Award Cycle & Getting Awards

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Types of awards

1. Subsidies (performance?)
2. Donations
3. Research grants (competitive)
   a) Public research funding agencies
   b) Private grant-making foundations
4. Sponsorships (solicited)
5. Contracts (performing a service)
6. Commercialisation of IP

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DONATIONS/SPONSORSHIPS/BURSARIES/ SCHOLARSHIPS

- Operate in a non-directed fashion
- Few contractual requirements
- Should be no direct material benefit to client
- What does the client want in return?
- What are local requirements?
- No IP going to funder
- Limited reporting

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GRANTS

- From a legal perspective, no direct benefit to funder
- Direction for research & deliverables are specified
- Reporting requirements
- Guidelines for use of funds
- Audit requirements
- Terms & conditions attached

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CONTRACT RESEARCH/CONSULTING

- Both directed funding
- Deliverable driven
- Time, Budget & Quality
- Often need to use specified resources
- Abide to standard methods
- Direct benefit to the client

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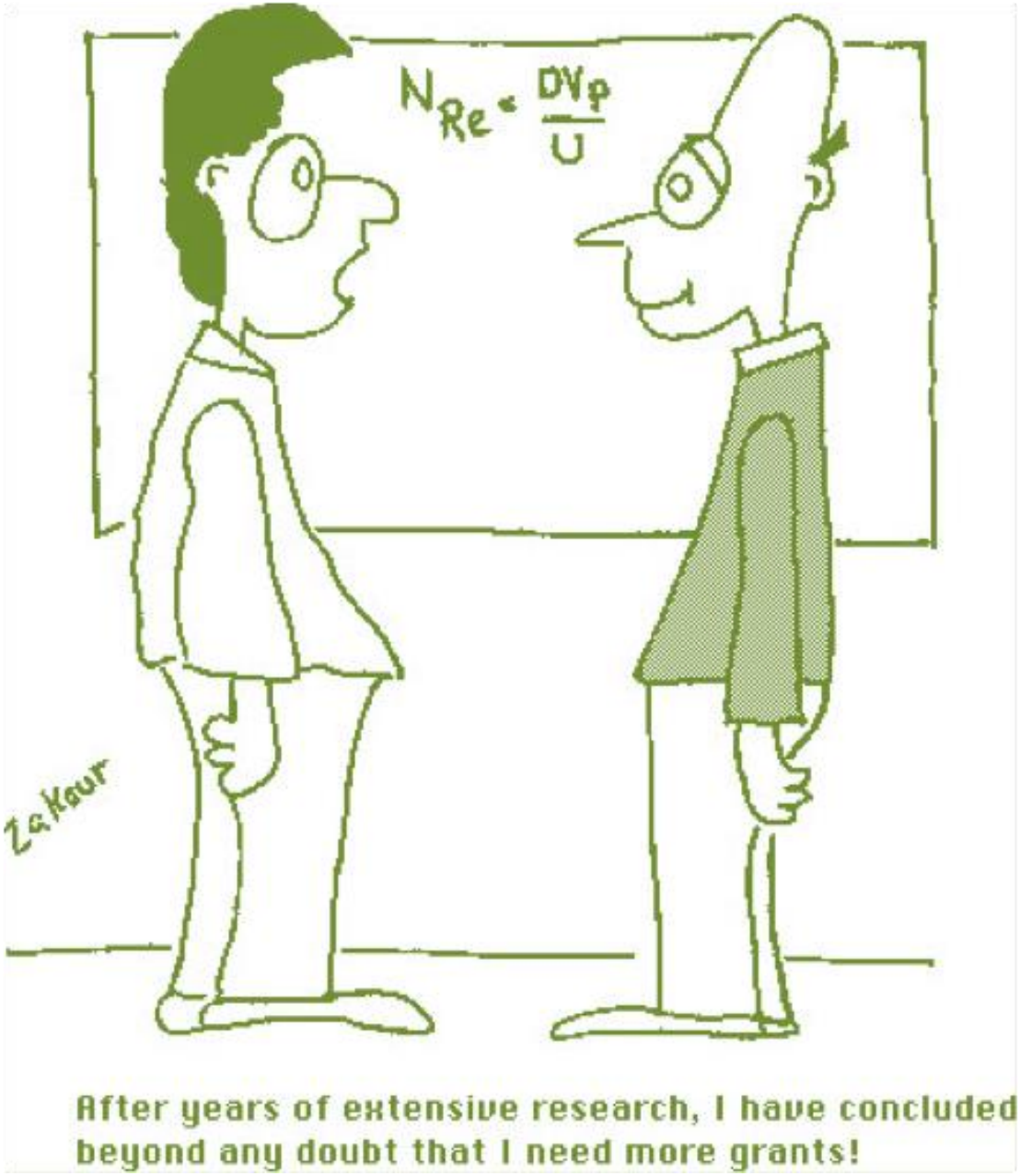
$N_{Re} = \frac{DV\rho}{U}$
Z.a.Kaur
After years of extensive research, I have concluded beyond any doubt that I need more grants!

