

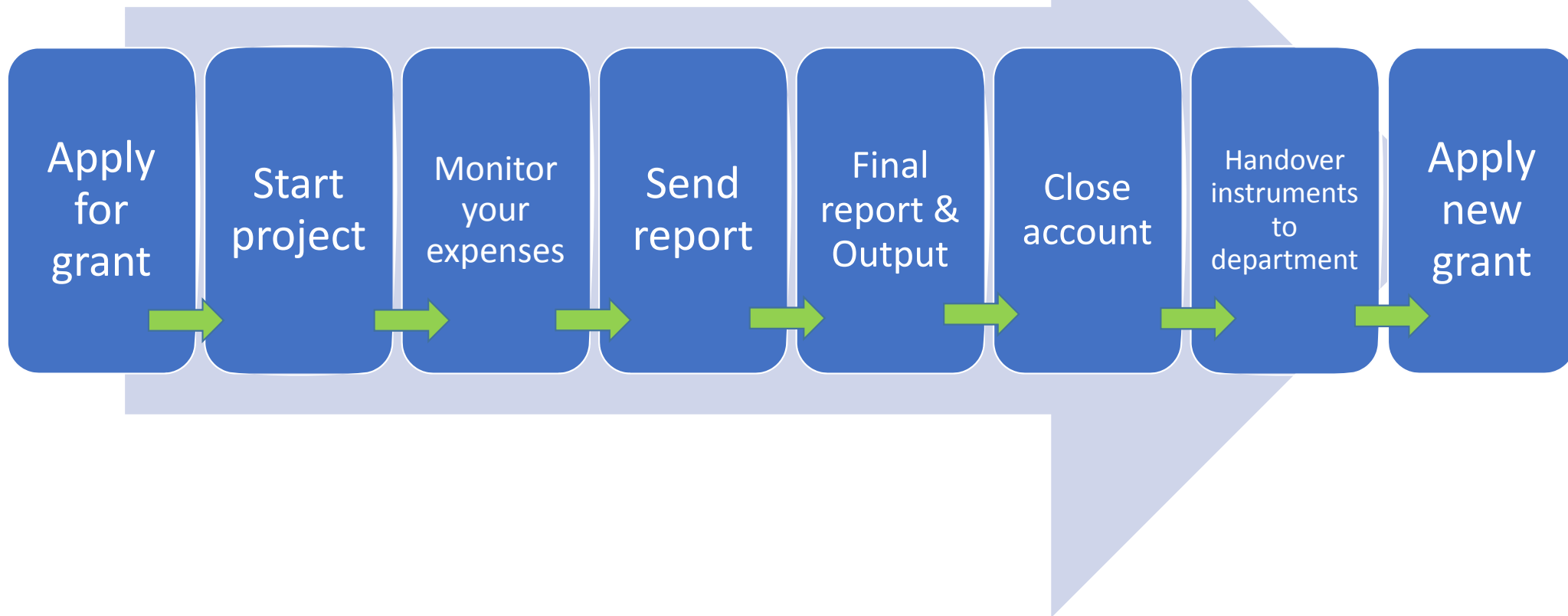
# ***RESEARCH BUDGET MANAGEMENT***

**Centre of Research Grant Management (PPGP)**

# SUBTOPICS

- Good Governance of Research Grant
- Issues Related to Good Governance
- Budget Procedures
- Financial Management & Monitoring
- Planning for Implementation
- Audit
- Checklist
- Suggestions

# GOOD GOVERNANCE OF RESEARCH GRANT



# ISSUES RELATED TO GOOD GOVERNANCE

- Pursue/ develop interest in your research
- Fundamental/ applied/ novelty/ innovative/ impact to society
- Networking – e.g: <http://umexpert.um.edu.my/>
- Mentoring – e.g: Race Acculturation Collaborative Effort (RACE)

# REASONS FOR FAILING TO MEET DEADLINE AND/OR NO OUTPUT



- Poor planning of timeline / Gantt Chart
- Careless/ too occupied
- Poor timetable
- No expertise
- Seek no advice
- No collective effort/collaboration
- Leave establishment
- Abandon research
- Safety issues

