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Australian Government
Australian Research Council

Responding to the impact of COVID-19

ARC POST AWARD GUIDANCE INCLUDING MAJOR INVESTMENTS

Version 1.0

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- All participants should be familiar with the Grant Guidelines and Grant Agreement relevant to their grant.
 - Information on how to submit a Variation is available on the ARC Website > Grants > [Grants Administration](#).
 - The following acronyms are used for ARC schemes: Australian Laureate Fellowships (FL); ARC Centres of Excellence (CE); Discovery Early Career Researcher Award (DECRA); Discovery Indigenous (IN); Discovery Projects (DP); Future Fellowships (FT); Industrial Transformation Research Program (ITRP), Industrial Transformation Research Hubs (IH); Industrial Transformation Training Centres (IC); Linkage Infrastructure, Equipment and Facilities (LIEF); Linkage Projects (LP).
 - 'Major Investment grants' are ARC Centres of Excellence (CE or Centre); Industrial Transformation Research Hubs (IH or Research Hub); Industrial Transformation Training Centres (IC or Training Centre); Special Research Initiatives (SRI).
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The ARC understands this is a difficult time for ARC-funded researchers and research administrators with the impact being realised in a number of ways. The ARC is introducing flexibility and is streamlining its post award processes to support researchers and administrators working on current projects that have been impacted by COVID-19.

The ARC will continue to monitor the impact of COVID-19 and provide additional advice on any further modifications made for post award arrangements, including for grants arising out of new selection rounds.

These arrangements seek to provide a balance between the ARC's accountability for expenditure of public money and easing the burden on researchers and research offices.

Should you wish to discuss particular circumstances and options, please contact the ARC's post award team (ARC-Postaward@arc.gov.au).

General Post Award Guidance – Summary of Changes

Some variation requests will not be required in 2020

The following variations can now be approved at the discretion of Administering Organisations and notified to the ARC in the 2020 End of the Year Report submitted in March 2021:

- **2020 budget changes where funding is moved across line items.** Provided revised budgets comply with allowable items and expenditure caps (e.g. travel) in the relevant Grant Guidelines, the ARC will seek notification of total 2020 expenditure via the 2020 End of Year Reports. Previously the ARC required budget change variation requests for all significant budget changes across line items.
 - *For budget-related special conditions in the grant offer, such as those relating to teaching relief, salary conversions, additional appointments for a named position (Fellowship/Award), or a Discovery International Award, a variation request will still be required.*
- **Deferral of commencement** for projects with funding commencing in 2019 or 2020 (including LP18 grants):
 - for CE grants commencing in 2020, where the Final Commencement Date is on or before 31 December 2020.
 - for grants funded under all other ARC schemes, where the new commencement date is within 12 months of the Project's Grant Offer being executed (previously six months). This also includes LP18 grants that were announced in 2019.
 - If the deferral of commencement is beyond this timing, a variation request must be submitted to the ARC.
- **Suspension of projects for a period or periods totalling up to 12 months** (previously six months).
 - If the suspension is for over 12 months or totals over 12 months a variation request must be submitted.
- **Extension of the project end date** due to project delay or suspension resulting in unspent funds.

End of Year Report instructions will be updated accordingly for 2020.

Extensions to notification and reporting requirements

The following extensions to notification and reporting deadlines are applied to all projects:

- Notification and resolution of default of Participating Organisation contributions:
 - For CE grants the notification period remains within three months, but the time period to resolve participating organisation contributions and submit a revised Participating Organisation Agreed Contribution Report (POACR) has been extended to 12 months (please see: [Linkage Program Partner Organisations requirements](#)).
 - For all other grants the notification period has been extended to within three months of the full impact being determined (previously required immediately), and the time period to resolve participating organisation contributions and submit a revised POACR has also been extended to 12 months (please see: [Linkage Program Partner Organisations requirements](#)).
- Variations related to changes in specified personnel can be submitted within six months of the change (previously three months).
- The deadlines for KPIs and plans as well as launches for Major Investments (ARC Centres of Excellence and ITRP schemes) have been extended (please see: [Key Performance Indicators](#)).

