



Cooperative Research Centres (CRC) Program

CRC Quarterly Reporting Guidelines

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1 Introduction

During the funding period, a CRC must provide to the Commonwealth a quarterly report within 30 days of the end of each quarter (as required in your Funding Agreement¹ under clause 12²).

1.1 Scope of these Guidelines

These guidelines outline the formal reporting requirements for CRCs, including preparing and submitting a quarterly report. Throughout these guidelines, specific instructions for using the CRC Online system are in italics.

Note: These guidelines should be read in conjunction with the Funding Agreement. In the case of any inconsistency between the Funding Agreement and these guidelines, the Funding Agreement prevails.

1.2 Reporting Requirements

CRCs are required to provide quarterly reports for each quarter in which they are active. The standard reporting period is every three months in any one financial year: July to September, October to December, January to March and April to June.

A quarterly report consists of two components, a Quarterly Financial Report (CRC Online) and a Quarterly Report financial spreadsheet to report participant contributions and milestone progress for the period (for CRCs established from 2017 onwards). Both components must be submitted via CRC Online. The Chief Executive Officer (CEO) will need to review each component, and certify the accuracy of the information provided, together with a statement that the Commonwealth funding has been expended only for the purpose of the Activities (including Commonwealth Funded Activities as appropriate), before the Quarterly Report can be submitted.

Detailed instructions on lodging the quarterly report are available in the CRC Online User Guide which can be found on the CRC Program page at: www.business.gov.au.

1.3 Commonwealth Monitoring

Each quarterly report submitted by a CRC will be assessed by the department. Acceptable reports will trigger the release of the next quarterly payment to the CRC. Any issues identified in quarterly reports will be discussed with the CRC. If the issues are significant, the department may require more detailed assessment of the CRCs progress and status before any further payments are approved. Further guidance on CRC Program monitoring processes can be found in the CRC Program Guidelines.

2 Preparing Quarterly Reports

2.1 Quarterly Financial Report

The Quarterly Financial Report, generated by and completed in CRC Online, incorporates:

- A cash (not accrual) report in respect of that quarter including the sources of all Participant cash contributions and any Third Party Cash contributions (previously known as “Other Firm Cash”) for the activities;
- A cash (not accrual) report in respect of that quarter on the expenditure of cash for the activities against each head of expenditure; and
- Details of the CRCs Cash Balance, including an explanation of the cash balance, Third Party Cash reported, accrued expenses or any additional information to assist in the analysis of the report.

¹ From selection round 18, the funding agreement with the Commonwealth is called the Funding Agreement. Prior to this it is called the Commonwealth Agreement. In these Guidelines the term Funding Agreement is used to cover both situations.

² In Commonwealth Agreements for CRCs established from selection rounds 11 through 17, reporting requirements are described under Clause 12. In Funding Agreements for CRCs established from selection round 18 onwards, reporting requirements are addressed in general at clause 12 and detailed in Schedule 3.

Only CRC personnel with the user role of Business Manager, Finance Manager or Finance Staff are able to edit and save the Quarterly Financial Report and associated invoice. Only the CRC's CEO can submit the report and invoice.

To generate a new Quarterly Financial Report, the user should log on to CRC Online, then click 'Quarterly' in the left hand menu under 'Reporting'. A screen will open with a 'Create New Quarterly Report' button immediately above the list of previous quarterly reports. Click on this button, then click 'Save'.

A partially completed report can be saved by clicking the 'Save' button. Users can log off and return at a later date to amend or complete unsubmitted reports.

Only income and expenditure for the Activities of the CRC, as specified in the Funding Agreement, should be included in the Quarterly Financial Report. Income and expenditure for other activities the CRC may be undertaking separate to the contracted activities should not be reported in the Quarterly Financial Report and must be accounted for separately.

All figures in the Quarterly Financial Report must be GST exclusive.

2.1.1 Cash Carried Forward

This figure is equal to the cash balance of the previous quarterly report and is automatically populated from the previous report's 'cash balance' value.

2.1.2 Receipts

2.1.2.1 CRC Program Funds for the Quarter

This is pre-populated by CRC Online and shows the amount of Commonwealth funding provided to the CRC in the reporting quarter.

2.1.2.2 Participant Contributions

The CRC must report on the cash credited to the Account³ from Participants during the reporting quarter.

CRCs established before 2017 (including those from selection rounds 11 to 17)

CRCs established before 2017 will need to list contributions from each Essential Participant.

If a participant does not appear on the list, the user can click the 'Add participant' button. (Note that participants not scheduled to make a cash contribution during the current financial year will not be listed on the screen.) Select the required participant and click 'Save', and then click 'Back to quarterly report' button.

Contributions from all Other Participants should be included as a single aggregate value against the Other Participants line in the table.

CRCs established from 2017 onwards (including those from selection rounds 18 and 19)

For CRCs established from 2017 onwards, there is no distinction made between Essential and Other participants – all are known simply as Participants. For reporting in CRC Online, these CRCs should report all individual Participant cash contributions under the list of "Essential Participants".

