

# NHMRC- administered Grants

**Research Office Post-Award Guide to Eligible Expenditure**

*Version 4 – August 2023*

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## 1. Overview

The NHMRC grant program comprises four current funding streams:

- Investigator Grants
- Synergy Grants
- Ideas Grants
- Strategic and Leveraging Grants

Grants and fellowships previously awarded under the former NHMRC schemes will continue through to completion, however, will no longer be open for applications.

The NHMRC administers a number of opportunities on behalf of the Medical Research Future Fund (MRFF) that generally follow the same expenditure rules as for other NHMRC grants. The nature of the MRFF means that new opportunities administered by the NHMRC are constantly being introduced, and not all grants under an initiative may be administered by the NHMRC – please check the GRL.

Funding awarded for NHMRC schemes are subject to a [Funding Agreement](#) between the University and the NHMRC. In addition, all schemes are governed by scheme-specific Grant Guidelines, and are further governed by terms and conditions specified in the Grant Schedule for that Research Activity, and by the [NHMRC Direct Research Costs Guidelines \(DRCs\)](#), which consist of core principles used to determine whether particular expenses are considered direct costs for the NHMRC funded Research Activity in question. NHMRC grant funds can only be spent on the DRCs as described in the [NHMRC Direct Research Costs Guidelines](#), which include the following obligations for UQ as the Administering Organisation:

*“Funding provided by NHMRC for a Research Activity may be spent on a cost incurred for that Research Activity that satisfies all of the following requirements:*

- The cost must be integral to achieving the objectives and outcomes of the Research Activity as set out in the Application for Funding for that Research Activity, as approved by NHMRC.
- The cost must be directly related to the grant proposal as set out in the Application for Funding for that Research Activity, as approved by NHMRC.
- The cost must not be for facility, administrative or other indirect costs that would be provided by an institution in the normal course of undertaking and supporting health and medical research (e.g. those costs often incurred for common or joint objectives, utilities and services, regulatory and research compliance and administration of research services).”

Provided in this Post-Award Guide is a summary of the eligible and ineligible expenditure types for funds awarded under the current version of the Funding Agreement effective 1 June 2023. This is the **Funding Agreement Regarding Provision of NHMRC Funding for Research Activities** and relates to all NHMRC research grant schemes.



In some cases (excluding Investigator Grants), under the principles governing the NHMRC's [Direct Research Costs \(DRC\) Guidelines](#), there is flexibility for the CIA to redirect NHMRC funds to those items of the budget that they consider most pertinent to achieving the aims and objectives of the Research Activity, whilst adhering to the Grant Guidelines, Funding Agreement and DRC Guidelines, plus any conditions outlined in the [Grant Schedule](#).

## 2. Eligible expenditure types – all NHMRC schemes

Budget items that directly support the Research Activity may be expended from NHMRC funding. A summary of eligible expenditure types allowable under the NHMRC Funding Agreement and NHMRC Direct Research Cost Guidelines (DRCs) is provided below.

### Personnel Support Packages (PSPs)

- **salary support:** for example, postdoctoral research associates, research assistants, technicians and laboratory attendants. Salary support is requested as a PSP, **which may be topped-up using NHMRC DRC funding to an appropriate UQ salary rate, inclusive of oncosts** (per applicable standard UQ rates).
- **Chief Investigator salaries** (excludes Investigator Grant and other Fellows (CIA) salaries).
- **Salary on-costs**
- **Excess salary:** Salary support for Specified Personnel (CIs and Fellows) must not exceed 100% across all grants held (this includes MRFF grants).
- **PhD student involvement:** Students undertaking research based postgraduate degrees may be supported on NHMRC research grants in line with the conditions of the Administering Institution. **The student must not be named as being in receipt of an NHMRC Postgraduate Scholarship**, as this is a specific category of competitively awarded NHMRC grant funding.
- **Re-allocation of funding:**
  - funding provided for a Chief Investigator (CI) salary may be re-allocated for research support personnel salaries or to DRCs, provided there is no change of the peer reviewed role of the CI (e.g. not changing from CI to AI).
  - a CI, who did not request their own salary in the proposal, is permitted to re-allocate funds to their own salary from salary awarded for research support personnel and/or DRCs.

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schemes)

### Salary Support Packages (SSPs; Investigator Grants and NHMRC Fellowships only):

- salary support for CIA is provided as an SSP at a fixed rate and may only be expended for that purpose. NHMRC Funds provided to conduct a Research Activity **cannot** be used to supplement (top-up) the SSP.

Direct Research Costs (DRCs): general DRC costs of research that would reasonably be expected to relate to the Research Activity.

### Research Support Packages (RSPs; Investigator Grants only):

- **direct research costs (DRCs):** this part of the Investigator Grant can only be spent on direct costs of research. It must not be used to supplement the salary of the Investigator Grant recipient, but may be used for Personnel Support Packages (PSPs) to employ research staff.

### Equipment

- **equipment and consumables** up to \$80,000 over the life of the grant. The Administering Institution must meet all service and repair costs for the equipment funded.

