

## Departmental Guidelines Cover Sheet

<b>NAME OF DEPARTMENT</b>	OFFICE FOR RESEARCH
<b>NAME OF DOCUMENT</b>	Research Project Costing Financial Process and Related Matters
<b>NUMBER</b>	18.5
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<b>REVISION NUMBER</b>	2
<b>FUNCTIONAL GROUP</b>	Office for Research
<b>DIVISIONAL SPONSOR</b>	Executive Director of Research
<b>EQUIP CRITERIA</b>	<p>Standard 2.5 – The organisation encourages and adequately governs the conduct of health and medical research to improve the safety and quality of health care.</p> <p>Criterion 2.5.1 – The organisation’s research program develops the body of knowledge, protects staff and consumers/patients and has processes to appropriately manage the organisational risk associated with research.</p>
<b>SUMMARY</b>	<p>These guidelines have been developed to advise staff on the COSTING financial processes for establishing and undertaking a research project at Melbourne Health.</p>

### ASSOCIATED POLICY

Authorised by: Executive Director of Research

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**MH Research Policy****Research Project Costing Financial  
Process and Related Matters**

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MH Research Policy

**PURPOSE AND SCOPE**

These guidelines have been developed to advise staff on the COSTING financial processes for establishing and undertaking a research project at Melbourne Health.

**PROCEDURE**

1. All researchers who are considering undertaking a research project at Melbourne Health campuses or who are planning to utilise Melbourne Health resources to undertake a research project must contact the Management Accountant – Research (MAR) who will advise whether a meeting to discuss the project is required.

Where a project requires a detailed budget, the MAR will prepare this using a standard template. The final budget will need to be signed off by the Principal Investigator and the MAR.

Alternatively, where a project does not require a detailed budget, the MAR will provide written advice to this effect.

2. For each research project, the Research Unit should provide the MAR with a copy of the project's Clinical Trial Research Agreement (CTRA) and research project protocol, or similar documents.
3. The MAR will liaise with various personnel of the Research Unit including the Principal Investigator and Research Coordinator/Nurse for the project to obtain an understanding of the clinical processes required for that particular research project to ensure that all potential costs are considered in the budget process.

**Clinical Service Departments**

4. Each Clinical Service department whose services may be used during the research project needs to be provided with a copy of the project protocol by the researcher(s). The involvement of the Clinical Service departments ensures that (a) current departmental charges are being used in the budgeting process, (b) the Clinical Service departments are aware what services are required, and (c) there is a formal process for agreement between the researcher(s) and the Clinical Service departments for the charges of those services.
5. Each Clinical Service department will complete and sign the [Statement of Approval Form](#). The Principal Investigator will also sign the Statement of Approval agreeing to the estimated charges. Before the budget can be finalised, a copy of the completed and signed form needs to be provided to the MAR.

**Budget Template**

In order to assist the efficient preparation of project budgets and to record budget details in a standard format, a template for research project budget spreadsheets is utilised.

6. The template for the research project budget to be completed by the MAR is saved as follows: S:\Research Foundation\RES\Management Accountant – Research\Clinical Trials\Clinical Trial Budgets\Templates\Research Budget Template-major 15\_16.xls (this folder has restricted access by Office for Research staff only).
7. Research project income to be considered includes, but is not limited to, payments made by the Funding Body on a per participant basis; expenses paid directly by the Funding Body e.g. ethics/governance submission fees, pathology, and pharmacy costs; reimbursement of costs which will be made by the Funding Body; and any upfront payments in addition to the above.

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8. Research project expenditure to be considered includes, but is not limited to, archiving/storage costs; cardiology costs; ethics/governance submission fees; meal allowances; medical record retrieval costs; MH administration fees; pathology – fixed/variable costs; pharmacy – fixed/variable costs; postage/printing & stationery expenses; radiology costs; salary & wage expenses; telephone expenses; and travel allowances/expenses.
9. Where the research project's expenditure can be aligned to specific participant Hospital visits, these charges should be separately identified on the "Study Flowchart" tab.
10. Like any business, Melbourne Health services are subject to cost inflation. To ensure inflation is addressed in the research project costing process annual CPI increases need to be incorporated into the costing of the project, where the expected duration of the project covers more than one financial year.
11. The budget spreadsheet should clearly state whether the income and expenditure items are GST inclusive/exclusive.

### Financial Viability

12. Where the Funding Body/Sponsor is an external commercial organisation, the researcher(s) may be required to participate in negotiations with the Funding Body/Sponsor on funding. Depending on the outcome of negotiations, further discussions may be required with the Clinical Service departments, for example, to complete services at alternative charges.
13. The MAR will review the final outcome of the project's budget, and make an assessment of its financial viability. The overall net position of the research project's budget must be break-even or positive in order to be considered financially viable, and therefore obtain approval by the MAR. This will be presented to the Research Unit who will review and provide feedback, where necessary.

### Approval & Signing-Off Process

Where the research project application is submitted to the Office for Research for governance approval, the budget for the research project also needs to be appropriately approved and signed-off.

14. The Principal Investigator will sign and date the front page of the final budget, and then provide the final budget to the MAR for sign-off. The MAR will take a copy of the completed and signed final budget.
15. The original completed and signed final budget will be submitted by the Research Unit to the Office for Research as part of their governance submission.

### Cost Centre

16. A new cost centre or special project fund can be established for the project by the MAR, once HREC approval has been obtained. This may be required where the project's funding and expenditure needs to be tracked for reporting or audit purposes. Where a new cost centre is not required, one of the existing Research Unit's cost centres may be used.

### **FURTHER INFORMATION**

Management Accountant - Research on 9342 3149 or email: [mar@mh.org.au](mailto:mar@mh.org.au)

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**REVISION AND APPROVAL HISTORY**

<b>Date</b>	<b>Rev No</b>	<b>Author and approval</b>
1/10/2007	First Draft	Katerina Canellopoulos, Management Accountant Research
13/11/2007	0	Angela Watt, Manager Office for Research
23/11/2011	1	Katerina Canellopoulos, Management Accountant Research
25/03/2015	2	Katerina Canellopoulos, Management Accountant Research