# REASONS FOR NOT USING BUDGET FULLY



- Can't secure RA
- Minor change in the research objective
- Can't procure major equipment
- Over budget
  - Apply for a higher price in proposal
  - Propose huge number of respondents
  - Allocation for services and maintenance not used
- Secured a few grants at the same time
- On leave

# RESEARCH PROCEDURE MUST BE FOLLOWED



## EXTERNAL GRANTS

- MOE/MOSTI etc
- International grants
- Private grants (National/International)

# RESEARCH PROCEDURE: APPLICATION GUIDELINES



- Literature research
- Current references
- Read guidelines & application forms
- Discuss with co-researchers & mentors
- Get the necessary signatures before submission
- Apply on time
- Checklist
- If you miss the recent cycle, **prepare immediately for the next cycle**



# BUDGET PROCEDURES



E.g: FRGS Budget

| Sila nyatakan <u>secara lengkap</u> dengan pecahannya sekali                                     | Amount requested by applicant (RM) |
|--|------------------------------------|
| <b>Vote 11000 - Salary and wages /Upah dan Elaun</b><br>Untuk Pembantu Penyelidik Siswazah (GRA) | 43,200                             |
| <b>Vote 21000 - Travelling and Transportation/</b><br><b>Perjalanan dan Pengangkutan</b>         | 46,610                             |
| <b>Vote 24000 - Rental /Sewaan</b>   | 1,050                              |
| <b>Vote 27000 - Research Materials &amp; Supplies</b><br><b>Bekalan dan Bahan Penyelidikan</b>   | 11,295                             |
| <b>Vote 28000 - Maintenance and Minor Repair Services/ Baik pulih kecil dan ubahsuai</b>         | 1,000                              |
| <b>Vote 29000 - Professional Services /Perkhidmatan Ikhtisas</b>                                 | 21,000                             |
| <b>Vote 35000 - Accessories and Equipment</b><br><b>Aksesori dan Peralatan</b>                   | 8,885                              |
| <b>TOTAL: RM133,040</b>  |                                    |

# BUDGET PROCEDURES



E.g: FRGS Budget details

| Sila nyatakan secara lengkap dengan pecahannya                   | Amount requested by applicant (RM)  |
|--|---|
| Vote 11000 - Salary and wages /Upah dan Elaun                    | 1 Graduate Research Assistant (Msc): RM1,800 x 24 months<br><br>Total V11000 – RM43,200   |
| Vote 21000 - Travelling and Transportation/ Lodging & car rental | <p><u>Estimation cost:</u></p> <p>i) Fieldwork, East Malaysia (RM0.70 x 2,000 km x 2 person x 8 states)<br/>Cost: RM3,360 (First year) &amp; RM19,040 (second year)</p> <p>ii) National travel, East Malaysia (RM0.70 x 1,000 km x 2 person x 8 states)<br/>Cost: RM1,120 (First year) &amp; RM10,080 (Second year)</p> <p>iii ) Travel (RM0.70 x 500 km x 1 person x 10 libraries)<br/>Cost: RM1,250 (First year) &amp; RM1,250 (Second year)</p> <p>*Refer to the Allowance Rate (Bursar)</p> <p>iv) Hotel and accommodation (national) (RM180.00 x 4 days x 2 person x 8 states)<br/>Cost: RM1,280 (First year) &amp; RM10,240 (Second year)</p> <p>*****</p> <p>iv) Overseas: Seminar/conference (RM6,000 x 1 person x 1 seminar/conference)<br/>Cost: RM6,000 (Second year)</p> <p>Total V21000 – RM46,610</p> |

