

MACQUARIE UNIVERSITY
RESEARCH POLICY AND MANAGEMENT COMMITTEE
Macquarie University External Collaborative Research Grants Scheme
2005 Information and Guidelines

Introduction

The Macquarie University External Collaborative Research Grants (MUECRG) Scheme is intended to support genuinely collaborative research projects between researchers and research end-users - "industry partners".

While the University is committed to continuation of its well-established record with Australian Competitive Grants (ACGs – ARC grants, for example), it is always looking for ways to broaden its research funding base. This includes direct funding from research end-users by way of commissioned research and consultancies, but also includes collaborative arrangements.

To further this strategy, under this Scheme members of University staff may seek support for collaborative research projects involving research end-users who are prepared to provide a cash contribution to the project which at least matches the sum requested from the University. The maximum amount that may be requested from the University is \$50,000.

The broad objective of the Scheme is to encourage collaboration with research end-users, both in the private sector and other areas, such as Commonwealth, State and local government agencies. Where collaboration is successful, and the collaborating partner is eligible, extension of the collaboration is then encouraged by way of a national competitive grant application, such as an ARC Linkage-Project application, or to further direct research funding by the collaborating partner.

A second objective is to secure research income that can contribute towards the DEST-funded Block-Grant Schemes, such as the Institutional Grants Scheme (IGS) and the Research Training Scheme (RTS). From this aspect in-kind support does not count towards either of these Schemes, and this is one reason for in-kind contributions not being included as part of an external partner's matching funds contribution under the MUECRG Scheme.

Thirdly, the University is conscious of the fact that Commonwealth Collaborative Schemes (such as the ARC Linkage-Projects Scheme) take many months from first inception of a collaborative project, through a very lengthy and complex application process, to the award of grant and the following negotiations over intellectual property agreements, etc. To this end the MUECRG Scheme is open all year, and the University's Research Policy and Management Committee (RPMC) try to provide an outcome to every application within six weeks of receipt. This provides a very quick turn-around, often appreciated by industry partners.

Where an application is unsuccessful, applicants are often encouraged to reapply. While the Scheme is intended to be for pilot projects (to encourage ongoing collaboration with a particular partner), researchers are not precluded from applying to the Scheme a number of times, either with different partners, or the same partner (although in the latter case the projects must be clearly differentiated).

Eligibility of Applicant Macquarie University Staff

To be eligible to apply for MUECRG funding, an applicant must normally be a member of the academic staff holding a continuing or annual appointment at the commencement, and for the duration, of the grant period.

Staff holding University honorary or adjunct appointments are eligible to apply for MUECRG funding as a first-named investigator, provided their on-going research is primarily carried out at Macquarie University; applicants in this category must attach a statement addressing their status at Macquarie, and the associated access to suitable facilities.

In the case of Postdoctoral Fellows, only those holding named Fellowship positions in their own right may apply as first-named investigator. Named Fellowships include: Macquarie University Research Fellows (MURFs), ARC Fellows (APD, APDI, QEII, ARF and APF), and NHMRC Fellows.

Those holding postdoctoral fellowships who are *ineligible* to apply as first-named investigator are:

- postdoctoral fellows appointed to undertake a specific research project under the direction of a member of staff;
- research associates and fellows funded via an external research grant; and
- postdoctoral fellows whose salaries are funded by: Cooperative Research Centres, Special Research Centres, Centres of Excellence, Key Centres, APAF, Macquarie University Centres

It is the opinion of the RPMC that Fellows falling into these latter categories should concentrate on the research projects for which they are employed.

Other individuals who are ineligible for the scheme are: research assistants, professional officers, technical staff and other individuals whose positions are funded from internal or external research grants, including ARC grant-funded personnel.

Staff enrolled as Higher Degree Research (HDR) candidates may not use MUECRG funds to support research towards their theses project. They should apply to their respective Division and/or the Postgraduate Research Fund for such support. The RPMC believes that staff members who are HDR candidates should concentrate on their HDR research project.