**specialised computer equipment and software** essential to meeting the specific research needs of the grant.

### 3. Ineligible expenditure types – all NHMRC schemes

Budget items **not** supported for NHMRC grants include:

- salaries for overseas Chief Investigators
- Associate Investigator (AI) salaries
- severance, termination payments, extended leave payments and leave entitlements accrued on non NHMRC Research Activities
- non project related staff salary, training, or development costs
- teaching relief
- entertainment, meals, and hospitality
- Fringe Benefits Tax (FBT)
- personal or professional membership fees, professional development courses
- fees for patent application and maintenance
- visas, relocation costs and insurance
- airport, related travel taxes, airline club memberships, car rental
- overheads and administrative costs
- Basic facilities (which must be provided and funded by UQ):
  - physical space and all the services associated with it
  - furniture for research staff
  - administrative services
  - office services and laboratory services
  - access to a basic library collection, standard reference materials or funds for abstracting services
  - ethics approval costs
  - animal house facilities
  - computer networks and basic network utilities
  - personal computers, related network peripherals and software (see NHMRC Early Career Fellowship (ECF) exception)
- personal subscriptions (e.g. private journal subscriptions)
- communications costs (e.g. mobiles, telephone calls)
- equipment costing more than \$80,000 over the life of the grant.
- service and repair costs in relation to equipment funded.

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(all  
schemes)

purchase of computers or basic computer facilities and standard software except where these are an integral component of a piece of laboratory equipment or are of a nature essential for work in the research field, for example, a computer which is dedicated to data collection from a mass spectrometer or used for the manipulation of extensively large datasets (i.e. requiring special hardware).



Please note that **information contained in this Guide specifically relates to expenditure of funding awarded by the NHMRC**. In some NHMRC schemes, additional contributions will have been made by participating and partner organisations to the project, as well as cash contributions from UQ in the form of a *Capacity Building Package*. In some instances, expenditure types restricted by the NHMRC can be funded by contributions from these alternative sources. However, the **expenditure of any non-NHMRC funding should still remain consistent with the broad structure of the project budget as detailed in the original proposal**.

Please contact the Research Office with regard to any queries around eligible types or changes to the expenditure of cash contributions from non-NHMRC sources.

## 4. Eligible and Ineligible expenditure types – specific Research Support schemes

### Synergy Grants (specific)



In addition to the general **eligible** expenditure types for Research Support schemes:

- Synergy Grants do not include a salary component as the CIs' salaries are normally funded from other sources. However, where required the grant money can be used to fund a CI's salary if the CI is based in Australia for at least 80% of the funding period. The salary must be based on published NHMRC [Personnel Support Packages](#) and may be topped-up using NHMRC DRC funding to an appropriate standard [UQ salary rate](#), inclusive of on-costs.

Synergy Grants may be funded by or in conjunction with other partner agencies as nominated in the application. Refer to partner-specific guidelines and the application for expenditure restrictions or contact the Research Office if specific information is required.

### Joint International Calls (specific)



In addition to the general **eligible** expenditure types for Research Support schemes:

**NHMRC will only fund the Australian component of the project.** NHMRC will not fund any components of the project funded by a partnering organisation/funding body. Funds are intended for research cost expenditure in Australia; however, funding may be used to support grant activities to be undertaken overseas, including salary support for overseas-based research support staff, if the overseas grant activity is critical to the successful completion of the project, and the equipment/resources required for the grant activity are not available in Australia.

***Please consult the specific grant guidelines, as the list of eligible expenditures may differ from one Joint International Call to another.***

### Partnership Project Grants (specific)



In addition to the general **eligible** expenditure types for Research Support schemes:

- Cash and/or In-kind funding received from Partner Organisations named on the grant should be expended per application Letters of Support and/or any subsequent NHMRC-approved partner contribution variation (refer to the GRL).
- Additional funding may be awarded to some grants under a **Special Initiative - Aboriginal and Torres Strait Islander Research** component which provides funding to support a Masters, PhD or post-doctoral study. If applicable, details will be specified as Funding Conditions in the NHMRC grant Schedule. If an application is unsuccessful through the Special Initiative but is successful as a standard Partnership Project, study support will not be provided.
- NHMRC requires annual verification on 30 April from Administering Institutions that Partner Organisation funding has been provided as outlined in the Application and partner letter of support. The Research Office coordinates the annual verification reporting process.

In addition to the general **ineligible** expenditure types:

Chief Investigator and Associate Investigator salaries could be paid from Partner Organisations or Participating Institutions funds, with their express agreement and where stated in the application.

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**Program Grants (specific)**



**In addition to the general eligible expenditure types** for Research Support schemes:

- Program Grant applications do not include a budget. Instead, each CI attracts a quantum of funding based on assessment of their track record. Awarded funding generally equates to the sum of the quanta for all CIs on the application. Refer to the Program Grants Funding Rules for quanta rates which may be indexed annually.
- Funds can be used to support a range of senior and junior postdoctoral researchers, research and technical assistants and higher degree candidates, as well as providing for Direct Research Costs and minor items of equipment for use in facilities in Australia.

Budgets will allow flexibility to redirect funds to new initiatives, provided that expenditure is consistent with the Program proposal.



