

Chapter 4

Conditions of Grant Award



The usage of research contracts in the form of the Conditions of Grant, forms part of the risk management processes utilised by funding agencies in minimising their risks associated with their investment in RI grants. This contract must be signed by the grant recipient and the designated authority at the employing institution within a stipulated timeframe. The provisions of such a Conditions of Grant is presented in detail in this Chapter.

4.1 Usage of Funds

This section specifies and defines the terms and conditions linked to the awarding of a RI grant, including how grant funds may be utilised and reported. The Conditions of Grant affirms the approved management plan and budget that was submitted as part of the original research proposal that was subjected to peer review. Furthermore, the general consensus is that funds must be solely used for the procurement, upgrade and/or development of research equipment as stipulated by the funding agency in the award letter (National Research Foundation, 2018).

4.2 Institutional Responsibility

Institutional responsibility relates to the accountability that the research institution consents to, as part of the provisions of the conditions of grant. Some of these responsibilities and accountabilities that extend to research institutions include, but are not limited to:

- The equipment must form part of the research institution's asset register and be managed in accordance with its asset management policy;
- The institution must assume full accountability and responsibility for the record-keeping relating to the usage of the grant. Any information presented to the funder must be (i) accurate; (ii) complete; (iii) valid; (iv) reliable; and (v) transparent in line with good audit practice;
- The institution must co-invest to a value of one third of the purchase price of the equipment which must include a three-year maintenance contract with the supplier;
- The institution must undertake to (i) complete all necessary building renovations and/or construction against supplier or manufacturer specifications to house the research equipment; and (ii) ensure all security, services, utilities and insurance arrangements are in place;
- The institution must employ as well as retain the appropriately skilled staff to maintain and operate the research equipment and;
- The institution must have an access policy in place that ensures the research equipment is accessible and utilised by the wider research community, including students.

4.3 Ethics

All funded researchers must adhere to the highest ethical and safety standards when conducting research, particularly when human and animal subjects are involved. This requires compliance with all relevant regulations in this respect, including, but not limited to, those laid down by the research institution, national and international laws. A copy of the ethics approval for the research project, which will be undertaken using the awarded equipment, must be submitted to the funding agency as part of the Conditions of Grant Award (National Research Foundation, 2018).

4.4 Intellectual Property

This relates to the protection of the new knowledge, technologies, processes and innovations that emanate from the research that involve the usage of the equipment. All funded researchers must adhere to the intellectual property (IP) policies of the research institution and national government. From a funding agency perspective, ultimate responsibility for the protection of intellectual property rights reside with the institution (National Research Foundation, 2018).

4.5 Data Storage, Usage and Dissemination

This relates to all research outputs that are not protected under Intellectual Property Rights. In such instances, the research outputs, including the source data, need to be made available to the larger research community through an accredited database such as an Open Access repository with the provision of a Digital Object Identifier for future citation and referencing. An institutional data policy needs to be in place, that guides the sharing and access to data that has been generated from the usage of the equipment. If data is stored by users, and not within the vicinity of the equipment, then the data policy of the user's institution needs to be adhered to.

4.6 Payment of Grant

This section outlines the payment mechanisms for grants. Funds, amounting to 80% of the total value of the grant, are released to the research institutions once the institution's senior management and the grant holder have signed off the Conditions of Grant, which must be submitted with the following appendices:

- Updated management plan that makes reference to the institution's risk management strategy as well as addresses issues such as currency fluctuations.
- Updated Gantt chart (refer to Annexure 1).
- Pro-forma invoice for the equipment from the preferred vendor or supplier post the undertaking of a competitive bid process (refer to Financial Management).
- Uploading of an equipment record onto the equipment database which is an online repository of public investments in research equipment (refer to Research Equipment Database).
- Letter of Commitment from the preferred vendor or supplier indicating that the equipment will be operational and functioning at optimal capacity within the timelines specified in the Gantt chart (National Research Foundation, 2018).

