Academic Pursuit Policy (MPF XXXX)

1. Objectives

1.1. This Policy establishes a consistent University-wide framework for the creation, management and oversight of Academic Pursuit Projects. It aims to:

a) Ensure appropriate stewardship and use of Academic Pursuit Project funds;
b) Promote transparency and sound financial management;
c) Provide clarity on roles, responsibilities and accountabilities for individuals managing or overseeing Academic Pursuit Projects; and
d) Support academic priorities by enabling effective use of funds for education, research, and engagement activities.

2. Scope

2.1. This Policy applies to University staff holding continuing or fixed-term academic appointments who hold or are eligible to hold, an Academic Pursuit Project.

2.2. This Policy does not apply to:

a) Professional staff;
b) Honorary appointees;
c) Casual staff; and
d) Contractors

2.3. Despite section 2.2, this policy continues to apply for the purpose of managing and closing Academic Pursuit Projects and associated funds where an individual who was previously employed in a continuing or fixed-term role has transitioned to honorary status.

3. Authority

3.1. This Policy is made under the *University of Melbourne Act 2009* (Vic) and the Vice-Chancellor Regulation(s) and supports compliance with the:

a) Financial Management Act 1994 (Vic);
b) Standing Directions of the Minister for Finance; and
c) Other relevant University statutes, regulations and policies.

4. Policy

Eligibility

4.1. A University employee holding a **continuing** or **fixed-term academic appointment**, who is authorised to transact business on behalf of the University, is eligible for an Academic Pursuit Project, where they generate, or are reasonably expected to generate, allowable income under this Policy.

4.2. An eligible individual may hold only one Academic Pursuit Project at any given time.

4.3. Honorary appointees, professional staff, contractors and casual staff are not eligible to hold an Academic Pursuit Project.

4.4. Notwithstanding clause 4.3, where an individual employed by the University transitions from a continuing or fixed-term academic appointment to honorary status, continued access to Academic Pursuit Project funds may be approved in writing by the Dean (or delegate) and is subject to the requirements and conditions set out in the Academic Pursuit Project Procedure.

4.5. Notwithstanding clause 4.2, an eligible individual may temporarily act as custodian of another Academic Pursuit Project where required to support an arrangement approved under clause 4.4. Any such custodianship arrangement must be temporary and solely for the purpose of maintaining appropriate management and continuity during the transition period.

4.6. Establishment of an Academic Pursuit Project does not require formal approval, provided the eligibility requirements under this Policy are met.

Appropriate use

4.7. Academic Pursuit Projects provide a mechanism for managing untied funds that support academic activities, including research, teaching and engagement.

4.8. Funds held in Academic Pursuit Projects **remain the property of the University** and are not transferrable outside of the University.

4.9. Where an eligible staff member moves to another Faculty or Chancellery Portfolio within the University, responsibility for oversight of the Academic Pursuit Project and any associated funds must be agreed between the relevant Faculty Deans or the Chancellery Head of Portfolio (or their delegate). The project may continue to operate subject to that agreement.

4.10. Academic Pursuit Project funds must be managed in accordance with applicable University policies, including the Financial Code of Conduct Policy (MPF 1338) and delegations of authority. Funds must only be used for legitimate University-related academic activities and must not be used for personal benefit.

Allowable income and expenditure

4.11. **Allowable income** includes only the income categories specified below; no other income may be recorded in an Academic Pursuit Project:

a) **Fee for service income, where not treated as external work under the External Work Procedure (MPF1129).** Examples include outside speaking engagements or lectures, examination and refereeing fees;

b) **Net surplus funds from acquitted externally funded projects, where the funds are not required to be returned** to the funding body and after all applicable overheads have been recovered. Distribution of such funds to an Academic Pursuit Project is subject to approval by the relevant Faculty and/or Department (where applicable);

c) Funding received **above cost recovery** on **externally funded projects** at the discretion of the faculty and in accordance with the Costing and Pricing of Externally Funded Research policy (MPF1347.3); and

d) **Untied funds provided directly to the University by institutions** with which an academic is affiliated, provided that the source, purpose and amount of the funds are transparent, verifiable and compliant with University due diligence and financial control requirements. Funds must not be accepted where they are paid to, through or on behalf of an individual.

