

POLICY

6.33.15 Development Assistance and Research Project Management Policy

Policy Number: 6.33.15
Responsibility: Executive Director Finance
Date approved: 4 August 2015
Date reviewed: August 2017

1. Overview

This policy provides guidelines for operations and management of development assistance and research project funds.

The University in accepting development assistance and research project funds assures its sponsors that project activities are conducted in accordance with the scope of work and that expenditures incurred under these funds comply with the applicable sponsors' terms and conditions and University policies.

2. Policy Purpose

The purpose of the policy is to ensure that appropriate governance and control is established, project and research funds are effectively managed within the limitations and scope of the project, appropriate authorisation, responsibility and acceptance is established throughout the life of the project, and stakeholders expectations are met through a successful delivery against the cost and quality parameters.

3. Policy content

The aim of the policy is to provide a framework to effectively manage project funds and address the key reputational and financial risks the University is exposed to in such activities. The policy clearly defines responsibilities and ensures accountability of each stakeholder within the University. It states the regulations on usage of funds, treatment of unspent funds, overspendings, and overhead charges.

Policy Statement

- 3.1 This policy is subordinate to the financial regulations and schemes of financial delegations.
- 3.2 All project funds to be “on advance” basis, except where approved by the Vice Chancellor to be on “acquittal basis”.
- 3.3 A MINIMUM overhead charge of 15% on each project or research fund, and to be charged on receipt of the funds by the University. Any charge less than 15% will need to be approved the Vice Chancellor and clearly stated on the MOU.
- 3.4 A fund controller is an assigned delegate of the University who has the authority to make a decision and approve USP’s financial transaction within the limits defined in the Scheme of Financial Delegation.
- 3.5 The fund controller will be fully responsible in ensuring that the funds are spent in accordance with the terms and conditions as stated in the MOU.
- 3.6 Unspent project funds can only be utilised with the approval of the development partner.
- 3.7 Overspending on project funds is not allowed, except as defined in this policy and operating procedures set by the University from time to time.
- 3.8 The Fund Controller/ project team leader is held accountable for the operations of the project from inception to completion.
- 3.9 The Management Accounting Team in the Finance Section is primarily responsible for the accounting, reporting and financial monitoring of project accounts on a regular basis.
- 3.10 The Development, Marketing, Communications & Alumni (DMCA) Office is responsible for the overall coordination, awarding and monitoring of all projects accounts.
- 3.11 The Research Office is fully responsible for the overall coordination, awarding and monitoring of all research project

accounts.

3.12 The Fund Controller should be Audit Ready as random audits on the project fund may be conducted at any time.

Sub Delegation of Project Funds

4.1 Projects can be sub delegated depending on the nature and skills required to implement such projects. It's the ultimate responsibility of the fund controller to ensure the following for all sub-delegated projects:

- a) A contract must be signed with the sub-delegatee before funds are disbursed. It shall clearly outline the expected results, reporting requirements, budget allocation, eligibility of expenditure, requirements for audit or verification, and possible recovery of funds by the donor.
- b) All sub delegations above \$30,000 will need to be in more than one tranche. All additional tranches will only be released after the receipt of the acquittal of the previous tranche, and the approval of the fund controller, on the recommendation of the Finance Office.
- c) The sub-delegatees must at all times operate within the policy and procedure of the University.
- d) The fund controller is ultimately responsible for ensuring the project implementation and successful completion.

SOURCE OF INFORMATION

The following Universities have been referred to:

- *University of Auckland*
- *University of California*
- *James Cook University*
- *University of Otago*
- *University of Queensland*