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The grant writing process

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GRANT PROCESSING AND SUBMISSION

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Talent – know the researchers and academics

research interests:

- discipline, collaborators, emerging areas of interest

career stage:

- early career? Expert ?

past applications:

- success and failures

possible teaching & administration commitments

- sabbaticals? Committees?

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Who are the funders?

- Research Councils (national & international), government (local & national), industry and charities have strict rules on what costs are allowed
- Rules vary between funders
- Always check all items requested
- Consult frequently and ask if not sure!

FUNDER REQUIREMENTS

- Deliverables (Pre-award)
- Entity supporting documentation (Pre-award)
- Budgetary requirements (Pre-award)
- Meetings/Committees (Pre-award)
- Allowable overheads (Pre-award & Post-award)
- Personnel: Charge-outs or actual costs (Pre-award & Post-award)
- Upfront payment or payment in arrears/on delivery (Pre-award & Contracts)
- Sub-contractors (Pre-award & Contracts)

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FUNDER REQUIREMENTS cont…

- Intellectual property ownership (Pre-award & Contracts)
- Insurance & Indemnity requirements (Pre-award & Contracts)
- Reporting currency (Pre-award & Post-award)
- Standard contract/terms and conditions (Contracts)
- Supporting documentation (Contracts)
- Technical reporting & financial reporting (Post-award)
- Reporting requirements (Post-award)
- Interest (Post award)
- Allowable variances (Post-award)

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Internal proposal processing

Best to develop a processing flow-chart, with clear sequencing and overall responsibilities

- Initial stages (conceptualisation), team formation
- Who may / must sign off?
- Authorisation documentation / policies
- HR, finance, legal, ethics, IP involved?
- Time required at each stage
- Who does the final checking before pressing the submit button?

The budget and its uses

A budget is:

Realistic financial plan for a *specific* period of *time*

A budget is used as:

the financial reference against which *costs are measured*

Budget should match the Scope of Work!

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First financial terms

Direct costs
+ Indirect rates (Cost Recovery policy?)
= Full costs

Cost versus price

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Full economic costing components

FEC is the total cost to the institution of undertaking a research project. It comprises:

- All *auditable* direct costs arising from the conduct of the research (**directly incurred** costs) (DI)
- All *estimated* direct costs arising from the conduct of the research (**directly allocated** costs) (DA)
- A full indirect *cost recovery* and a provision for recurring *investment* in the institution's infrastructure (**indirect** costs) (ID)

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Why full economic cost (fEC) budgeting is important



- TRAC (Transparent Approach to Costing)
- Additional money for Research
- Industry and other Government Departments *should* pay 100% fEC
- Onus on universities for financial sustainability, meeting full costs of all research and infrastructure

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Building a project budget

- What costs to consider?
  - Salary
  - Travel
  - Consumables
  - Equipment
  - Exceptional items
  - Indirect costs (limits?)
  - Inflationary increases (?)
  - Publication
  - Professional editing
  - Audit

Remember: Funders vary!

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Equipment

- You are budgeting for the equipment you require for the project NOT a pot of funds to spend on any equipment you wish
- Be aware of Procurement processes
- Large pieces of equipment will need quotes
- Consider maintenance costs for equipment
- Be aware of time lag for large purchases and for commissioning and training

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Proposal approval and submission



Electronic submission systems?

- Familiarise! Practice / dummy runs.
  - Inform applicants about time required for internal approval before submission deadline.
  - e-mail (check address, request delivery notice, size limits, system down!)
  - Postal / courier (multiple copies; (who checks copies are complete, good quality, page order, properly addressed ,etc.?)

Application submitted – what now?

- Proof of receipt?
- Funder's review processes? Interaction allowed?
- How long will a decision take?
- How will the decision be communicated?
- Provisional or final? Appeal processes?
- Who accepts the award? When?
- Resubmission allowed? Waiting period?

Application successful / unsuccessful



Institutional submission recording system

What to record:

- PI, funder, topic, discipline, budget size
- Outcome (successful / unsuccessful)
- Reviewers comments
- Rejection reasons (procedural or technical?)

Reasons why applications are unsuccessful

- Guidelines not followed/carelessly prepared (~ 40%)
- Incomplete
- Does not address the goals of the funding body
- Referee reports (conflicting, not supportive)
- Display lack of knowledge in area of research (lack critical literature references)
- Flawed design and methodology
- Lack of realism (attempt too much; reflects poor understanding of problem; under-promise and over-perform)
- Problem is not sufficiently important or motivated

Reasons why applications are unsuccessful

- Requested infrastructure/equipment not relevant or not properly motivated
- Researcher/Team - Inadequate track record or training
- Project lack focus
- Duplicates others in the field, and/or does not explain why this one is different/better
- No collaboration involved, when it would clearly be to your advantage
- Statements are put forward as 100% fact, without any reference to research to substantiate it
- The budget is unrealistic (does not match SOW)
- Presentation & Quality…grammatical and spelling errors!!!