Variations considered

Administering Organisations can also seek other variations to projects due to the impact of COVID-19, including:

- Deferral of project commencement greater than 12 months
- Suspension of project totalling more than 12 months
- Changes to FTE of specified personnel, including Fellowships and Awards (please see: [Salaries](#))
- Change to the scope and/or objectives of a research project (please see: [Program Changes](#))
- Reallocate Discovery International Award (DIA) funds if the project is nearing completion (please see: [Travel](#))
- Change to partner organisation minimum contributions, where attempts to find replacement contributions have been unsuccessful (please see: [Linkage Program Partner Organisations requirements](#)).
- Changes to Establishment Funds for Major Investments including increasing the allowable amount (please see: [Establishment funds](#)).

The ARC acknowledges that the impact of COVID-19 will become apparent over the coming months, therefore variations do not need to be submitted immediately, but can be submitted at any time prior to submission of 2020 End of Year Reports (due 30 March 2021).

Note: In deferring, suspending or extending a current ARC project, researchers should take into account the impact on their project limits for holding active ARC grants and eligibility to apply for future ARC grants. The limits on holding active grants remain the same and there are currently no plans to change the application and project limits for grant opportunities scheduled to open later this year.

Frequently Asked Questions—General

Program Changes

Can projects be re-scoped due to the impact of COVID-19?

To enable research projects to continue and researchers to adapt to significant changes in their operating environment and research opportunities, the ARC will consider requests where the scope and/or objectives of a project are significantly changed, provided changes are consistent with the aims of the original proposal.

Once the impact of COVID-19 is known for a project, requests to vary the scope and/or objectives can be submitted, outlining the changes and the impact on project timeframes and budget.

Additional advice for Major Investment grants

All Major Investment grants can consider what can feasibly be achieved in the interim or what research activities should be temporarily suspended or deferred into future years.

- There are two avenues of reporting scope changes:
 - For sub-project or project (milestone) changes, no reporting of the variation is required. This can be noted in 2020 End of Year Report (Progress Report by Exception), to be submitted in March 2021.
 - For more significant changes, such as at the theme level or higher, a scope change variation is required to be submitted to the ARC, once the full impact of COVID-19 is known.

Can budget items be re-phased from 2020 into future years (for example, delayed travel, equipment purchases and unexpended salaries)?

Yes. The funds can be carried forward through the 2020 End of Year Reports.

Travel

With the travel restrictions from many jurisdictions due to COVID-19, can the travel budget be used for other purposes?

Yes, Administering Organisations are granted the discretion to allow budget changes so that funding originally allocated to travel in 2020 can be transferred to other allowable items. Budget variation requests are not required, unless the travel relates to a Discovery International Award (see advice below).

This may be particularly useful for administering projects that are in the final stages and can no longer undertake travel prior to the end of the project. The changes can be described in the Final Report.

Alternatively, for projects that have only recently commenced, Administering Organisations may decide to hold off on making budget changes until it is known whether the travel funding can be used at a later stage in the project. The travel funding can be carried over in the 2020 End of Year Report.

What can we do with the travel credit for cancelled travel if the project has completed?

If travel that was funded by an ARC project has been cancelled and travel credit was received from the travel provider, the credit must be used for the project whilst it is active. If the credit cannot be used before the project ends, changes to the budget can be made, or the travel funding will need to be returned to the ARC.

I have been funded a Discovery International Award (DIA) which can only be used for international collaboration but I can no longer use it for this purpose. What can I do?

Projects nearing completion with unspent DIA funds may seek a Budget Change variation to re-purpose the funds towards the grant. If a project has only recently commenced, these funds can be carried over to be used at a later date.

Salaries

Can researcher salaries continue to be supported through ARC grants, when research activity has been impacted by COVID-19?

