1. **PURPOSE**

**To clarify the roles and responsibilities of the Division of Advancement through UNSW Foundation and the Division of Research in managing research income.**

1. **BACKGROUND**

The Division of Advancement (Advancement) is responsible for promoting philanthropy and fundraising to advance UNSW goals in all areas including research. This includes:

* initiating proposals to sponsors, philanthropists, trusts and foundations in areas of interest
* connecting researchers to areas of opportunity
* risk management and compliance with UNSW and regulatory policies relating to tax deductibility for gifts
* stewardship and relationship management with donors and other contributors

The Division of Advancement has expertise in developing and implementing cultivation and engagement strategies with individuals and organisations who are interested in providing philanthropic support to the University.

The Division of Research (Research) is responsible for supporting administrative aspects of the research lifecycle including:

* identifying sources and supporting proposals for research funding including government and non-philanthropic competitive grants, contract research, consulting and tenders
* risk management and compliance with UNSW and regulatory policies relating to research including governance arrangements, pricing and indirect cost recovery, ethics, safety and legal review
* appropriate post award management of funds including financial reporting and contract management

The Division of Research has expertise in completing proposals/applications for competitive grants and managing research projects.

Each Division may have overlapping interest with respect to some research funding. For example, a philanthropic donor may also provide non-philanthropic funding for a research project; or a source of funding may provide both philanthropic gifts/donations and non-philanthropic funding to undertake projects that require research management.

Maintaining accurate data on each of these relationships is vital to ensure the stewardship of each contributor is managed consistently and appropriately across the University.

It is also important to ensure that the University is reporting accurately for the Higher Education Research Data Collection (HERDC) [[1]](#footnote-1), and in benchmarking activities such as the Go8 Benchmarking Survey[[2]](#footnote-2). This will be easier and more accurate if complete data on each contributor is available to all the stakeholders.

1. **DECISION FRAMEWORK - OVERVIEW**

There is a need to clarify the specific roles and responsibilities of each Division to coordinate and effectively harness the capabilities of each Division for maximum benefit to UNSW. The key areas of expertise of each Division should be leveraged wherever possible.

In the first instance, a decision framework is proposed which enables the classification of research income as either:

* a philanthropic gift/sponsorship (managed primarily by the Division of Advancement);
* research funding where there is no philanthropic intent such as income arising from a research grant application or a research contract (managed primarily by the Division of Research).

Please see section 3.2 for contributions from Trusts and Foundations.

Even where funding is managed primarily by one Division, there is no intention to preclude a role for the other in line with the specific capabilities mentioned above. For example, the Division of Advancement is interested in knowing about all interactions with external funding sources from a CRM perspective regardless of the type or source of funding. Similarly, the Division of Research is responsible for risk management and compliance for research projects regardless of the type or source of funding.

The following framework outlines how to decide which Division should take responsibility for managing external funding for research projects.

**3.1 Decision Framework**

The following framework will be used to classify which Division should be responsible for research income. If one or more of the criteria in a column are relevant, then the contribution will be managed by that Division.

