

'Cradle to Grave' research grant administration

Research Grant and Contracts Administration Procedures

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Introduction

Research can be defined as original investigation, undertaken to gain new knowledge and understanding, which may be directed towards a specific aim or objective. A full definition is included in Appendix I.

The term 'Research Grant' is usually restricted to research projects funded by the UK Research Councils, Charities and the Higher Education Funding Councils. All other externally financed research projects are classified as 'Research Contracts'. In this document research grants and contracts will be collectively referred to as research projects.

Research Support Office (RSO)

The RSO is part of the Division of Research and Enterprise Services. The RSO provides advice and guidance service in support of externally-funded research projects. This includes:-

- full economic costing (fEC) and pricing of proposals based on TRAC (transparent approach to costing) methodology
- pFACT training
- internal procedures for authorisation and submission of proposals
- internal procedures for acceptance of awards
- electronic proposal submission processes
- advice on funding guidelines
- set up of awarded research projects
- liaison with the Contracts Office on research contracts
- expenditure claims and invoicing
- staff costs and authorisation of staff forms on research projects
- coordination of research project audits
- final statements and budget reviews
- research ethics and governance
- management information and reports (internal and external)

The RSO also provides support for the Research Excellence Framework (or equivalent) and facilitates the work of both the University Research Committee and the University Research Ethics Committee.

Who we are

The RSO is managed by the Research Support Manager and comprises of two teams. The pre award team advise on full economic costing, the pricing of proposals, the approval process, ethics and funders. The post award team deal with grant set up, audits, claims and statements and general post award administration.

Research Proposals

All new proposals for externally funded research, regardless of value or funder, must be costed using full economic cost methodology (fEC) and be fully approved internally prior to submission to the funder. This requirement includes outline proposals and proposals submitted to the funder by another institution/organisation. The approval process at Lancaster has been set up specifically

so that research proposals can be checked and reviewed to ensure that only high quality applications which stand the best chance of success are submitted on behalf of Lancaster University.

The University uses pFACT (Project Financial Appraisal Costing Tool) as both a costing tool and for electronic approvals. Principal Investigators (PI) can request pFACT user accounts and passwords from the RSO (rso-submissions@lancaster.ac.uk).

The RSO web site <http://www.lancs.ac.uk/depts/research/> has a link to pFACT and a pFACT guide can also be downloaded from here. The guide provides details on how to cost research proposals using the principles of fEC and explains the approval process. It is recommended that Principal Investigators request one-to-one training on pFACT from the RSO.

Once a project has been fully costed and the funder and income have been added to the proposal on pFACT, PIs must complete a project and ethics questionnaire (incorporated into pFACT as 'Additional Fields') before the proposal is sent to their Head of Department (HoD) for approval. They must also complete an ethics self assessment stage 1 form (available on the RSO website).

The HoD reviews the proposal and completes the HoD checklist (in pFACT) and the proposal moves up to the Dean of Faculty for the next stage of approvals, if appropriate.

In parallel with departmental and faculty approvals the PI should liaise with the RSO to ensure that the funder's forms are completed correctly and in accordance with the funder's call specification. This may be in paper or electronic format. Once the proposal has been approved by the Dean and checked and validated by the RSO final institutional approval is sought from either the Director of Finance or the Vice Chancellor (if applicable). The institutional authorisation limits are attached (Appendix II).

If the research proposal is a tender the RSO liaises with the Contracts Office to ensure that the contract terms and conditions are reviewed prior to submission.

It should be noted that a costing in pFACT cannot be approved without reference to the actual proposal. pFACT must be completed and it is then reviewed alongside the actual proposal or funders form which includes the budget being requested for the project as well any other accompanying documents e.g. letters of support, justification of resources, impact statement, case for support.

Responsibilities of the Principal Investigator

It is the responsibility of the PI to ensure that his/her application is fully approved before it is submitted to the funder and that all necessary documents are available to the relevant approvers in a timely manner to allow them to be reviewed along side the costing in pFACT before passing to the next approver level. It is especially important that the RSO has the full application, including justification of resources, case for support, letters of support, impact statements etc. to allow the application to be checked for errors and for pFACT to be verified against the application to the funder. It is also important that there is sufficient time to allow for any amendments that may be required during the approval/review process. This may include referring the funder's forms back to the PI for amendment so it is essential that sufficient time is allowed for this to happen.