BASIC PRINCIPLES FOR COMPLIANCE

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So the proposal is successful!



What are the legal implications?

Due diligence on implications:

- IP
- Equipment
- Student involvement
- Publications

Enter the laywers

Examples of agreements

- Research contract / Service Level Agreement (SLA)
- Clinical Research / Clinical Trails
- Studentship
- Collaboration agreement
- European Commission Consortium Agreement
- Research sub-agreement / sub-contract
- Material Transfer Agreement (MTA)
- Confidentiality or Non-Disclosure Agreement (C/NDA)
- Memorandum of Understanding (MoU)

Common components of agreements



Main Body

- Definitions
- Confidentiality, Publication and disclosure rights
- Intellectual Property
- Termination
- Liabilities, indemnities, *force majeur*
- Boilerplates (standard text re governing law, no rights to 3rd party etc)

Annexures commonly found

- Project Description
- Payment Terms and Procedures.

Signing of agreements or contracts



Is the individual signing formally authorised? If not ...

- Have risk management/ due diligence checks been made?
- The individual signing may be personally liable
- The organisation's insurance must be valid

Do you know who your authorised signatories are? - DOA

Good practice to keep authorisation policy or decision on file, even to copy it into agreement.

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Intellectual property issues

If IP is created and has value

Ownership? Negotiable?

- Staff – owned by their institution through their contract
- Students – do they have a contract specifying ownership of IP?

Access to IP

- Background IP (not new but often the base of the project)
- Foreground IP (to be generated in the project)
- Are the terms fair?

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Disclosure, dissemination, publication

Essential to describe publication /dissemination rights

- Sometimes not allowed at all
- Even conference presentations may be a breach of contract
- Contract may describe how permission for disclosure may be arranged
- Some restriction / checking prior to publication is usually acceptable

Researchers should be made aware that even small changes in a paper, conference presentation, etc. can ensure IP protection, without damaging the quality of the product

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Look out for unreasonable terms

- Indemnities
  - Inappropriate or inequitable share of risk
  - Unfair allocation of responsibilities
- Unlimited liabilities or beyond what insurance covers
- Termination
  - Uneven ability to initiate termination
  - Insufficient time to address problems before termination
  - Doesn't allow for PG students to complete
  - **Knowledge of insurance policies essential**

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PROJECT IMPLEMENTATION AND OVERSIGHT

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Managing the project

The desired outcomes of a project successfully managed – to finish

- On contract
- On budget
- On time

Starting the project

Gather all the information

- Key Documents: Proposal, Award letter, Contract(s)
- Key deliverables, obligations, milestones, start and end dates
- Contact details of individuals - PI, partners, collaborators, funders
- Final Budget: in FC terms, & what is being recovered
- Ongoing expenditure tracking and projections
- Financial Documents: Invoices, POs, etc.
- Staff (e.g. RAs) grade, recruitment, start & end dates, timesheets
- PGs start & end dates, supervisors.

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Who is responsible?

Difference between *responsibility* and *support*

PI should monitor the budget, not the RM

The PI is in charge of the costs that are put through the project.

The RM can alert especially overspending. The PI's know what has been authorised but does not yet appear on the University's financial system.

Query immediately not two years later. e.g. a new piece of equipment.

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Principal Investigators & problems



Principal Investigators

- Should be aware of expenditure to aid project planning
- Require regular reports

Problems

- Speak to PI immediately
- Alert relevant administrative unit (Finance)
- If necessary, speak to funder, but, if possible
  - Find solution first
  - Rationalise solution (improve outcomes, cost-effectiveness, etc.)
  - Present rationalised version to funder

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BASIC PRINCIPLES OF PROJECT FINANCIAL MANAGEMENT

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General monitoring of the budget



Compare expenditure with budget, look for

- Spend with no income, Income with no spend
- Profile of spend and projection to end of project
- Overspending of budget and categories
- Does sponsor allow variations?
- Start date – is there spend before this date?
- End date – is there spend after this date?
- DA and indirect costs not being charged
- Is expenditure being charged to project that shouldn't be?

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PROJECT REPORTING AND CLOSE-OUT

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Closing the project

- All projects have end dates
- Some have deadlines for the final claim to be submitted
- Some sponsors will impose a financial penalty if the final claim is not received in time
- Consider/motivate for a no cost extension if delivery has been delayed through unforseen circumstances

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Natural end/ end of contract

- A project comes to an end
  - Final figures and a report need to be done
- Terms of contract need to be checked
  - Some sponsors need a listing of all expenditure
  - Others may need to see invoices over a certain amount
- End figures need to be agreed
  - With the PI
  - Sign-off
- Financial report
- Audit processes
- Once agreed final invoice can be raised and sent

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Termination

- Check Terms and & Conditions of contract
- Sponsor withdraws from project
- Project derails
  - Keep communicating with the PI, School & funder
  - Produce final invoice/statement
  - Any expenditure incurred after the closing date of the project will have to be funded by the School/ Department

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THANK YOU | ZIKOMO

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