4.12. **Non-Allowable income** includes, but is not limited to, the following examples:

a) **Funds that meet the definition of a project code** under the Workday Foundation Data Model, including:

   i. **Higher Education Research Data Collection (HERDC)** eligible income.

   ii. **Income from other (non-HERDC) external funding bodies**.

b) **Payments received by an Academic generated in the account holder's personal capacity** must be treated as personal income and must follow the Appropriate Workplace Behaviour Policy (MPF1328) and the External Work Procedure (MPF1129);

c) **Salaries, wages and other amounts the University is required to pay via payroll.** This includes loadings, allowances, overtime and royalty payments due to the Academic (e.g. Academic Board member administrative support allowances);

d) **Indirect costs recovered** from externally funded activity, which must be distributed to the Faculty Operating budget where the **cost of the activity was incurred**; and

e) **Internal University funding**, including funding originating from Faculties, Schools, Departments or Chancellery portfolios.

4.13 **Allowable expenditure** from an Academic Pursuit Project includes:

a) Expenditure permissible under University policies and supports legitimate University related activities, including research, teaching and engagement;

b) Transfers to University gift accounts, where undertaken in accordance with the **Guidelines on Transferring University Funds to Gifts**; and

c) Transfers to externally funded projects to address a project deficit, where the transfer is consistent with University policies and the funding requirements of the relevant project.

4.14 **Non-Allowable expenditure** from an Academic Pursuit Project includes expenditure not permissible under University policies such as:

a) Personal expenditure, defined as expenditure incurred primarily for personal benefit and not directly supporting legitimate University related activities;

b) Gifts or Donations to outside organisations;

c) Salary expenditure for continuing appointments where the expenditure represents an ongoing commitment rather than limited to a defined, time-bound period. Refer to the Academic Pursuit Project Procedure for further guidelines;

d) Severance, termination or separation payments, which must be managed through approved institutional funding mechanisms; and

e) Asset purchases exceeding the University's capitalisation threshold ($10 000). Academic Pursuit Project funds may be used to contribute towards the cost of such assets through an approved transfer to the relevant Faculty, Department (or equivalent). The asset purchase must not be transacted directly through an Academic Pursuit Project.

Management and oversight

4.15 Academic Pursuit Projects must be actively managed to support the appropriate and timely use of funds and to avoid unmanaged financial risk.

4.16 Academic Pursuit Project funds must be used in line with their approved purpose and within reasonable timeframes, generally two to three years. Any exception must be authorised in writing by the Dean.

4.17 Accumulation or retention of funds beyond operational needs is not permitted.

4.18 The Account Holder must ensure sufficient funds are available prior to committing or incurring expenditure.

4.19 Academic Pursuit Projects must not operate in deficit. Where a deficit occurs, it must be remediated in accordance with the Procedure.

Transition of employment

4.20 An Academic Pursuit Project will be reviewed where the account holder:

a) ceases employment with the University;
b) transitions from a continuing or fixed-term academic appointment to a casual or honorary appointment; or
c) transitions from an academic role to a professional staff role.

4.21 Before a transition referred to in clause 4.19 occurs, the account holder must agree with the Dean on an appropriate approach for managing any remaining funds within the Academic Pursuit Project. More detailed requirements and guidelines are specified in the Academic Pursuit Project Procedure.

4.22 Heads of Department (or equivalent) are responsible for ensuring that Academic Pursuit Projects are appropriately managed following a change in circumstances, in accordance with University requirements.

Breach of policy

4.23 An Academic Pursuit Project may be suspended or closed where the account holder fails to comply with this Policy or any other applicable University policy, procedure or requirement. Where this occurs, any remaining balance will be transferred to the relevant Department (or equivalent organisational unit).