| Determining “Material Benefit” | Philanthropic Gift/Sponsorship  Managed by the Division of Advancement | Research Funding where there is no philanthropic intent (grant application/contract)  Managed by the Division of Research |
| --- | --- | --- |
| *Business Interest/ Restrictions* | * Agreed stewardship actions from the recipient to donor * May be related to the broad business interests or mission of the donor but no expectation of commercial outcomes as a result of the contribution * May be an unrestricted donation to the University, or a donation whose uses may be restricted to an academic area or to a defined group or academic, department or other University activities (a “restricted gift”). In the case of a restricted gift, the department or faculty member typically would have only broad discretion as to the design and implementation of, and specific expenditures to support, specific academic activities for which funds received would be used. * Donor benefits are not related to the outcomes of research (for example could be advertising or publicity; access to students for holiday secondments or internships; represented on selection panels). | * The business interests or mission of the sponsor is most often related directly to the uses for which the funds are given by the recipient * Sponsors require their funds to be used to support activities that bolster their own mission or interests, and typically provide funding for research on the basis of a specific project or research plan and budget * Sponsor usually retains rights to own or use any intellectual property created during the project * May involve third party subcontractors (eg. Other Uni participants) |
| *Discretion/ Deliverables* | * Within the restrictions set by the terms of a gift acknowledgement, the specific ways in which funds are used and the methods of implementing the intent of the donor, are left to the discretion of the University. * When restricted or unrestricted gifts/donations are received, the University typically enjoys broad latitude in how to use the gift funds, and the University, rather than the donor, chooses what specific faculty members and students may participate in the activities supported by the gift/donation. | * The research plan specifies key personnel, goals and objectives or tasks. It is to pursue the program or research plan that the funds are typically awarded |
| *Reporting* | It is not unusual for a donor to expect a report on the general uses of funds donated (for example, a list of activities or projects that have been supported by a gift/donation; financial expenditure statement). | * University is usually responsible for reporting on progress and results to the sponsor at intervals or milestones identified in the research plan * Sponsor has the discretion to examine, even on a line-item basis, the expenditures of the funds, and to disallow and demand repayment of any funds deemed to have been expended for purposes other than direct support of the defined activities |
| *Timelines and return of funds* | Other than an expectation to spend the gift in a reasonable timeframe, there is no specific schedule of activities or deliverables. A donor may not recoup gift funds. | * Due dates for tasks/deliverables are specified in the research plan * Funds unused at the expiration of the time period may revert to the sponsor or require a variation to extend the work. * If the funded program of research is not pursued, or the contracted deliverables not attained, sponsors often reserve the right to recoup all or some of the unspent funding |
| *Type of donor/sponsor* | How a donor/sponsor is registered can also clarify the treatment of funds. Those Trusts and Foundations that are registered as Ancillary Funds are by definition making philanthropic contributions |  |
| *Tax deductibility* | A philanthropic gift that meets the ATO’s guidelines will be tax deductible for the donor. | A contribution to fund contract research or sponsored research may not be tax deductible for the contributor. |
| *Trusts/Foundations* | All philanthropic funding from Trusts/Foundations will be managed by the Division of Advancement.  The sole exception is research grant funding awarded via an advertised competitive application round where the Division of Research manages the submission of applications and any research grant funds awarded (see Section 3.2). Examples include, but are not limited to:   * Perpetual * Ian Potter * Ramaciotti * BUPA | Research grant funding received from a Trust/Foundation arising from an advertised competitive research grant application round (see Section 3.2) |

**3.2 Trusts/Foundations**

Further to the final row in the table in 3.1 above, UNSW receives general philanthropic support as well as specific research funding through advertised competitive applications from Trusts and Foundations, so there is a need for clarity for our researchers and for the Trusts/Foundations.

As a general principle it is proposed that no approach is made to a Trust/Foundation without prior consultation between the Division of Advancement and the Division of Research.

The contact point for researchers submitting research grant applications to Trusts/Foundations in response to an advertised competitive research grant scheme is the Division of Research. It has the expertise to draft and submit the applications, manage the projects and knows and is known by the researchers. Any research grant funds awarded will be managed by the Division of Research. In these situations, the Indirect Costs of Research Policy and Procedure will apply.

For all other forms of engagement, the contact point for Trusts/Foundations is the Division of Advancement. It has the expertise to develop and implement cultivation and engagement strategies, which will increase the University’s success rate. It may often have existing relationships with the Trust/Foundation as these organisations are set up to make philanthropic contributions. Any gifts received from Trusts/Foundations should be receipted into Donat\_UNSW to ensure we meet our legal obligations and reputational objectives.

Working together on these projects will inevitably lead to greater cooperation and knowledge across UNSW.

A process for dual recognition of funding will be developed.

**3.3 Process for clarification**

When it is not clear which Division should manage or receipt a particular contribution or funding, a representative of each Division (Director GMO/Director Development) should discuss the issue to come to a resolution. If after discussion agreement is not reached, the Head of each Division (or their nominee) should be consulted.

1. Research is defined as the creation of new knowledge and/or the use of existing knowledge in a new and creative way so as to generate new concepts, methodologies and understandings. This could include synthesis and analysis of previous research to the extent that it leads to new and creative outcomes. See full definition at <http://research.unsw.edu.au/sites/all/files/related_files/regular_page_content/definition_of_research_0.pdf> [↑](#footnote-ref-1)
2. The Go8 Benchmarking Survey collects standard measures of philanthropic support to the Go8 universities. [↑](#footnote-ref-2)