Eligibility of Industry Partners

Most external agencies and institutions are potential collaborators in any proposed project. In addition to the private sector organisations, the following may also be accepted as "industry partners":

- Commonwealth government agencies* (including CSIRO, DSTO, ANSTO, etc);
- State government agencies;
- Local government authorities; and
- Foundations and charitable organisations.

** Note: applicants should be aware of the eligibility status of their collaborators. For example, CSIRO, DSTO and ANSTO (all Commonwealth-funded research agencies) are not eligible partners for subsequent ARC Linkage-Projects Grant funding.*

Under exceptional circumstances the RPMC may consider applications for which the collaborating partner is another member of the Australian higher education sector, or a university overseas (for example with ARC Network partners).

There is no distinction between overseas-based and Australian-based collaborating partners, as long as all the funds allocated to the project (i.e. both the University's and the collaborating partner's cash contributions) are expended in Australia. In addition, the research outcomes of the project must be shown to be of economic and/or social benefit to Australia.

The MUECRG Scheme is designed to promote *genuine collaboration* between the University and suitable research end-users. Applicants must demonstrate in their applications that the project is of a genuinely collaborative nature, and not merely a stratagem to elicit maximum subsidisation from the University for the benefit of the partner.

For example, the RPMC will not support applications which appear to involve a situation where a researcher has secured funding from an agency, independently of the MUECRG Scheme, who then presents this funding as a contribution from a "collaborating partner" in an attempt to secure matching funds from the University.

Similarly, the RPMC will not support applications which appear to be better funded by way of a consultancy (where the sponsor pays full costs). This is particularly the case where the "collaborating partner" or sponsor wishes to own the project material and/or project intellectual property.

Cross-Program Eligibility

A Macquarie University External Collaborative Research Grant may be held concurrently with any other grant derived from a University internal research grants scheme.

Costing and Implications for the Collaborating Partner

The nature of the MUECRG Scheme is designed for situations where both the University and the collaborating partner contribute resources to the research project, and both benefit from the results.

Researchers should understand the real cost of research, and to convey this understanding to any intending collaborating partner - it is important that both researchers and research end-users alike realise that the cost of research is far higher than the direct project costs. Indirect costs (often referred to as "Infrastructure costs"), can be between 115% and 300% of direct costs, depending on discipline - the higher number being for some science-based areas. Thus, even where a collaborating partner provides 50% of the direct costs for the project in cash, it should be understood that the University is always subsidising the research to some extent (in terms of infrastructure, administration and salaries).

These points are made because collaborating partners sometimes have unreasonable or exaggerated expectations over ownership of the results and other output of a project. This is particularly true of intellectual property ownership. Too often research end-users do not understand or acknowledge the real cost of the research, nor the background intellectual property (including know-how and special facilities) which make it possible. That is why the RPMC insist on a formal External

Industry Partner Agreement (EIPA) with each MUECRG Grant, and that such EIPAs be negotiated by the University via the Research Office (see below).

As indicated previously, where a research end-user insists on owning all project output (materials and/or intellectual property), then it is University Policy that the research be undertaken as a consultancy, and the end-user pay full costs.

Requirements Regarding Collaborating Partners

The MUECRG Application must include a letter of commitment from the intended collaborating partner, as a minimum committing it to the cash sum it intends to contribute. This sum must at least match dollar-for-dollar the amount requested from the University under the MUECRG Scheme. The maximum available from the University is \$50,000; collaborating partners may contribute more than this amount if they wish.

[Note: It is not necessary for the Application to specify final outcomes on negotiations regarding publication and project intellectual property – this is dealt with in the Industry Partner Agreement finalised immediately after an Offer of Grant has been made. However, applicants would be wise to have discussed these issues with their collaborating partner before submission of the Application.]

