

# UNIVERSITY OF NEWCASTLE GUIDELINES FOR EXPENDITURE OF ARC FUNDS

## INTRODUCTION

As your Administering Organisation, the University of Newcastle enters into an agreement with the ARC to administer your research grant and comply with the conditions of the agreement. As a Chief Investigator (CI), you are responsible for complying with the University's administrative processes, which have been set up to ensure the obligations of the funding agreement are met, as well as complying with the ARC funding agreement.

## WHAT BUDGET ITEMS ARE SUPPORTED BY THE ARC?

Even though ARC budgets are provided on a one-line basis for the majority of research funding schemes, ***the ARC strictly requires that expenditure of ARC funds is justified in the application budget AND that the relevant Funding Rules and Agreement provisions are adhered to.*** Expenditure must not exceed category totals (e.g. Personnel, Travel etc) as per the submitted application budget over the life of the grant.

## VARIATION TO FUNDING AGREEMENT

Expenditure of ARC funds must be in accordance with the broad structure of the budget detailed in the original project application, or any revised budget approved by the ARC. The ARC's approval must be sought, via a *Variation of Funding of Agreement* (VFA) if you need to increase the budget for a category or wish to make significant changes to the way in which ARC funds are spent.

The Lead CI should notify [Research Grants](#) if a budget variation is required as the ARC will only accept VFAs submitted via the Administering Organisation's Research Office. Research Grants can assist with compiling the relevant documentation for the ARC. Please note that requirements for variations can change from year to year. This is a formal process requiring full documentation and often requiring written authorisation from all parties involved in the variation (all CIs/fellows/PIs/Partner Orgs/Collaborating Orgs). Research Grants will advise the Lead CI what is required at the time of notification and will assist in compiling relevant documentation, arranging signatures and submission to the ARC. The ARC can take several weeks to process requests and the expenditure should not occur prior to the ARC approval.

***Please note that ARC and UON budget categories are different.*** Reference should always be made to the ARC application budget categories. If you wish to make a change to the UON budget categories in the Research Financial System (RFS), but within the broad structure of the ARC budget, please contact [Research Grants](#).

## BUDGET ITEMS THAT ARE NOT SUPPORTED BY THE ARC

On the following pages, you will find a general list of non-allowable items to be purchased with ARC funds with the suggested old (pre-2017) and new UON account codes included for each item. This information is from the ARC Funding Rules for the [Discovery](#) and [Linkage Program](#) (2017 editions). If further clarification is required then please contact [Research Grants](#).

## A general list of non-allowable items to be purchased with ARC funds

This is not a comprehensive list; some items will not be relevant for some schemes/years and the list changes from year to year.

Please always refer to the specific ARC Funding Rules/Guidelines and/or Agreements, for confirmation on the full range of items allowed/not allowed

ITEM	PRE-2017 ACCOUNT CODE	NEW ACCOUNT CODE	COMMENTS
<b>BASIC FACILITIES</b> - the ARC expects that the Administering Organisation will provide basic facilities			
<b>Access to technical workshop services</b> , e.g. machine tools and qualified technicians	5225 – Contract Research 5281 – Other Services	6208 – Contract Research 6251 – Licence Fees	<u>Are only allowed</u> if the services are linked to and justified explicitly against the Project.
<b>Access to a basic library collection</b>	5114 – Library Materials	6111 – Books, subscriptions and periodicals	Access to national and international research and infrastructure facilities including specialist archives, collections and databases <u>are allowed</u> .  The purchase of bibliographical or archival material (electronic or hard copy) that are directly related to and essential to the proposed project <u>are allowed</u> .
<b>Standard reference materials or funds for abstracting services</b>	511X – Library consumables	6111 – Books, Subscriptions, Periodicals	
<b>Access to film or music editing facilities</b>	52XX – Consultants codes	620X – Consultants codes	
<b>Accommodation (laboratory and office space)</b>	5711 – Furniture & Fittings 5701 – Minor Equipment < \$5,000 5751 – Research Equipment	6702 – Furniture & Fittings < \$5,000 6701 – Minor Equipment < \$5,000 6731 – Research Equipment Purchases > \$5,000	Accommodation must be suitably equipped and furnished by the Administering Organisation.
<b>Provision of basic computer facilities, standard software</b> e.g. laptops, iPads, tablets and web hosting/ development services	5701 – Minor Equipment < \$5,000 5751 – Research Equipment 5703 – Attractive Items 5731 – Hardware Maintenance and Service	6701 – Minor Equipment < \$5,000 6731 – Research Equipment Purchases > \$5,000 6703 – Attractive and Portable Items 6711 – Hardware Maintenance and Service Agreements	The ARC will not provide funding for equipment for broad general use.  Specialised computer equipment and software essential to the Project <u>are allowed</u> .
	5732 – Software Maintenance & Licence Fees	6712 – Software Maintenance and Licence Fees	Specialised computer equipment and software essential to the Project <u>are allowed</u> .