Whether to continue to pay ARC-funded researcher salaries is a matter for employing institutions to decide based on the circumstances relevant to each project, i.e. taking into account individual researchers' capacity to continue to undertake their role and/or the extent that planned research activities has been impacted.

To support employing institution decisions, the ARC will be flexible in varying project and personnel arrangements for projects impacted by the COVID-19 pandemic. For example, Administering Organisations may seek to address the impact of COVID-19 by:

- adjusting 2020 project expenditure to reflect changes to research activity, including adjusting salaries of researchers to accurately reflect changes to their FTE research activity. Unspent project and salary funding can be carried forward into future years.
- re-scoping the 2020 research activity so that the project can continue and researcher FTE (and salary) is not impacted, provided changes are consistent with the aims of the original proposal.

Where re-scoping only requires budget changes across line items or years, this can be notified through the End of Year Report. Significant scope changes can be approved by the ARC through a variation request.

- suspending the project and halting all research activity and expenditure on the project. Unspent project and salary funding can be carried forward into future years. Budget, scope and end date changes can also be made.

For FL, FT and DECRA grants, if a fellow or awardee spends their salary component prior to the completion of the project, the ARC is, unfortunately, not able to provide additional funding to cover the salary to complete the project. There are two options available:

1. extend the project end date but with the Administering Organisation paying the salary to allow completion of the project, or
2. re-scope the project and budget.

For FL, timing of the recruitment or completion of Postdoctoral Research Award (PDRA) and Postgraduate Researcher (PGR) positions, please contact the ARC (ARC-Postaward@arc.gov.au).

For IC and IH grants, should the timing of the recruitment or completion of Training Centre Higher Degree by Research candidates (ICHDRs) or Training Centre Postdoctoral fellows (ICPDs) be affected due to COVID-19, please contact the ARC (ARC-Postaward@arc.gov.au). The ARC will work with the Training Centre to manage any scope and personnel costs towards the project end date.

Can salaries still be paid from the ARC funds if the project is suspended?

No, if the project is suspended for any reason, then ARC funds cannot be used.

What should ARC Fellows/Awardees do if they take up other paid work during COVID-19?

If a Future Fellow or a holder of a DECRA commences undertaking other paid employment due to the impact of COVID-19, we would expect that there is a reduction in the overall time commitment to their ARC research project – this means that a Fellow's FTE may reduce to part-time. Provided the researcher spends 80% of their reduced FTE time on research activities related to their Fellowship/Award the ARC will accept this arrangement.

Can a project be suspended for the purposes of the personnel to undertake other paid work during COVID-19?

Yes, if a project is suspended due to the impact of COVID-19, participants can undertake other employment during the suspension.

Can we continue recruitment or commence a recruitment process?

Yes. Where grant activity has not been affected by COVID-19, recruitment processes may progress as normal.

In the case of Major Investments grants, establishment funds may be used.

Can ARC funding be used to support newly appointed personnel that are commencing work on the project remotely due to travel restrictions?

Yes, if personnel are appointed and can commence working on the project, ARC funds can be used for salary support.

Linkage Program Partner Organisations requirements

The Partner Organisation has indicated that they can no longer contribute to the project as required by the relevant Grant Agreement, due to the impact of COVID-19. What allowances will the ARC provide with regards to Partner Organisation agreements and contributions?

LP, LIEF, IC and IH grants

Currently ARC Grant Agreements for LIEF, LP, IC and IH schemes require Administering Organisations to notify the ARC immediately if a Participating Organisation wishes to withdraw support from a Project, or it is reasonably believed that a Participating Organisation is in default of any of its obligations. Acknowledging that the COVID-19 situation continues to unfold and the full impact on projects may not be known, the ARC requests that Administering Organisations notify the ARC within three months of the full impact being determined. This can be done via a variation in RMS or via email if related to a sole Partner Organisation.

The ARC Grant Agreements allow for the default of named Partner Organisations and their contributions. If a Partner Organisation is not the sole organisation on the grant, they can be removed at any time and their contributions can be updated via a Participating Organisation Agreed Contribution Report (POACR) in RMS. As long as the minimum requirements are met, the ARC will allow the project to continue. Any replacement Partner Organisations may then be submitted to the ARC via a variation in RMS at any time.