# BUDGET PROCEDURE



E.g: FRGS Budget details

| Sila nyatakan secara lengkap dengan pecahannya   | Amount requested by applicant (RM)  |
|--|---|
| Vote 24000 - Rental /Sewaan<br><br>E.g: Instrument/ building space/ Transportation/ and any other items directly related to the project can be included. | i) <u>Car rental for fieldworks (2 trips)</u><br>RM150 x 7 days = RM1,050   |
| Total V24000 – RM1,050   |   |
| Vote 27000 - Research Materials & Supplies<br><br>Please attach the <u>quotation(s)</u> for reference.   | i. A4 paper - white (RM12.00 x 30 rims) and colors (RM25.00 x 14 rims)<br>ii. A3 paper - white (RM30.00 x 3 rims) and colors (RM45.00 x 3 rims)<br>iii. Letterhead (RM2.00 x 300 pieces)<br>iv. Envelope (RM1.00 x 50 pieces)<br>v. Plaque for souvenir (RM50.00 x 20 unit)<br>vi. Toner cartridge (RM250.00 x 5 unit)<br>vii. Stationery (RM500.00)<br>viii. Ring files (RM8.00 x 50 unit)<br>ix. Files (RM1.00 x 100 unit)<br>x. CD-RW (RM5.00 x 50 piece)<br>xi. Photocopies & Article binding (RM1,000.00)<br>xii. Photocopies for survey (RM 3.00 x 100 set)<br>xiii. Printing services (RM1.00 x 100 piece)<br>xiv. Token for responden (RM2.00 x 1,000 unit) |
| *If possible, please itemize - by unit   |   |
| Total V27000 – RM11,295  |   |

# BUDGET PROCEDURES



E.g: FRGS Budget details

| Sila nyatakan secara lengkap dengan pecahannya  | Amount requested by applicant (RM)   |
|---|--|
| Vote 28000 - Maintenance and Minor Repair Services/   | Minor repair for printer and laptop cost RM1,000<br><br>Total V28000 – RM1,000   |
| Vote 29000 - Professional Services  | i. Enumerator (RM10.00 x 1,000 set – questionnaire)<br>ii. Key-in questionnaire & analysis (RM5.00 x 1,000 set)<br>iii. Workshop (RM5,000 x 1 workshop)<br>iv. Article Processing Charge (RM50 x 20 pages x 3 articles)<br><br>Total V29000 – RM21,000 |
| Vote 35000 - Accessories and Equipment<br>Aksesori dan Peralatan<br><br>Please attach the <u>quotation(s)</u> for PPGP reference. | Thumb-drive (RM600.00)<br>External Hard disk (RM300.00 x 2 unit)<br>Surface Pro (RM5,500.00 x 1 unit)<br>Video camera (RM1,500 x 1 unit)<br>Digital Voice Recorder (RM400.00 x 2 unit)<br><br>Total V35000 – RM8,885                                   |

**TOTAL: RM133,040**

# LANGKAH BERJIMAT-CERMAT

- Kurangkan *stationery*
- *Interlibrary loan*
- Kurangkan perjalanan sekiranya tidak perlu
- *In-home analysis*
- *Sharing of instruments*
- *Sharing of chemicals*

# BUDGET PROCEDURES: CEILING AND OUTPUT

| ITEM                | FRGS  | TRGS  | PRGS   | LRGS  | ScienceFund (MOSTI)   |
|---------------------|---|---|--|---|---|
| <b>Ceiling</b>      | <b>RM250,000</b>  | <b>RM1.5 mil</b>  | <b>RM500,000</b>   | <b>RM3 mil</b>  | <b>RM500,000</b>  |
| <b>Duration</b>     | 2 - 3 years   | 3 years   | 2 years  | 3 - 5 years   | Up to 30 months   |
| <b>Disbursement</b> | per project   |   |  | per year  | per year  |
| <b>KPI</b>          | <ul style="list-style-type: none"> <li>• 1 PhD/2 Msc (3 years) or,</li> <li>• 1 Msc (2 years)</li> <li>• min. 2 papers in index link journal</li> </ul> | <ul style="list-style-type: none"> <li>• 4 PhD/8 Msc</li> <li>• 8 papers in index journal</li> <li>• 1 IP (each Program)</li> </ul> | <ul style="list-style-type: none"> <li>• 1 IP/project</li> </ul> | <ul style="list-style-type: none"> <li>• 10 PhD (3 years)</li> <li>• 50 papers (3 years)</li> <li>• 3 IP (per program) - number of researchers with Citation Index of 100) - H-Index</li> </ul> | <ul style="list-style-type: none"> <li>• Intellectual Property Right (IPR)</li> <li>• Encouraged to publish local &amp; international publications</li> </ul> |