**In addition to the general ineligible expenditure types:**

- Chief Investigator salaries.

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**MRFF Grants (excluding fellowships)**



MRFF grants administered by the NHMRC can vary significantly. Generally, however:

- MRFF grants follow NHMRC Direct Research Cost Guidelines.
- The Grant Schedule specifies that the research funding includes interest earned on the funding.



**In addition to the general ineligible expenditure types:**

- Overseas expenditure for MRFF grants is generally limited to 10% of total expenditure (subject to approval by the delegate).
- Rapid Applied Research Translation: Travel expenditure can only come from RART funds with prior written approval from the Department of Health.

**Always** review the scheme MRFF Guidelines and Addenda for special conditions stipulating expenditure restrictions. For example, some schemes do not permit overseas expenditure; others limit eligible salary on-costs to (a) employer paid superannuation, (b) payroll tax, and (c) worker compensation insurance only; but do not include on-costs to cover leave allocations.

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## 5. Eligible and Ineligible expenditure types – specific Research Support schemes

In addition to the general **eligible** expenditure types for Research Support schemes:

### Investigator Grants (specific)



- **The Research Support Package (RSP) can be used for project staff salaries.**
- **An Investigator grant recipient** who is subsequently awarded a non-Australian Government grant that includes a salary component that is less than or equal to 20% of the total salary component of the Investigator Grant may retain both salaries.
- The Investigator Grant scheme must not pay or subsidise the salary of grantees with additional institutional leadership/administrative appointments related to research. Such appointments may include academic and institutional leadership/administrative salaried appointments. There may be the opportunity to suspend for temporary positions.
- Investigator Grant recipients may spend a proportion of their time pursuing research overseas. Emerging Leadership (EL) 1 and EL2 Investigator Grant recipients may spend up to 50% of their grant's duration overseas. However, the final year of the Investigator Grant must be undertaken in Australia.
- The NHMRC may need to be informed of time overseas (all fellows).
- The Schedule specifies that the research funding includes interest earned on the funding.

### **Ineligible expenditure types:**



- The Research Support Package (RSP) must NOT be used to supplement the salary of the Investigator Grant recipient.
- Recipients of Investigator Grant are not entitled to concurrently receive salary from any other competitively funded Australian Government grant, (either as named Chief Investigator or an unnamed postdoctoral position).
- **An Investigator grant recipient** who is subsequently awarded a non-Australian Government grant that includes a salary component that is greater than 20% of the total value of the Investigator Grant salary cannot receive both salary components, **please contact the Research Office if this occurs.**

An Emerging Leadership Fellow based overseas (for a maximum of 50% of the grant duration) may include airfares for travel overseas but can no longer include allowances for living abroad as project costs. The Administering Institution must inform the NHMRC if the fellow relocates during the fellowship term.

### All other Fellowships

Please review the relevant funding documentation for the scheme to determine allowable expenditure types.

If you are unsure, please contact the Research Office



Except in a very limited number of cases, flexible funding arrangements as outlined in the NHMRC Direct Research Cost (DRC) Guidelines, do not apply to People Support schemes (see scheme-specific Guidelines for details).

Changes to a Fellow's employment conditions post-award affect their Fellowship salary and RSP (Investigator grants) payments. As such, changes to the Fellow's employment conditions must be flagged to the Research Office as NHMRC approvals may be required (i.e. changes to FTE, or suspensions).

## 6. Budget variations

Given the flexibility of many NHMRCs schemes, there are limited circumstances where it is appropriate to vary an NHMRC grant (including the *Research Activity*) relative to the peer reviewed application. Most budget variations occur as a result of changes to the Research Plan.

NHMRC's *Funding Agreement* states that "Funds may only be used for the *Research Activity* for which they were provided...", and accordingly any proposed changes to a grant, including changes to the Funding Period, need to be considered relative to the original peer review.

Budget adjustments may be imposed by the NHMRC in certain situations, for example, to ensure a CI does not receive more than 100% salary funding.

Budget and associated date and milestone changes will continue to be processed for NHMRC (but not MRFF) Defer Commencement Date variations, Parental Leave and variations that reduce the funding period, for example changes from part-time to full-time hours.

People Support grants may only require variation for changes in Full Time Equivalent (FTE), for example:

- a change from full-time to part-time
- a change from part time to full-time
- a change in part-time FTE.

Changes that do not require a variation request include improvements to the research techniques used to achieve the *Research Activity* (e.g. new, cheaper or more accurate techniques or technology becomes available) do not require a variation request.



**Reminder - please refer to the scheme-specific NHMRC Guidelines and Direct Research Costs Guidelines when assessing eligible expenditure types, see [nhmrc.gov.au/funding/manage-your-funding/funding-agreement-and-deeds-agreement](https://nhmrc.gov.au/funding/manage-your-funding/funding-agreement-and-deeds-agreement).**

## 7. Research Office contacts for further advice

Enquiries regarding eligible expenditure types under NHMRC schemes, or advice around budget variations can be sent to the relevant Awards team: <https://www.uq.edu.au/research/research-office>.