If a participant does not appear on the list, the user can click the 'Add participant' button. (Note that participants not scheduled to make a cash contribution during the current financial year will not be listed on the screen.) Select the required participant and click 'Save', and then click 'Back to quarterly report' button.

³ In Funding Agreements all funds are to be held in an Account. The obligations of which is described under Clause 10 of the Funding Agreement.

All CRCs should explain in the comments section of the report the reason for any shortfall in participant contributions, including where participants are consistently not meeting their contracted financial obligations.

The values under participant contributions must not include any income received from participants for any other work that is outside of the Activities as specified in the Funding Agreement.

2.1.2.3 Third Party Cash Contributions

Any cash credited to the Account from non-participant sources to support the Activities, as specified in the Funding Agreement, should be included as Third Party Cash contributions (previously known as 'Other Firm Cash').

The reported Third Party Cash contributions are expected to align with or exceed the amounts and sources that are included in the Funding Agreement.

The CRC must provide information on the sources of Third Party Cash contributions in the comments section of the Quarterly Financial Report.

The value under Third Party Cash contributions must not include any income received for any other work that the CRC undertakes through other agreements, such as grants, contracts, consultancies, MOUs, fee for service etc, that do not form part of the Activities as specified in the Funding Agreement.

2.1.2.4 GST Received

The CRC must report on the amount of GST credited to the Account during the reporting quarter.

2.1.3 Interest

The Funding Agreement requires that the Account bears a reasonable rate of interest and that any interest on the balance is credited to the Account. The CRC must report on the interest credited to the Account during the reporting quarter.

2.1.4 Expenditure

The objective of expenditure reporting is to allocate monies spent across the heads of expenditure.

2.1.4.1 GST Paid

The CRC must report on the GST paid from the Account during the reporting quarter.

2.1.4.2 Capital Expenses

The CRC must report on the capital expenditure from the Account during the reporting period. Capital expenditure is defined as the purchase of an asset of a durable nature (such as equipment consistent with the Funding Agreement) of which the purchase price exceeds \$20,000.

Note: Capital expenditure from the Account should be listed regardless of whether the asset will be owned by the Recipient or a participant.

2.1.4.3 Employee Expenses

The CRC must report on the employee expenditure from the Account during the reporting quarter. All expenses relating to staff should be included under employee expenses rather than supplier expenses. Employee expenses are the salaries and direct salary on-costs including:

- Payroll tax;
- Workers' compensation insurance;
- Provisions for annual and long service leave;
- Leave loadings and termination payments;
- Superannuation; and
- Fellowships and student stipends.

2.1.4.4 Supplier Expenses

The CRC must report on the supplier expenditure from the Account during the reporting quarter. Supplier expenses include direct and indirect costs of research such as:

- Consumables;
- Purchase of goods and services;
- Operating leases; and
- Conference attendance, training, travel.

2.1.4.5 Other Expenses

The CRC must report on other expenditure from the Account during the reporting quarter. Only expenses that are not able to be attributed to any of the other categories should be entered here and can include taxation liabilities and depreciation/amortisation of assets.

2.1.5 Cash Balance

This value is calculated automatically. It is the sum of the cash carried forward and the total receipts, less the total expenditure.

The cash balance must equal the balance of the Account at the end of each quarter.

2.1.6 Comments

The CRC should provide comments to support and adequately explain the CRCs cash position, including if:

- The current cash balance is less than \$50,000 or more than twice the value of the next quarterly payment. For a high cash balance include details of:
 - Any accrued expenses; and
 - Any participant contributions for future financial years that have been prepaid.
- There are any Third Party Contributions reported (source/s of cash must be listed); or
- The CRC has additional information to assist in the analysis of the report.

These comments should include information on any strategies the CRC has in place to address a high or low cash balance.

2.2 Quarterly Progress Report

All CRCs will need to submit a Quarterly Progress Report through CRC Online. The spreadsheet (for CRCs established from 2017 onwards) can be uploaded any time after the new CRC Online Quarterly Report template has been generated as per the instructions at section 2.1.

To upload the report click on the browse button under “Quarterly Report Upload Document” and select the pdf document from its file location.

2.2.1 CRCs established before 2017 (including those from selection rounds 11 to 17)

CRCs established before 2017 will continue to report under the existing Funding Agreement arrangements until further notice. However, to progress the submission of a quarterly report a blank ‘Quarterly Progress Report’ document must be uploaded on CRC Online.

2.2.2 CRCs established from 2017 onwards (including those from selection rounds 18 and 19)

CRCs established from 2017 onwards (and any CRCs established before 2017 that have changed quarterly reporting arrangements via a contract variation), must prepare a Quarterly Progress Report. A Quarterly Progress Report template will be provided by the department and includes three worksheets that must be completed by the CRC as described below:

2.2.2.1 Participant Contributions

- CRCs must complete the worksheet and record participant contributions for the reporting period. Over the life of the CRC, this will provide a record of the cumulative participant contributions for cash, FTE and non-staff in-kind against the Funding Agreement.