**Notes:**

- *Please read the guideline before completing these applications*

# BUDGET PROCEDURES: SCOPE OF FUNDING

| SCOPE OF FUNDING (VOTE)   | FRGS  | TRGS | PRGS | LRGS | SCIENCEFUND   |
|---|---|------|------|------|---|
| <p><b>Wages &amp; Salaries (V11000)</b></p> <ul style="list-style-type: none"> <li><i>Please be informed that a research assistant appointed under the research grant is not eligible to receive any honorarium within their employment.</i></li> </ul> | <p><b><u>FRGS/TRGS/LRGS</u></b></p> <ul style="list-style-type: none"> <li>Maximum wages/ allowances are up to <b>RM 1,800 (Master candidate) and RM 2,500 (PhD candidate) per month/per person inclusive of deductions for EPF.</b></li> </ul> <p><b><u>PRGS</u></b></p> <ul style="list-style-type: none"> <li>Hire RA</li> <li>Max. of 10% from total allocation</li> </ul> <p><b><u>ENUMERATOR</u></b></p> <p>Reference: Manual <i>Perolehan Perkhidmatan Perundingan</i> 2006.<br/>Below are the payment schedule:</p> <ol style="list-style-type: none"> <li>Payment depends on number of questionnaire with rate RM 6.00 – RM 10.00 / questionnaire</li> <li>Payment made based on number of interviewer and duration (day) with rate RM 40.00 – RM 50.00 / day</li> </ol> |      |      |      | <ul style="list-style-type: none"> <li>Maximum 2 RAs</li> <li>RM 2,500 per month</li> </ul> |

| SCOPE OF FUNDING (VOTE)   | FRGS   | TRGS | PRGS  | LRGS   | SCIENCEFUND   |
|---|--|------|---|--|---|
| <p><b>Travel &amp; Transportation (V21000)</b></p> <ul style="list-style-type: none"> <li>• <i>Subject to current guideline from UM/ MOHE/ MOSTI.</i></li> <li>• <i>All fieldwork itinerary and expenses MUST BE DETAILED in the original proposal.</i></li> <li>• <i>Approval is subject to Guideline travel leave from Human Resource Division / Deputy Vice Chancellor (Academic &amp; International).</i></li> <li>• <i>All travel claims under the research grant MUST follow the Procurement Procedure adhered by Bursar</i></li> </ul> | <p><b>FRGS / TRGS</b><br/>           PI are allowed to use this fund for attending overseas conference while others (Co-Researcher, Student, Research Assistant) are eligible for local only.<br/>           Maximum amount that can be funded for travel is 40% from total allocation.</p> <p><b>Overseas</b><br/>           Maximum amount that can be funded is 20% from the total allocation or RM 15,000 whichever is less.</p> |      | <p>Researchers are allowed to <b>attend course or fieldwork ONLY</b> with a maximum of <b>15% from total allocation.</b></p> <p><i>* Can't be used for attending conference</i></p> | <p>Total maximum amount that can be <b>funded for travel is 25% with 10% of which can be used for overseas travel.</b></p> | <ul style="list-style-type: none"> <li>• Max. of 15% of the total allocation or RM15,000, whichever is less</li> </ul> <p><b>Overseas</b><br/>           PI / Collaborator / Team member only allowed to go once for the duration of the project.<br/>           Approval for overseas trip must be obtained from MOSTI through IPPP.<br/>           Maximum amount can be funded is 15% from total allocation or RM 15,000 whichever is less</p> |
|   |  |      |   |  |   |