4.24 Non-compliance may also result in further action in accordance with University policies, including the Financial Code of Conduct Policy (MPF 1338) and the Appropriate Workplace Behaviour Policy (MPF 1328).

5 Procedural Principles

5.1 The ***account holder*** is the custodian of the funds held within an Academic Pursuit Project and is financially responsible for their appropriate management and use.

5.2 Management of Academic Pursuit Project balances forms part of the annual budget and forecasting process and must comply with applicable annual budget rules or guidance.

5.3 The Dean or Chancellery Portfolio Head is accountable for the financial oversight of Academic Pursuit Project funds within their faculty or Chancellery portfolio and sets the overall direction for expenditure in alignment with University priorities.

5.4 To support appropriate management and oversight, the Head of Department (or equivalent) may require the account holder to:

a) Provide information relating to the Academic Pursuit Project;

b) Prepare or revise a financial management or spend down plan; or

c) Take reasonable action to address financial management concerns.

5.5 Faculties and Chancellery portfolios must monitor Academic Pursuit Project activity and address potential non-compliance in a timely manner. Account holders must be notified and provided with a reasonable opportunity to take corrective action.

5.6 Issues relating to the financial management of an Academic Pursuit Project must be escalated to the Dean or the Head of the relevant Chancellery portfolio (or delegate).

6 Roles and Responsibilities

Role/Decision/Action	***Responsibility***	***Conditions and limitations***
Academic Pursuit Project Account Holder	Account holders must:	Academic Pursuit Project holders should not:

	a) Ensure all activity within an Academic Pursuit Project complies with relevant University policies and procedures. b) Maintain oversight of balances and commitments. c) Ensure sufficient funds are available prior to committing or incurring expenditure. d) Work with the Head of Department (or equivalent) where management actions or plans are required.	a) Incur expenditure that contravenes University policies or is not aligned with academic activities.
Head of Department (or equivalent)	Heads of Department (or equivalent) must: a) Provide oversight of Academic Pursuit Projects within their area. b) Identify and address financial risks. c) Require management actions or plans where appropriate. d) Escalate material issues in accordance with University governance requirements.	Heads of Departments (or equivalents) should not: a) Undertake day-to-day financial management of Academic Pursuit Projects. b) Approve exceptions to this Policy. c) Oversee accounts where an actual or perceived conflict of interest exists.
Finance staff	Finance staff must: a) Provide guidance on the application of policy and procedures. b) Support Faculties in monitoring Academic Pursuit Project activity and risks. c) Support compliance with the Academic Pursuit Project policy and financial framework through guidance, reporting and escalation of issues. d) Support financial planning and reporting at a Faculty, Chancellery or organisational level.	Finance staff should not: a) Approve or reject expenditure under an Academic Pursuit Project. b) Act as the primary owner of Academic Pursuit Project monitoring or decision-making. c) Establish rules outside of approved policy and governance frameworks.

7 Definitions

Academic Pursuit Project means a project created within the Workday Foundation Data Model for the management of untied funds in accordance with this Policy.

Account holder means an eligible Academic employee who holds an Academic Pursuit Project. The account holder is the custodian of the funds and is financially responsible for ensuring their appropriate use.

Foundation Data Model (FDM) means the University's enterprise financial data structure within Workday used to classify, record, manage and report financial and operational information.

Head of Department (or equivalent) for the purpose of this policy, includes roles such as Head of School, Head of Department or any other role with equivalent financial accountability for the relevant area.

Untied Funds means funding provided to an Academic that is not tied to a specific project, purpose, deliverable, funding agreement or defined outcome. Untied funds remain University funds and may be used to support legitimate University-related activities in accordance with applicable University policies, procedures, and financial management requirements.

POLICY APPROVER

Vice-President (Administration & Finance) and Chief Operating Officer

POLICY STEWARD

Chief Financial Officer

REVIEW

This policy will be reviewed after 12 months from the date of approval.

VERSION HISTORY

Version	Approved By	Approval Date	Effective Date	Sections Modified
1	[Position title of approver]			[Describe changes made.]