It is the responsibility of the PI to ensure that the research will be conducted in line with the University ethics code of practice and that an ethics checklist and stage 1 form are completed, reviewed and signed by their HoD and the original returned to the RSO, preferably before the deadline for the application.

Responsibilities of authorisers

Within the hierarchy of authorisation, the different authorisers will be looking at proposals from different perspectives. What follows are some broad guidelines (not exhaustive) that are intended to help focus the issues around authorisation.

Head of Department approves the proposal to confirm:

- That they are satisfied with the quality of the proposal
- That the proposal is consistent with the departmental research strategy
- That the project can be delivered within available departmental resources or that the need for additional resources has been raised for consideration by the Dean
- That any institutional commitment is fully agreed at department level
- That the ethical risk has been assessed and the ethics approval process has been followed

The Dean approves the proposal to confirm:

- That the proposal is consistent with the faculty research strategy
- That the project can be delivered within available faculty resources or that the need for additional resources has been raised for consideration by the Director of Finance
- That any institutional commitment is fully agreed at faculty level
- That the ethical approval process has been followed

The RSO approves the proposal to confirm:

- That the costs included in the actual proposal form are consistent with those on pFACT which have been approved by the HoD and the Dean where applicable
- That all resources identified in the case for support/proposal are included in the costs on pFACT
- That the proposal is in line with the funder's terms and conditions and that the proposal forms are completed correctly
- Costs deemed ineligible by the funder are not included in the proposal (even though they may be a part of the project costs on pFACT)
- That any VAT has been accounted for correctly within the proposal and pFACT e.g. VAT on sub-contracts
- That any institutional information given in the proposal is correct
- That on collaborative projects the costs of collaborators are incorporated into the proposal and their approval has been given to Lancaster to submit the proposal on their behalf
- That the proposal forms are signed by the relevant approver if a signature is required
- That any non-stand terms and conditions have been reviewed by the Contract Office if necessary
- That any ethical or other issues raised through the approval process are passed on as appropriate e.g. to the university research ethics committee

The RSO can only carry out these checks effectively providing that sufficient time is allowed between receiving the completed proposal from the PI and the deadline for submission. PIs should take into account that there will be other proposals already in the RSO workflow and there may be a number for the same deadline. Once all checks have been completed the application will be sent to the Director of Finance and in some cases the Vice-Chancellor for final approval. If Dean level approval is the final level required proposals must still be confirmed for submission by the RSO to ensure these last checks are completed.

The Director of Finance/Vice-Chancellor approves and signs the proposal to confirm:

- That the proposal is consistent with the University strategy
- That any resource issues raised by the Dean have been resolved or that a clear process exists to resolve them
- That any institutional commitment is fully agreed
- That the application form now have full institutional approval to be submitted to the funder

To allow time for proper consideration, the proposal should be available to the final authoriser no later than one week before the deadline for submission.

Awarded Grants

Once a grant is funded and an award letter has been received by the RSO the grant is set up on the University financial system (Agresso). The RSO is responsible for returning start certificates and acceptance documents. The grant is given an internal project number and a grant information sheet is sent to the PI and the departmental administrator, together with reminders about timesheets if applicable. Strategic Purchasing is also informed of any awarded grants with equipment budgets greater than £25k.

Awarded research contracts are first reviewed by the RSO for financial considerations before being forwarded to the Contracts Office for review and negotiation. Once a contract is accepted and signed it is set up on Agresso as above.

If staff are to be appointed on a grant a staff form will be completed by the department, approved by HoD and the Dean and sent to the RSO for final approval before the post is advertised or a staff contract is issued. The RSO checks the details of the post requested and calculates the expected cost. Any shortfall between budgets and expected cost is discussed with the PI and department before the staff form is approved by the Research Support Manager and forwarded to HR.

The day-to-day administration of research grants and contracts is carried out by Principal Investigators and their departments. Principal Investigators are responsible for the financial and ethical management of their research projects in accordance with the funder's terms and conditions and University regulations. Principal Investigators must ensure that for each research contract they hold:

- They have read and understood the grant/contract terms and conditions of award

- Both funder and university procurement requirements are adhered to
- Timesheets are completed by relevant staff and authorised on a monthly basis when required
- Only legitimate costs that properly relate to the grant/contract and which are in accordance with the contract are charged to the project;
- Potential cost overruns are notified to the HoD and the RSO as soon as they become apparent.
- The research is conducted in an ethical manner in accordance with the University's code of Ethics
- Interim and final reports are submitted to the funder on time

Research grant income and expenditure statements are available for Principal investigators in Agresso or from Departmental officers/finance administrators. Any anomalies in start/end dates or grant details should be notified to the RSO as soon as possible.