| SCOPE OF FUNDING (VOTE)                         | FRGS   | TRGS   | PRGS   | LRGS   | SCIENCEFUND |
|---|--|--|--|--|-------------|
| <b>Research Materials and Supplies (V27000)</b> | <p>Only expenses for research materials and supplies directly related to the project can be included. Please provide detail of cost and quantity of items required.</p> <p><b>ScienceFund:</b><br/>The grant will not support utilities, books, stationeries and subscription to journals etc.</p> |  |  |  |             |
| <b>Minor Modification and Repairs (V28000)</b>  | <ul style="list-style-type: none"> <li>The maintenance costs of existing equipment used during the duration of project period can also be included.</li> <li>The cost of maintenance of any equipment purchased will not be borne by grants after the project is completed.</li> </ul>             |  |  |  |             |
| <b>Special Services (V29000)</b>                | <ul style="list-style-type: none"> <li>Printing</li> <li>Hospitality</li> <li>Professional services and consultancy</li> <li>Rental for computers</li> <li>Data processing</li> </ul> <p>For attending course/ workshop<br/>-allowed for 2 weeks to 3 months<br/>-5% of total allocation</p>       | <ul style="list-style-type: none"> <li>Printing</li> <li>Hospitality</li> <li>Professional services and consultancy</li> <li>Rental for computers</li> <li>Data processing</li> <li>Any services related to prototype development</li> </ul> | <ul style="list-style-type: none"> <li>Printing</li> <li>Hospitality</li> <li>Professional services and consultancy</li> <li>Rental for computers</li> <li>Data processing</li> </ul> <p>For attending course/ workshop<br/>-allowed for 2 weeks to 3 months<br/>-5% of total allocation</p> | <ul style="list-style-type: none"> <li>Consultancy</li> <li>Payment for enumerators</li> <li>Sample testing and analysis</li> <li>Data processing</li> <li>Patent registration</li> <li>Paper publications related to the project</li> <li>Registration fees for conference</li> </ul> |             |

| SCOPE OF FUNDING (VOTE)  | FRGS | TRGS | PRGS | LRGS | SCIENCEFUND   |
|--|------|------|------|------|---|
| <p><b>Equipment (V35000)</b></p> <p><i>Subject to current guideline from UM/ MOHE/ MOSTI.</i></p> <ul style="list-style-type: none"> <li>All procurement <b>MUST BE DETAILED</b> in the original proposal.</li> <li>All equipment purchased under research grant <b>MUST FOLLOW THE PROCUREMENT PROCEDURE</b> adhered by Bursar.</li> <li>All equipment <b>MUST BE TAGGED AND RETURNED TO THE DEPARTMENT</b> after completion of project.</li> </ul> |      |      |      |      | <ul style="list-style-type: none"> <li>Not exceed 40% of total grant, or RM15,000, whichever is less</li> <li>All item listed in the approval budget can purchases but for equipment not listed in the Approval Budget, researcher must apply to MOSTI through IPPP with strong justification and supporting documents</li> </ul> |

- Must not exceed 40% of total grant.

**Other Regulations:**

- Each purchasing of equipment must get approval from Director of PPGP via e-procurement system
- Researchers (PI) are not allowed to buy tablet computer/gadget including I-Pad or Samsung Tablet. Application for the above IT with strong justification may be considered
- Researchers are allowed to buy laptop once in 3 years and the laptop must be returned to the Department upon the completion of the project or if the PI resigns from UM / termination of contract

# BUDGET PROCEDURES: ALLOWANCE RATES



Fieldwork:

| CLASS | SALARY                             | Vehicle – Silinder (s.s) |
|-------|------------------------------------|--------------------------|
| A     | Not less than RM2,323.41 per month | 1,400 s.s and above      |
| B     | Not less than RM2,064.60 per month | 1,000 s.s and above      |
| C     | Not less than RM1,611.28 per month | Below 1,000 s.s          |
| D     | Less than RM1,611.28 per month     | Not less than 175 s.s    |
| E     | Less than RM1,611.28 per month     | Below 175 s.s            |

| Distance            | Class A<br>sen/km | Class B<br>sen/km | Class C<br>sen/km | Class D<br>sen/km | Class E<br>sen/km |
|---------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| First 500km         | 70                | 60                | 50                | 45                | 40                |
| 501 km – 1,000 km   | 65                | 55                | 45                | 40                | 35                |
| 1,001 km – 1,700 km | 55                | 50                | 40                | 35                | 30                |
| 1,701 km and next   | 50                | 45                | 35                | 30                | 25                |