2.2.2.2 Milestone progress

- Provide a brief summary on the CRC's progress against milestones active during the reporting period. Details should include any key research progress or significant achievement, any existing or potential challenges or delays to the activities and how the CRC intends to address these. Should a research program be experiencing delays, the CRC must outline how they intend to address the issues in order to get the research program back on track.
- Percentage rate of completion of milestones (as per Schedule 2 of the Funding Agreement, together with expected/actual completion dates); and
- An update on any matters which may affect compliance with the Funding Agreement.

The definitions for the 'status' report options are as follows:

- **No** – the CRC will not achieve the milestone during the funding period. The CRC must provide a reason for the milestone not being achieved in the 'reason/details' field. The CRC must specify the strategy to achieve the overall output/outcome/impact this milestone relates to in the 'strategies' field.
- **In progress** – the CRC is expecting to complete the milestone during the funding period. Where milestones are expected to be completed after the agreed due date the CRC must provide a reason for the delay, specifying the proposed strategies to achieve the milestone.
- **Yes** – the CRC has achieved the milestone during the reporting period. The CRC must provide additional details about the completion of the milestone (including information about the benefits).
- **Note:** Please keep your 'Comment' response to a maximum of 800 characters (with spaces) as the fields in a CRC Online milestone report is character limited to a maximum of 800 characters.

2.2.2.3 Other Matters

The CRC should detail any issues which may affect compliance with the Funding Agreement. Such matters might include:

- Proposed or actual changes to company ownership/control/structure;
- Proposed or actual changes to the Chairperson, Board Members, Research Program Leaders or other Specified Personnel;
- Changes to Participants;
- Proposed or actual changes to a Participant's financial contribution;
- Proposed or actual changes to the Participants Agreement;
- Any financial assistance from another government source for, or in connection with, activities that the CRC has been contracted to undertake under the Funding Agreement; and
- Any conflicts of interest arising for the CRC in meeting its obligations under the Funding Agreement.

3 Submitting Quarterly Reports to create a Tax Invoice

Once the Quarterly Financial Report has been completed and saved in CRC Online, and the Quarterly Progress Report has been uploaded to CRC Online, a tax invoice can be generated.

To generate a tax invoice, click on the 'tax invoice' button at the bottom of the quarterly reports screen. Enter in the CRC's reference number for the invoice (if required) and then click the 'save' button. Once it has saved, click the 'Go back' button.

The Business/Finance Manager (or other user) needs to advise the CEO that the Quarterly Report and tax invoice are ready to be reviewed and submitted.

The CEO must review both the Quarterly Financial Report and the Quarterly Progress Report. If satisfied, the CEO must certify that the information contained in the report is true and correct and submit both the Quarterly Report and the tax invoice to the department.

To review the Quarterly Report (for CEOs), first log on to CRC Online, then click 'Quarterly' in the left hand menu under 'Reporting'. This will display a quarterly report with an invoice status of 'Draft' (immediately above the list of previous reports). Select this report to open the quarterly report screen. If satisfied with each component, tick the CEO's certification check box and click on the 'Submit report to Department' button.

Once the report has been submitted, click on the 'Tax invoice' button. The tax invoice screen will open. Review the tax invoice and, if satisfied, click on the 'Lodge Invoice to Department' button. The Quarterly Report will now have an invoice status of 'Lodged'.

Copies of previously lodged tax invoices and the associated quarterly reports can be viewed on CRC Online.

4 Payment of Funding

The Commonwealth will pay the next quarterly payment within 30 days of receipt of a compliant report subject to:

- Departmental acceptance and approval of the quarterly report (comprising the Quarterly Financial Report and Quarterly Progress Report); and
- The CRC meeting all its obligations under the Funding Agreement.

5 Final Quarterly Report

CRCs established before 2017

CRCs established before 2017 must submit a final quarterly report to cover the last quarter of the funding period. Note, however, that no tax invoice will be required to be lodged with the final Quarterly Report as quarterly payments are made in advance of the reporting period. The tax invoice button is therefore not active on final quarterly report screens for these CRCs.

CRCs established from 2017 onwards

CRCs established from 2017 onwards are paid in arrears, after the end of each reporting quarter, on departmental acceptance of a satisfactory Quarterly Report. Therefore the final Quarterly Report will require the submission of a final tax invoice through CRC Online.

6 Banking Details

If a CRC needs to make any changes to its banking details or remittance address, it must contact the CRC Program Liaison Officer, who will provide a copy of the department's supplier form. The form should be completed, signed by an authorised person within the CRC and returned to the CRC Program Liaison Officer who will arrange for the CRC's financial details to be updated in the department's payments system.