Collaborating Partners may also contribute in-kind support, but this is not counted in considering matching funds unless exceptional circumstances can be fully justified in the application. The reason for this is that one of the purposes of the MUECRG Scheme is to increase external research funding income to the University, which funding can then contribute to the University's IGS and RTS Block Grants from DETYA. As indicated earlier, in-kind contributions do not count under this process.

Implications of the GST on Collaborating Partner's Contributions

The University has been advised by the Australian Taxation Office that whether a collaborating partner's contributions (cash or in-kind) to a project under the MUECRG Scheme attract GST depends upon the terms of the associated External Industry Partner Agreement (EIPA).

If the ownership of intellectual property arising from the project is retained by the University, and the EIPA merely refers to a future further agreement whereby arrangements for exploitation of the project intellectual property are made by way of licence, then the research undertaken by the University does not constitute a "supply" for the purposes of the GST Act. If, on the other hand, the collaborating partner insists on joint ownership of the project intellectual property, then there is an immediate "supply" and GST will apply.

As a default position, unless otherwise advised by the Research Office, the collaborating partner's contributions, both cash and in-kind, will be deemed to attract the GST. Potential collaborating partners should be made aware of these facts when initial discussions over the collaborative research project are being made.

Industry Partner Agreements

It is a condition of any award under the MUECRG Scheme that before any University account is opened to accommodate either the University or the collaborating partner funds, there must be a written and fully-executed External Industry Partner

Agreement (EIPA), providing for specific matters including the role and contribution of the collaborating partner in the project, arrangements for any postgraduate research student engaged upon the project, ownership of intellectual property, confidentiality, publications issues, and so on.

The RPMC encourages potential applicants to discuss such arrangements with the collaborating partner at the same time the project (and its associated MUECRG Application) is being formulated. To this end a sample EIPA is available on the University Research Office Website at:

(<http://www.ro.mq.edu.au/fund/internal/mqexternal/>) *Intellectual Property Agreement*

This sample is for information only and should not be used by applicants to generate a customised version for the project in question. Under no circumstances will the University accept a “final” version of an EIPA drafted by the applicants and signed by the applicants or on behalf of the intended collaborating partner.

No staff member may commit the University – that is sign contracts or agreements on behalf of the University. Only the Vice-Chancellor or her delegates may do so, and in the case of research agreements and contracts, this is the Deputy Vice-Chancellor (Research). Equally, no agreement should be submitted for signature by the University that has not been first checked by the Research Office.

Any results of discussions between the applicants and the collaborating partner should be communicated to the Research Office, which will then produce a customised draft. The Research Office will enter into negotiations with the proposed collaborating partner, with the aim of finding mutual agreement on the terms which are consistent with University Policy. The overall aim will be for the University to be in a position to execute an appropriate EIPA (by way of the Deputy Vice-Chancellor (Research)) at the time that the RPMC provides the applicant with an offer of grant (assuming the application to be successful). Obviously there is no point completing the EIPA until the outcome of the MUECRG Application is known. On the other hand, the RPMC is conscious of the need for prompt initiation of the grant, and recommends that to avoid delays negotiation of the EIPA not be left until the last minute.

Other Matters Regarding the Application and Granting Process

Applicants must note that the maximum amount that may be requested from the University under the MUECRG Scheme is \$50,000. Application with budgets which seek larger amounts may be rejected by the RPMC.

Preparation and Justification of the Budget

Two basic principles must be used in determining and justifying budgets. These are: accurate costings, and a clear justification for all proposed expenditure in relation to the research plans. Vague, general requests for assistance will not be supported by the RPMC.

Justification of a budget is not merely stating proposed expenditure. Researchers should provide details of particular grades or types of expenditure and an explanation as to why that particular expenditure is essential in relation to the aims and the research plan of the project and its collaborative nature.

Timing of Applications and Assessment Process

Applications may be submitted at any time during the year. The RPMC normally aims to advise applicants on the outcome of their applications within six weeks of submission.