# FINANCIAL MONITORING

- i. Monitors each purchasing of equipment via e-procurement system
- ii. Distribution to researchers: *“Pekeliling Perbendaharaan 1/2013: Garis Panduan Perbelanjaan Secara Berhemat bagi Mengawal Perbelanjaan Awam”*

# FINANCIAL MANAGEMENT



- Spend money in accordance with the rules & guidelines.
- PI needs up-to-date accounting information.
- Expenditures are within the given budget.
- For MOSTI grants, virement can only be done once.
- Compare expenditures with projected expenses at fixed times during the budget year. (**Gantt Chart**)
- Plan future budgets.
- Usage of proper & updated application forms (application for attending conference/fieldwork)

***Virement of fund: only those allowed***

# PLANNING FOR IMPLEMENTATIO



- **Work out logistical issues** with each individual involved.
- Reaffirm, update, review the grant timeline, reconfirm.
- **Discuss expectations & difficulties** anticipated.

## PI must know and follow proper procedure:

- PI must **know the respective officer** at each faculties (invoice, PO, purchase requisition)
- Number of **quotations based on the price** of the instrument.
- Instruments purchased **must be listed in the original proposal**.
- Small rupture (*pecahan kecil*) is a major offence.
- Field work schedule must be detailed
- Avoid high percentage of virement

The research group must always be aware of the **deadline for project reports.**

The percent of expenditure **should be staggered appropriately** throughout the grant period.



# RESEARCH ASSISTANT (RA)



- Read the guidelines for RA.
- Check whether you **can hire more than 1 RA.**
- Check your **budget/account balance** – factor in KWSP
- **Criteria:** must the RA be a Malaysian? Student?
- Refer to the **Human Resource Division** for **issues relating to visa** for RA from overseas.
- Consider **time factor.**
- Recruit, interview, and select Research Assistant/Graduate Research Assistant.

- **Monitor your RA's progress:**
  - (i) Attendance**
  - (ii) Safety**
  - (iii) Service period**
  - (iv) Work ethics**
  - (v) Output**

# MISMANAGEMENT OF GRANTS



- Procurement of **supplies for other research/purpose**.
- **Purchase of non-listed expensive equipment**
- **PI abandons the research and hands over the account to an unnamed researcher.**
- **Supplies abandoned after purchase (eg. Still in boxes)**
- **Grants not used due to failure to attract RA/abandoned project.**
- **Proposed budget, too high. Huge balance.**
- Making false claims
- Call for interview/ interrogation

**Always check your account balance**

# **FROZEN ACCOUNT**

- **Researchers abandoned the study**
- **Change of project**
- **Project is abandoned**
- **Very poor progress**
- **Very low spending**
- **Reports not submitted**
- **Negative results**

# MONITORING OUTPUT



- Only the **relevant output** is accepted.
- The **output should reflect the original** and approved proposal.
- Non compliance should result in closure of the account.
- Publication must **acknowledge grant number**.

# AUDIT

- **Research Management Center, RMC**
- **Application forms**
- **Panel evaluations**
- **Accounts (financial management)**
- **Appointment letters**
- **Grant extensions**
- **Reports submitted**
- **Management of Instruments**
- **Lab & instruments**
- **Output**

# CHECKLIST

- Update literature reviews
- Discussion/meetings with co-researchers
- Mentoring system
- Discussion with other faculties/universities
- Prepare proposals early
- Good governance of research grant

# SUGGESTIONS:

- Address & perform root cause analysis
- Effective monitoring
- **Audit** (faculty level/University level)
- Spend more quality time **discussing about the research proposal & budget** with all members before submission
- **Presentation of proposals at faculty level** before submission
- Corrective & preventive action



# Thank you

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