If the Partner Organisation is the sole Partner Organisation, or the withdrawal of their contributions will mean that the project will no longer meet the minimum requirements of the ARC agreement and it's a direct result of the impacts of COVID-19, the ARC will allow an extension of the required timeframe to find additional partners and/or contributions. Once notified, the ARC has extended the time for the Administering Organisation to identify and sign agreements to resolve the participating organisation contributions requirements from three months to 12 months.

A revised Participating Organisation Agreed Contribution Report (POACR) will only be required to be submitted once the new participating organisation agreements/contributions have been finalised.

ARC Centres of Excellence

For ARC Centres of Excellence, in accordance with the Grant Agreement, the Administering Organisation must notify the ARC within three months of a Participating Organisation default being identified. To address the default, the Centre may attempt to find a replacement Participating Organisation for the Centre, or modify remaining Participating Organisation arrangements.

Due to COVID-19 pandemic impacts, the ARC will allow the ARC Centre of Excellence 12 months to find a suitable replacement Participating Organisation and/or finalise revised Participating Organisation Agreements. If the Centre can continue without the Participating Organisation that has defaulted, the Centre can request to revise participating organisation contributions, outlining the impact on the Centre.

What happens if the minimum Partner Organisation contributions for a project (as required by the relevant Grant Agreement) can no longer be provided?

For projects in the early stages, the ARC will expect Administering Organisations to seek replacement contributions wherever possible to ensure the eligibility requirements outlined in Grant Agreements continue to be met. As outlined above, the ARC will allow an extended time period to resolve Partner Organisation defaults. Variations, such as deferrals, suspensions and extensions, can also be used in the period while Partner Organisation contributions are being resolved.

However, the ARC will also consider variation requests for exemptions to these requirements on a case-by-case basis. For example, in the case of projects that are nearing completion and cannot obtain a new Partner Organisation due to the impact of the COVID-19.

Administering Organisation will need to demonstrate that appropriate steps were taken to find a replacement Partner Organisation and/or contributions and that they were unsuccessful. Administering Organisations will also be required to provide information about changes to the project (e.g. scope/objectives/budget) to ensure that the project can continue successfully.

Can Administering Organisations request a blanket waiver of requirements to have all parties sign the agreements before commencing

No, however the ARC is happy to allow additional extension time to sign the agreements.

Alternatively, if a majority of the Participating Organisation's agreements are executed, but a small number are not able to be executed, then the project may seek ARC approval to temporarily remove these Participating Organisations so the project can commence.

Please contact the ARC (ARC-Postaward@arc.gov.au) to discuss these options.

Other

Can I purchase computers and software now that I'm working from home?

The purchase of equipment remains the same as outlined in the ARC Grant Guidelines and Grant Agreements. Specialised software and hardware may be purchased, however the requirements for laptops, computers, monitors, printers as well as other office equipment and consumables still remains the responsibility of the Administering Organisations.

Will the ARC allow fellowships, awards and projects to extend beyond the allowable timeframes in the ARC agreements (i.e. six years for DECRA; eight years for Australian Laureate Fellows and Future Fellows; and original funding years + three years carryover for all other schemes)?

Yes, when processing future End of Year Reports, any suspensions will be taken into account when considering extensions to end dates and approving carryovers beyond the allowable timeframe.

Further advice specific to Major Investment grants

Establishment funds

Extended use of establishment funds

Due to the COVID-19 circumstances, Centres/Research Hubs/Training Centres may now vary their use of the approved \$100,000 establishment funds to cover the following purposes:

- Continuation of salary support for the Chief Operating Officer or Business Manager
- Continuation of salary support for personnel appointed with ARC funding (including administrative or academic positions)
- Ongoing administration costs related for recruitment
- Setting up the website and logos
- Development of KPI reporting tools
- Costs associated with establishing an Advisory Committee.