	52XX – Web hosting and development	620X – Consultants codes	Web hosting and development essential to the Project <u>is allowed in some years/schemes.</u>
<b>Use of photocopiers, stationery, telephones, mail, fax, email and internet services</b>	510X – Office Consumables codes 562X – Communications codes 5704 – Mobile Phone Purchases 5626 – Mobile Phone Charges	6101 – Office supplies 6102 - Photocopy charges 6103 – Postage, freight, cartage charges 6104 – Printing charges 6704 – Mobile phone purchases 6611 – Telephone calls and expenses	Funding will not be provided for equipment or consumables that are considered to be for broad general use.
<b>COSTS NOT DIRECTLY RELATED TO RESEARCH OF THE PROJECT</b>			
<b>Professional membership fees</b>	5034 – Membership subscriptions	6022 – Membership subscriptions	Except as permitted under the LIEF scheme.
<b>Professional development courses</b>	503X – Staff Training & Development	6021 – Staff training and development	
<b>Fees for patent application and maintenance</b>	5258 – Application Fees	6233 – Management and Application Fees	
<b>Equipment for live music or drama performances</b>	5702 – Minor equipment purchases < \$5,000	6701 - Minor equipment purchases < \$5,000	
<b>Visas</b>	5035 – External Conferences/Seminars 531X – Travel International 5853 – Visitor related	6023 – Conference and seminar costs 6313 – Travel – International meals and incidentals 6001 – Advertising and recruitment costs 6002 – Relocation costs 6013 – Conjoint and visitor expenses	
<b>Relocation costs</b>	530X – Travel Domestic 531X – Travel International 5401 – Student Grants	6002 – Relocation costs 643XX – Travel – international and domestic 6013 – Conjoint and visitor expenses	
<b>Entertainment costs</b>	527X – Entertainment 5455 – Student Meal/Entertainment	627X – Entertainment	
<b>Alcohol</b>		627X – Entertainment 6303/6313 – Travel Domestic /International Meals 6023 – Conference and Seminar costs	Spending ARC funds on alcohol <u>is strictly prohibited.</u>

<b>Insurance including student health insurance</b>	5406 – WorldcoverHealth Cover (students) 5245 - Insurance	6402 – Overseas Student Health Care 6223 – Professional Service Fees	
<b>CAPITAL WORKS, GENERAL INFRASTRUCTURE COSTS AND OTHER</b>			
<b>Salaries, salary top-ups and/or on-costs for CIs, PIs, Hub/Centre Directors, support staff, and advisory committees above the specified rate</b>	5011-7 – Employee Related Expenses 502X – Employee Salary Package 710X – Academic salary and on-costs 720X – Professional salary and on-costs	6011, 6013, 6024 – Employee related expenses 6012 – Employee reimbursements 811X – Academic salary and on costs 820/1X – Professional salary and on-costs	Salaries and/or on-costs or HDR stipends for CIs or PIs are <u>not allowed</u> unless specified in the funding rules.  If a salary level is specified in the funding rules, this is the maximum funding that can be provided (e.g. no top-ups).  Expenditure on personnel (e.g. Research Associates, Research Assistants, technicians and laboratory attendants) is <u>allowed for most schemes/years</u> . Salary support must be at an appropriate salary level for the Administering Organisation. The ARC funding includes a 28-30% loading to contribute to salary-related on-costs, including payroll tax, workers' compensation, leave loading, long-service leave, non-contributory and contributory superannuation.
<b>International student fees, HECS and HELP liabilities</b>	5408 – International student fees 4098, 4111, 4113, 4114 – HECS costs 4129/30 – FEE-HELP costs	6423/4 – International student fees 4011/2 – HECS costs 4021/2 – FEE-HELP costs	
<b>Other HDR candidature costs</b>		6401 – Student Grants, Reimbursements and Contributions 6402 – Overseas Student Health Care 6002 – Relocation costs	HDR stipends are <u>allowed in most schemes/years</u> but must be at the ARC rate specified for the particular scheme and awarded year. Top-ups with ARC funds are generally not allowed.  Other costs of candidature will be the responsibility of the Administering Organisation. Costs of candidature may include but are not limited to, costs of relocation, periods of leave and thesis production.