The RSO is responsible for initiating all invoicing and claims in accordance with the funder's terms and conditions and by the due date, including final claims or submitting final expenditure statements. The RSO will also arrange and coordinate any grant audits that may be required either during the life of a grant or after the final reporting period.

Once all claims are made and final payments have been received from the funder the RSO will close the grant. Any overspends will be charged to the appropriate Departmental cost centre.

Ethical research at Lancaster

All research involving Lancaster University staff and students should be conducted in line with the principles set out in the [Code of Practice](#) and shall at all times be legal and transparent, and place the responsibility and accountability on the Principal Investigator or Research Supervisor. Details of the internal processes can be found in the [Procedures document](#) . Flowcharts summarising the routes for externally funded projects and research students and all other ethics forms can be found on the RSO website <http://www.lancs.ac.uk/depts/research/lancaster/ethics.html#>

Appendix I – Definitions

1. Research Projects

1.1 Definition

Research and experimental development (R&D) comprise creative work undertaken on a systematic basis in order to increase the stock of knowledge, including knowledge of man, culture and society, and the use of this stock of knowledge to devise new applications.¹ It includes work of direct relevance to the needs of commerce, industry, and to the public and voluntary sectors; scholarship²; the invention and generation of ideas, images, performances, artefacts including design, where these lead to new or substantially improved insights; and the use of existing knowledge in experimental development to produce new or substantially improved materials, devices, products and processes, including design and construction.

The term R&D covers three activities: basic research, applied research and experimental development.

Basic research is experimental or theoretical work undertaken primarily to acquire new knowledge of the underlying foundation of phenomena and observable facts, without any particular application or use in view.

Applied research is also original investigation undertaken in order to acquire new knowledge. It is, however, directed primarily towards a specific practical aim or objective.

Experimental development is systematic work, drawing on existing knowledge gained from research and/or practical experience, which is directed to producing new materials, products or devices, to installing new processes, systems and services, or to improving substantially those already produced or installed.

The following activities are to be **excluded** from R&D except when carried out solely or primarily for the purposes of an R&D project: routine testing and routine analysis of materials, components and processes such as for the maintenance of national standards, as distinct from the development of new analytical techniques, the development of teaching materials that do not embody original research.

In some cases the classification between 'research' and other activities may be border line. In such situations the work to be undertaken should be discussed with the Head of Department to determine the classification.

1.2 Accounting for Research Projects

Research projects are costed on pFACT and accounted for on a full-economic cost basis.

2. Teaching-based project

¹ 1993 Frascati Manual published in 1994 (ISBN 9264142029)

² Scholarship is defined as the research imperatives involved in the creation, development and maintenance of the intellectual infrastructure of subjects and disciplines. Scholarship is made accessible to present and future audiences in forms such as dictionaries, scholarly editions, catalogues, websites, archives and contributions to major research databases.

2.1 Definition.

A Teaching-based project is defined as the provision of teaching or training under external contract or outside the normal course of teaching duties. If such activity is expected to continue indefinitely then it should be budgeted as part of normal departmental activity.

2.2 Accounting for a Teaching-based project.

Teaching-based projects should normally be costed on pFACT and accounted for in the same way as a research grant. Unbudgeted surpluses or deficits at the end of the project should be accounted for in accordance with the relevant Faculty policy.

3. Consultancy Projects

3.1 Definition

Consultancy can be defined as expert advice or testing, which draws upon and applies the expertise of members of staff. It is unlike research in that it does not have as its prime purpose the generation of new knowledge and there is no academic output, such as publications in refereed journals. Consultancy contracts are usually short-term, from a day to a few months, and generally involve extra work for existing staff members rather than employment of new staff.

At Lancaster there are three types of consultancy:

- a) University consultancy
- b) Private consultancy through Lancaster University Consultancy Services (LUCS)
- c) Wholly Private consultancy

3.1 a) University Consultancy

The University is the contractor and the consultancy work is conducted within an individual member of staff's contract of employment.

Typical examples of University Consultancy may include:

- Projects and services arising from public tender processes or invitations
- Specific advice arising out of professional network affiliations
- Acting as an expert witness
- Laboratory and other testing of materials, devices, products or produce
- Data analysis

The distinction between research and consultancy is often a grey area. Some projects may be defined by the client as consultancy but the work is nonetheless sufficiently original that it meets the definition of research and the University can reasonably claim the contract within the various research returns made to HEFCE. In these cases the project/proposal should be considered as a 'research' project.