Please note, the establishment funds may not be used to for:

- Salary support for named participants such as Chief Investigators
- Travel costs for research program activities.

Administering Organisations must notify the ARC via email of changes to the use of establishment funds by 31 December 2020.

If a Centre/Research Hub/Training Centre is seeking to cover other specialised costs due to COVID-19, please contact the ARC for advice (ARC-Postaward@arc.gov.au).

Increase to establishment funds

Due to the COVID-19 circumstances, the ARC will allow new Centres/Research Hubs/Training Centres to vary establishment funds to a maximum of \$500,000 from existing funding. A variation may be submitted by Administering Organisations to increase the amount of establishment funding by completing a one-page request with a breakdown of expenditure and rationale. This can be submitted to the ARC (ARC-Postaward@arc.gov.au) via the Research Office.

Please note the impact of using increased funding for establishment purposes on a Centre/Research Hub/Training Centre's budget should be taken into account.

Transitioning between old and new Major Investments

Requests to modify the approved transition plan, including changes to the use of establishment funding, can be sent to ARC (ARC-Postaward@arc.gov.au). The request should include reference to the original approved transition plan and clearly outline any changes and long term impacts/mitigation strategies. You can contact the ARC for specific advice prior to submitting the request.

If the Centre has key personnel moving from a previous ARC investment to the Centre, establishment funds can be used to support salaries of these key personnel during the establishment phase.

If COVID-19 has reduced the capacity of personnel to undertake their roles, their salary can be reduced to reflect the actual FTE.

Frequently Asked Questions—specific to Major Investments

Governance implementation

The governance framework now is difficult to establish due to lack of availability of key personnel and delays in the research program. Can the Centres/Research Hubs/Training Centres delay the establishment of an Advisory Committee?

The establishment of the Advisory Committee may be delayed.

In the interim, you can consider setting up a short-term specific taskforce or committee to assist the executive management until the Advisory Committee is established.

Alternatively, establishment funds can be used to support costs associated with the establishment of the Advisory Committee.

The ARC establishment toolkit notes the development of a number of plans such as the Strategic Plan, Gender Equality and Diversity Plan, Governance Plan, Budget Plan, or Mentoring Plan. Can the Centres/Research Hubs/Training Centres delay the development of these plans?

The ARC recommends a COVID-19 response plan is developed in consultation with institutional arrangements. Then as establishment progresses the above plans can be developed and implemented for the Project Commencement date.

Key Performance Indicators (KPIs)

Can an extension be requested for the development of KPIs?

Yes, KPIs are now due within 12 months of the Project's Grant Offer being executed (previously six months).

If more than 12 months from the Project's Grant Offer being executed is required, a request must be submitted via email to ARC-postaward@arc.gov.au.

How should Year 1 (originally 2020) KPI targets be represented?

For Centres, KPI targets for Year 1 (2020) may be reduced or not applicable, either:

1. Label 2020 as Year 0, and Year 1 will become 2021 through to Year 7 as 2027
2. Keep 2020 as Year 1 with reduced or no targets and add a Year 8 for 2027

For IC and IH, KPI targets for Year 1 (2020) may be reduced or not applicable, either:

1. Label 2020 as Year 0, and Year 1 will become 2021 through to Year 5 as 2026
2. Keep 2020 as Year 1 with reduced or no targets and add a Year 6 for 2026

Please contact the ARC (ARC-Postaward@arc.gov.au) for further assistance developing or revising KPIs.

Launch event

It is unlikely that the launch event will occur within the first 12 months of commencing due to a backlog of establishment activities (or other reasons). Can the launch event be delayed?

The time period to hold a launch event has been extended from 12 months to 18 months from the commencement date.

Once launch event planning is underway, please notify the ARC (ARC-Postaward@arc.gov.au) of the anticipated launch event date.

Special Research Initiatives

Please contact the ARC (ARC-Postaward@arc.gov.au) for advice related to ARC Special Research Initiatives.