

UNIVERSITY RESEARCH INFRASTRUCTURE

1. OVERVIEW

It is important that universities seek, wherever possible, to identify the real costs of research and request the appropriate level of funding. This will include not only salaries, salary on-costs, travel, equipment and consumable costs, but the infrastructure costs incurred by the School/Institute and central University. The overhead or infrastructure costs are genuine costs that the University incurs. Any decision to waive such costs in particular cases means that there is a cost shifting from one academic unit to the University as a whole. While there may be strategic reasons for such cost transfers it is clear that we need to monitor this carefully.

The University requires that all budget areas contribute appropriately to the overall costs of running the University. Waivers of infrastructure costs mean that a greater share of funding for University costs will have to come from the Commonwealth research performance related block funding like the RTS, IGS and RIB with the net result being that everyone subsidises particular groups whose infrastructure is waived.

Similarly the University in its pricing of contract research abides by National Competition Policy (NCP). Waiving of infrastructure means that public funds are being used to offer a subsidised service, potentially below rates charged by a private provider. It may be helpful if we develop some clearer explanations for both internal and external use so that the significance of infrastructure funding is more widely understood.

2 IMPLEMENTATION

The revised method for calculating infrastructure (effective September 2009) on individual projects is based upon the funding category:

Category 1 funding (i.e. for schemes listed on the Australian Competitive Grants Register - ACGR) does not attract infrastructure charges as the Commonwealth distributes infrastructure funding to Universities through its various funding mechanisms.

Funding in **Categories 2-4** (i.e. not on the Australian Competitive Grants Register) is to be calculated at the time of submission as follows:

35% on the salary component
15% all others components

There will be a review of the charges when an offer is received, as it may be necessary to make adjustments to the project depending on the level of support being offered.

Exemptions will only apply:

- ♦ For research scholarship stipends and limited funding to support RHD students (maximum of e.g. \$5K pa). Funds in excess of this, or large grants that contain a scholarship, would not be exempt.
- ♦ Grants and donations from charitable foundations, provided:
 - i) they will not cover infrastructure, and

- ii) the total amount of funding from such sources in any calendar year is not greater than \$250K, in which case the School will be charged 5% on all such income.

The policy allows for some measure of flexibility, but also signals that exemptions will be exceptional and not the norm.

3 USE OF INFRASTRUCTURE FUNDS

Funds marked as contribution to infrastructure are divided equally between the organisational unit responsible for the project and a central account. The Head of School/Director of Institute/organisation unit have responsibility for expenditure and disbursement of the organisation unit's component. Planning and Resources manage the expenditure of those funds marked for the central component of the infrastructure funds.