalised at a later date) and transferring surplus balances to RF111.

This action is recommended since it will consolidate funds. Further transferring balances will allow completed projects to be closed, and the relevant RF222 project code inactivated in NS Financials.

If there is a deficit:

Outstanding balances remaining in RF222 projects are the responsibility of the School/Faculty and must be cleared before the project is closed.

6. Research Suspense Funds (RF333)

It is recognised that sometimes income and expenses are incurred before an RE project has been established in NS Financials. This scenario only occurs with RE projects.

RF333 has been established so that initial income and/or expenses can be coded here temporarily. Then, after an RE project has been established in NS Financials by the RFO in the Grants Management Office, the relevant income and expenses will be transferred into this new account using the appropriate journals.

It may also be used on an ongoing basis for expenditure and income incurred over multiple projects. The schools/centres are expected to transfer the income or expenditure to the relevant RE project on a periodic basis.
Examples of types of expenses that may be coded to RF333 are:

- To minimise cost, bulk consumables may be purchased (eg laboratory supplies) for a number of RE projects.

  The total cost will be coded to RF333 and subsequently transferred by journal to the various individual RE projects. The **minimum** requirement is for this to be done on a quarterly basis.

- Staff recruitment and salary costs before an RE project has been established. When using an [HR10](#) form for staff requirements, the ChartField of an RF333 project can be used. Once an RE project has been established by the RFO in NS Financials, the costs are to be transferred via L30 or FSD journals.

**The steps are:**

Because expenses may be incurred before income has been received and before the establishment of a project, it is recognized that schools may need to establish an overdraft facility.

a. To request an overdraft facility the School/Centre should complete [RF Overdraft Request](#). They will be asked to guarantee to cover any deficit remaining in the RF333 project at year end.

b. The completed [RF Overdraft Request](#) and [NG Form](#) should be sent to the CSA for an RF333 project to be established in NS Financials.

c. Once an RF333 project is established, a budget will be allocated based on the requested overdraft facility.

**Administering an RF333 project:**

It is the responsibility of the CSA\'s to reconcile the project in liaison with the school or faculty administrator. At year end if the account is still in deficit, the CSA will process a journal to clear the account, charging it against the ChartField nominated on [RF Overdraft Request](#).
7. Eligibility for the Higher Education Research Data Collection (HERDC)

Each year the Federal Government establishes and publishes the criteria (and other matters) for inclusion of research funds in the HERDC.

<table>
<thead>
<tr>
<th>Fund Code</th>
<th>Eligibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>RF111</td>
<td>Not eligible for inclusion since they will have been &quot;counted&quot; in a prior period.</td>
</tr>
<tr>
<td>RF222</td>
<td>Donations via UNSW Foundation will not be eligible as they are included in HERDC data as part of UNSW Foundation. Other research funds without a contract may be eligible.</td>
</tr>
<tr>
<td>RF333</td>
<td>Not eligible as this is primarily holding account.</td>
</tr>
</tbody>
</table>

8. Forms

- **NG** to establish a project in NS Financials
- **HR10** for recruitment
- **RF Overdraft Request** to request overdraft facility

9. Journals

- **L30** to transfer revenue and costs
- **FSD09** to transfer future salary costs
- **FSD10** to transfer past salary costs

<table>
<thead>
<tr>
<th>Version</th>
<th>Date</th>
<th>Approval</th>
<th>Sections Modified</th>
<th>Details of Amendments</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.0</td>
<td>26/03/2009</td>
<td>Director of Finance</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

10. Review

This procedure will be reviewed annually in October.