University Consultancy projects should normally be costed on pFACT and accounted in accordance with the relevant Faculty policy.

3.1 b) LUCS Private Consultancy

Private Consultancy is assumed to be carried out within the freedom of academic employment and must be approved by the Head of Department (see letter approving private consultancy). A private consultancy project must first be assessed and accepted by LUCS. If accepted the individual staff member will be covered by the University's professional indemnity insurance policies and will work under a sub-contract to LUCS. Any payments due to the individual will be made through Payroll and will be subject to tax and national insurance, if applicable. If LUCS do not accept the consultancy project the individual may still chose to undertake the work as a wholly private consultancy project.

LUCS Private Consultancy should be costed using the simple costing form attached (#insert web link#) and accounted for in accordance with the LUCS procedures.

3.1 c) Wholly Private Consultancy

If an individual staff member wishes to undertake wholly private consultancy that is not through LUCS then the consultancy services will involve a contract directly between the client and the individual member of staff. Private consultancy of this nature is assumed to be carried out within the freedom of academic employment and must be approved by the Head of Department.

It should be noted that:

1. A member of staff undertaking wholly private consultancy must confirm in writing to the client that they are NOT acting on behalf of the University (see letter approving private consultancy). The Commissioner reply should be forwarded to LUCS.
2. A member of staff undertaking wholly private consultancy may not use any University facilities, stationery, telecoms etc.
3. A member of staff undertaking wholly private consultancy is **NOT COVERED** by the University's professional indemnity policy.
4. The University has no interest in the conditions under which wholly private consultancy is conducted and has no claim on any income earned.

Appendix II

RESEARCH PROPOSALS					
Funding as a % of fEC	Institutional Authority	<60% fEC	60% - 79% fEC	80% - 99% fEC	100% + fEC
Research Councils	Director of Finance			£1m	
	Dean			£750k	
Funding as a % of fEC	Institutional Authority	<60% fEC	60% - 79% fEC	80% - 99% fEC	100% + fEC
Other Government Departments	Director of Finance		£250k	£750k	£1m
	Dean		£125k	£500k	£750k
Funding as a % of fEC	Institutional Authority	<60% fEC	60% - 79% fEC	80% - 99% fEC	100% + fEC
Private Sector	Director of Finance		£250k	£500k	£1m
	Dean		£125k	£250k	£750k
Funding as a % of fEC	Institutional Authority	<60% fEC	60% - 79% fEC	80% - 99% fEC	100% + fEC
Charities	Director of Finance	£250k	£500k	£750k	
	Dean	£125k	£250k	£500k	
Funding as a % of fEC	Institutional Authority	<60% fEC	60% - 79% fEC	80% - 99% fEC	100% + fEC
European (Framework Programme)	Director of Finance	£500k	£750k		
	Dean	£250k	£500k		
Funding as a % of fEC	Institutional Authority	<60% fEC	60% - 79% fEC	80% - 99% fEC	100% + fEC
Other Research Funders	Director of Finance		£500k		
	Dean		£250k		
NON-RESEARCH PROPOSALS					
Funding as a % of fEC	Institutional Authority	<60% fEC	60% - 79% fEC	80% - 99% fEC	100% + fEC
Non-research projects - All Funders	Director of Finance	£250k		£500k	£1m
	Dean	£125k		£250k	£750k

A new project may require re-approval before it can be accepted if the amount awarded differs to that originally requested and approved, or the funder requests a revised budget prior to awarding the project. Re-approval is required if:

1. fEC percentage recovery is reduced by more than 5%
2. Directly incurred costs are more than the amount awarded
3. DA staff costs, estates or indirect costs are reduced by more than 10%
4. The funding will be used for a different purpose to that originally approved, or the project has changed significantly.

Proposals with a fEC value exceeding the above limits or not covered by this table must be authorised by the Vice-Chancellor (or Pro-Vice-Chancellor (Research) when the Vice Chancellor is away from Lancaster).

Professor Mark E Smith
Vice-Chancellor

04 April 2013

Note: Contractual documentation relating to proposals authorised under the above schedule of delegations will normally be signed on behalf of the University by the Director of Research and Enterprise Services. The Director of Finance and the University Secretary are also authorised under this delegation.