

Research accounts and budgeting processes

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How to access your research funding

When a complete research file, which includes, amongst other things, a signed research contract or a grant approval letter; a Costing and Consents Worksheet (CCW); and ethics approval, is received by the Research Finance Associate, a research account will be set up in the university's Project Ledger in Finance One.

Research Finance will then notify you of the account code by email (with a copy to your departmental administrator). The account will be available for use once you have been notified of your account code.

The account notification email contains the following information:

- The Finance One account code
- Copy of the signed Costing & Consents Worksheet (CCW)

Further account information where applicable is saved into the contract folder including:

- Indirect salaries information
- The Budget template

Account Codes

There are a number of different account codes, and the type of account depends on the type of research being undertaken.

“P” activities

These are used for reciprocal research grants, which are grants that have reporting requirements or obligations to the funding provider (most research falls into this category)

“Q” activities

These are for non-reciprocal research grants, for which there are limited, or no, reporting requirements or obligations on the University from the funder i.e.: donations

“S” activities

Internally funded accounts i.e., funded from within the University

“R” activities

University of Otago Research Grants

Example of an account code

A research account in Botany department could have the code: 123456.01.P.FC.3281.00

- 123456.01 is the Project Number
- P is the Activity Type
- FC is the cost centre code i.e., Department of Botany
- 3281 is the dissection i.e., General materials & supplies

Indirect Salary/Depreciation deduction schedule

For contracts with indirect salaries or depreciation funded by the funding bodies, an Indirect Salary/Depreciation Deduction Schedule will be set up based on the information given on the signed Costing & Consents Worksheet. This schedule outlines the monthly amount that will be charged to your research account throughout the duration of the contract. It also shows into which departmental account the indirect salary/depreciation will be credited. The schedule includes all equipment depreciation, indirect salaries and associated ACC levies and superannuation.

Budgets

The budget is the financial plan for the research project, as submitted in the grant application and approved by the funding body. The budget should be split over the term of the grant based on your research plan as to when you anticipate incurring the expenditure. It is your best guess based on the information you have available at the time.

The Research Finance Team will enter a budget into the Research and Enterprise Database (REDs) from the Costing & Consents Worksheet and save the budget template into the contracts folder to be accessed by the departmental finance team as required. Budget templates are exported from REDs and loaded into Finance One twice a month. The following year's budget will be loaded automatically at the beginning of each year and can be revised any time of the year.

Actual expenditure may differ from your plan and a variance will result. This indicates that for whatever reason you varied from the original plan and in order to complete within the time frame and budget a revision of that plan may be needed. Please contact a Research Advisor or Business Development Manager to complete a revised CCW if you wish to revise your research account budget.

Monthly Financial Reports - each month the Financial Services Division sends each PI a summary report of their project activity. From these PI reports you are able to monitor your financial performance against your budget, any queries should be directed in the first instance to your departmental finance associate.

Payment method

Research and Enterprise recover payment from the funding body as set out in the contract. This payment method will be stated in the account notification email to you. If invoices are to be issued by the department, it will be stated in the email. When invoices are connected to reports required by the funding body, as per the signed contract, the Researcher must send a copy of the report to Research and Enterprise so an invoice can be issued. The Research Advisor or Business Development Manager attached to your division will follow this up with the Researcher if the report has not been received by the due date.

Financial statements of account

Financial reports are required by some funding bodies. These should be prepared by the Research Finance Associate. If you are approached by the funding body for a financial statement, please contact the Research Advisor or Business Development Manager attached to your division in the first instance.

Paying Direct Salary, Scholarships

For staff that are paid directly from a research account (listed under "Direct Salary" on the Costing & Consents Worksheet), it is the department's responsibility to liaise with Human Resources to ensure the salary payment is made from the correct account.

For students (PhD or Masters) who are to be paid directly from a research account, the researcher (i.e., the supervisor of the student) needs to fill out a Setting up a Research Grant Scholarship form and forward the signed version to their Research Advisor or Business Development Manager.

The form can be obtained from your Research Advisor or Business Development Manager.

Closing accounts - P, Q and E Accounts

Your research grant should only be used for the purpose it was set up for. Once the research is completed, the account needs to be closed.

Based on the information you supplied on the Costing & Consents Worksheet your account will be made unavailable two months after your contract end date. The contract end date is the date you initially believed your project would be completed, i.e., final report provided and no further obligation on behalf of the University.

If the project is going to continue beyond the contract end date, your Research Advisor or Business Development Manager will need to negotiate a variation to the contract with the funding body so this date can be extended until such time that your project is fully completed. A new or revised Costing & Consent Worksheet may be required if extra funding is involved. The Research Finance team will need to be advised by the Research Advisor or Business Development Manager that the account can remain active while the extension is being negotiated.

In order to help speed up the closure and extension process of Research Projects please complete the Research Account Closure Form including the closure checklist that needs to be completed before an account is closed. This can be found at: [Research Account Closure Form](#)

Departments need to download and complete this form for each account that is to be closed and save to the Research Finance Team's nominated folder as soon as possible after the end of the project. Treatment of research surplus funds are dictated by the funder's contract terms and need to be included on the closure form. Based on this, the return or retention of surplus funds forms part of the closure process undertaken by the Research Finance team.