Upon receipt of an application, the Chair of the RPMC will assign one or more of its members ("Readers") to carry out an initial detailed evaluation of the project. The nominated Committee member(s) may consult with the applicant, if clarification is required. The reports from the Readers, along with the application itself, are then reviewed by the Chair, who may consult with further members or other appropriately qualified individuals as necessary to come to a final assessment. The Chair of the Committee, the Deputy Vice-Chancellor (Research), has delegated authority to approve funding. The result is then conveyed to the applicant(s) by the Research Office. Grants are reported to the next scheduled meeting of the RPMC, whereby the decision is endorsed by the full Committee.

It is University policy that, where a member of the RPMC has a vested interest in an application, that member will dissociate her/himself from its assessment.

The Committee's decision is final.

Selection Criteria (as used by Readers)

Applicants must demonstrate a genuine need for collaboration in the research involved. In assessing an application, Readers and the RPMC will use the following criteria:

- The extent to which the applicants have demonstrated the collaborative nature of the research and its benefits to the University and the collaborating partner;
- The quality of the research within a strategic and applied framework;
- The original and innovative aspects of the proposal if relevant to the proposal;
- The extent to which the project is soundly based in planning and methodology;
- The theoretical and technological or applied merit of the proposal;
- The extent to which the project is feasible, bearing in mind the expertise and research productivity of the applicant/s;
- The extent to which the budget is justified and appropriate;
- The track record of the applicant/s; and
- The relevance of the project to economic and/or social benefits for Australia

Other aspects of an application which the Readers/RPMC will take into account are:

- The Outline of Proposed Project section should state *clearly* and *briefly* the intended aims and methods of the proposed research. This outline should relate directly to the budget requested via the detailed justification of budget section.
- The Aims and Research Plan should be set out *simply* and *clearly* in as plain English as is possible, such that individuals who are not expert in the particular field can understand what it is the applicant is trying to do and how this might be achieved. Applicants are encouraged to indicate, if appropriate, the ways in which this project relates to teaching programs in their area.
- The 100-word summary should be prepared with great care. This summary should include brief aims, significance and expected outcomes of the project. Unnecessary use of jargon, technical terms or specialised terminology may jeopardise the success of the application.

Conditions of Grant and Reapplication

Grants are for one year only, and it is expected that they will lead to submission of an application to the next available Round of the ARC Linkage-Projects Scheme application (or equivalent).

Named investigators cannot receive any part of their salary from an MUECRG Scheme grant.

Any Grant under the scheme is conditional upon the completion of a suitable EIPA which fully meets the University's policies.

The collaborating partners cash contribution must be paid into a designated Macquarie University account, upon an invoice from the Financial Services Section.

Grantees must produce a Final Report at the end of the grant period. This report should describe outputs and outcomes relating to the original aims outlined in the application.

Under exceptional circumstances, and where adequately justified, the RPMC may accept applications for renewal of support for a second year under the MUECRG Scheme.

Researchers may hold more than one MUECRG Grant at a time with different collaborating partners and different projects. The RPMC will consider subsequent applications under the MUECRG Scheme with the same collaborating partner, although applicants will need to provide special justification as to why the Scheme is more suitable than a more substantial Linkage-Project Grant Application (or equivalent).

Application Process

The application form is available electronically via the Research Office Website.

The form must be completed in no smaller than 12pt type and the layout of the form must not be altered.

Applications, and any correspondence concerning applications and grants, should be sent to the Research Grants Officer, Research Office, Building E11A, Macquarie University NSW 2109.

Any queries relating to these guidelines or procedures should be directed to the Research Office:

Applications:

Grants Officers:

Tanya.Downes@vc.mq.edu.au

Karyn.Knowles@vc.mq.edu.au

External Industry Partner Agreements:

Contracts Officer:

Sarah.Hogan@vc.mq.edu.au