The practice of withholding 20% of the grant value, forms part of a risk mitigation strategy by the funding agency. For the final 20% payment to be paid, the following information must be submitted to the funding agency:

- A letter from the supplier indicating that the equipment has been fully installed and commissioned and is working optimally. This letter must be co-signed by the grant holder.
- Project close-out report that is duly signed by the grant holder and the research institution's designated authority (National Research Foundation, 2018).

4.7 Change of Leadership or Institution

Changes management and succession planning forms a key part of grant management for RI investment. In instances, where the researcher retires or resigns from the research institution, one of two scenarios may come into play:

4.7.1 Change of Leadership

In the event of the researcher leaving the research institution either through a resignation, retirement, relocation or other reason, the funding agency must be informed in writing with regard to:

- The alternate arrangements for the continuation of the projects and continued leadership for the management of the equipment at the research institution.
- A replacement researcher who may be the co-applicant on the original application, or another researcher who has the necessary qualifications and experience to manage and maintain the same or similar equipment may be nominated as a replacement researcher by the research institution, and an updated profile in the form of a CV must be submitted to the funding agency.
- Funding will only continue if the funding agency is satisfied that the equipment will be managed and the project will continue at the same level under the replacement researcher.

In such an instance, the appointment of a replacement grant holder must be approved by senior management at the funding agency who have the necessary technical research equipment experience and/or expertise. In cases where specialised facilities are involved, independent expert opinion must be invited prior to a final decision being made by the funding agency (National Research Foundation, [2018](#)).

4.7.2 Change of Institution

The RI grant and the associated equipment may only be transferred to another research institution under extenuating circumstances, which requires the approval of the funding agency. The research institution must be willing to enter into an agreement wherein the research equipment is transferred to another institution which employs the original grant holder, or another research institution that is willing to acquire the research equipment.

In such an event, the following provisions must be met:

- The new institution is a recognised public research institution.
- The new research institution is agreeable to undertaking all conditions and obligations attached to the grant. This means that a new Conditions of Grant must be signed off by the new institution and the appointed grant holder.
- Proof of commitment from the supplier/manufacturer to aid in the relocation process of the equipment, from decommissioning at the original host research institution to transportation, installation and commissioning at the new research institution. All incurred costs will need to be borne by the new research institution.
- A copy of the senate minutes from both research institutions wherein the relocation of the equipment is approved.
- There is a legal agreement between the institutions that describes terms and conditions for the relocation of the equipment including the reimbursement of the cost(s) associated with the procurement, installation and maintenance of the equipment at the original host institution. This arrangement may be facilitated by the funding agency (National Research Foundation, 2018).

4.8 Breach

Should the grant holder or the research institutions fail to meet any of the terms set forth in the Conditions of Grant, then this will constitute a breach. The funding agency can then proceed to (i) halt any further payments of the grant to the research institution; or (ii) withdraw or recall the grant, thereby requesting either the full refund of the funding agency grant or the transfer of the equipment to a more suitable research institution as identified by the funding agency.

In the event of a breach, the funding agency can also proceed to effect further penalties by banning the grant holder and research institution from applying for RI grants for a minimum period of three years or until such time as the terms of the Conditions of Grants have been fully addressed (National Research Foundation, 2018).

4.9 Summary

This section lays the foundation for the sustainable management of RI grants through devolving responsibility and accountability of the management of the funding awarded to a grant holder to the research institution at which he/she is employed. The key elements described in this section aims to minimise both risks and the wasteful expenditures of public funds. In essence, the conditions of grant is a risk management tool that puts in place the necessary mechanisms to safeguard public funds and maximise a return on investment by the funding agency.

Reference

National Research Foundation. (2018). Infrastructure Funding Instrument: National Equipment Programme Framework and Funding Guide. Available at: <http://www.nrf.ac.za/sites/default/files/documents/NEP%20Call%20Framework%20and%20Funding%20Guide%202019.pdf>. Accessed 21 Sept 2018.

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