<b>Travel</b>	530X – Travel Domestic 531X – Travel International	643XX – Travel – international and domestic 6023 – Conference and seminar costs	Economy domestic and international travel is allowed, however, most schemes have annual spending limits and restrictions on the roles that can access travel funding (e.g. CIs, PIs, HDR, support staff).  Travel costs related to <b>fieldwork</b> , including technical and logistical support and travel and accommodation costs, are not included in most scheme limits.
<b>Teaching relief</b>	5223 – Contract teaching 7102 – Casual academic	6213 – Contract teaching 8111 – Casual academic	Teaching relief is allowed in some schemes/years, however, most schemes have annual limits.
<b>Publication and dissemination costs</b>	5103 – Printing 511X – Library costs	6111 – Books, Subscriptions, Periodicals	Publication costs <u>are allowed</u> in most schemes/years.
<b>Bench fees or similar laboratory access fees</b>	5281 – Other Services	6251 – Licence Fees	
<b>Capital works and general infrastructure costs</b>	57XX – Capital equipment	67XX – Capital equipment	Except as permitted under the LIEF scheme.

## Scheme specific non-allowable items to be purchased with ARC funds

This is not a comprehensive list; some items will not be relevant for some schemes/years and the list changes from year to year. Always refer back to the relevant [Funding Rules](#) and/or [Funding Agreements](#) that relate to the awarded year and specific program and the budget included in the application.

ITEM	PRE-2017 ACCOUNT CODES	NEW ACCOUNT CODES	COMMENTS
<b>LINKAGE INFRASTRUCTURE, EQUIPMENT AND FACILITIES SPECIFIC (LIEF) NON-ALLOWABLE ITEMS</b>			
<b>Standard refurbishment costs of a laboratory</b>	55XX – Property & Maintenance codes	6531 – Refurbishment (Materials and Contracts)	
<b>Costs of accommodation associated with the proposed research infrastructure</b>	558X – Building lease, rental, venue hire	6541 – Building Rent and Venue Hire	
<b>Maintenance costs of the proposed infrastructure after the first year of the Project</b>	5706, 5712 – Repairs and maintenance 55XX – Maintenance and services	6705 – Hire, repairs and maintenance 650X – Maintenance and services	
<b>Operational costs</b>			
<b>Salaries and/or on-costs, in whole or in part, for research using the facility</b>	5011-7 – Employee Related Expenses 502X – Employee Salary Package 710X – Academic salary and on-costs 720X – Professional salary and on-costs	6011, 6013, 6024 – Employee related expenses 6012 – Employee reimbursements 811X – Academic salary and on-costs 820/1X – Professional salary and on-costs	
<b>Teaching relief</b>	5223 – Contract teaching 7102 – Casual academic	6213 – Contract teaching 8111 – Casual academic	
<b>Rental Accommodation</b>	558X – Building lease, rental, venue hire	6541 – Building rent, venue hire	LE12 to LE13 specific
<b>Travel costs associated with the use of the proposed research infrastructure</b>	530X – Travel domestic	630X – Travel domestic	
<b>Fee-for-service costs where the Project does not lead to capability building or development of the research infrastructure</b>	520X – Consultant codes	620X – Consultant codes	
<b>FUTURE FELLOWSHIP SPECIFIC NON-ALLOWABLE ITEMS</b>			

<b>HDR stipends</b>	5401 – Student Grants	6401 – Student Grants, Reimbursements	FT10 to FT14 specific
<b>Salaries for persons other than the Future Fellow</b>	71XX – Academic Salaries 72XX – Admin Salaries	811X – Academic salary and on-costs 820/1X – Professional salary and on-costs	FT10 to FT14 specific
<b>Research support for persons other than the Future Fellow</b>	530X – Travel domestic 531X – Travel international 5853 – Visitor-related	643XX – Travel – international and domestic	FT10 to FT14 specific
<b>Hosting seminars, conferences and other similar activities</b>	5033 – Internal Conferences/seminars	6023 – Conference and seminar costs	FT10 to FT14 specific
<b>CENTRES OF EXCELLENCE NON-ALLOWABLE ITEMS</b>			
<b>Research support for PIs</b>	530X – Travel domestic 531X – Travel international 5853 – Visitor-related	6002 – Relocation costs 643XX – Travel – international and domestic 6013 – Conjoint and visitor expenses	Apart from short-term project support for investigators visiting from overseas and domestic and international travel associated with the Centre
<b>Teaching relief</b>	5223 – Contract teaching 7102 – Casual academic	6213 – Contract teaching 8111 – Casual academic	
<b>Direct development of products and other commercialisation activities</b>	52XX – Consultants codes	620X – Consultant codes	
<b>Investigations that are more appropriately undertaken by way of a Consultancy</b>	52XX – Consultants codes	620X – Consultant codes	