

## GUIDELINES FOR THE FORMATION AND MANAGEMENT OF UNIVERSITY CENTRES

### 1. INTRODUCTION

The University has established and participates in a large number of Centres which are central to the strategy of raising the teaching and research profile of the University.

Centres are a mechanism for meeting the emerging needs of multi-disciplinary requirements in new research and teaching areas. It is important therefore that establishment and reporting requirements capture and demonstrate the value that new Centres add to the University.

For the purpose of regulation, there are two broad categories of Centres in the University:

- A. **Institutional Centres** which are established in the University for teaching and/or research purposes without an external node, and for which the University has sole responsibility. In a small number of cases, such centres are referred to as 'Institutes'. Institutional Centres will not normally be incorporated.
- B. **Collaborative Centres** which have a separate Board of Management are subject to formal external review and where one or more nodes of the Centre are located outside the University and involve external organisations. For unincorporated centres the responsibility for their operation is shared between the University and the other organisations and they are normally created through formal contractual agreements. Incorporated Centres will have a different governance model. Additional guidelines for University participation or support for incorporated centres are available as Attachment A.

**Institutional Centres** include internal and multi-disciplinary Centres established for research and teaching purposes within the University.

**Collaborative Centres** include joint Centres involving external organisations where the governance and management is not exclusively controlled by the University.

The following revised guidelines are provided so that the various types of Centres are established and operated in a manner which is consistent with current University policy.

## 2. FORMATION

All proposals for new Centres must be submitted to the Planning and Budget Committee for consideration with a recommendation from the Deputy Vice-Chancellor (Research) and the relevant Dean or Deans.

In the consideration of any proposal for the formation of a Centre, the Planning and Budget Committee must be satisfied that the Centre:

- has the potential to be of demonstrable benefit to the University;
- that the academic purposes and objectives for which the Centre is proposed cannot be reasonably achieved within an existing University organisational structure;
- can demonstrate financial viability for the initial operational term of the Centre, which normally would be at least 3 years.

A Centre must show evidence of support from relevant Faculty or Faculties and have confirmation of wide consultation across discipline/s areas. For reporting purposes, each Centre should be clearly aligned with one Faculty. This is of particular importance in multi-disciplinary Centres.

**For Institutional Centres** additional funds for the purposes of the establishment or operation of the Centre will be obtained normally from external sources.

**For Collaborative Centres** the University will provide support as required by the conditions of the collaboration. A written agreement is required to be signed by authorised persons of the collaborating organisations and the University. The Melbourne Research and Innovation Office must be consulted in regards to the collaborative agreement.

Each Centre or node of a Centre must develop a plan as part of the application or renewal process.

The Centre Plan should outline:

- Summary of the Plan: including, mission statement, objectives against Faculty and University Strategic Plans; teaching and /or research outcomes;
- Justification of the establishment of the Centre (addressing how the formation of a Centre is necessary to achieve the objectives and why these cannot be achieved through an existing organizational structure);
- Organisation and management structure (including staffing arrangements, proposed Director and term of appointment, any Centre advisory committee

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composition; definition of arrangements for administrative support)

- Teaching and Research Strategies: including course development, research areas, scope of any consulting activities;
- Funding (proposed seed funding; projected budgets identifying sources of external funds to support Centre activities, plans for becoming financially self-sufficient and growth of the funding base over time)
- Reporting and review cycle: including auditing cash and in-kind contributions annually, reporting against performance and financial objectives, mechanisms to capture and report any IP developed.
- Sunset or renewal arrangements at end of secured funding cycle.

It is expected that budgets for research-based Centres will be prepared with reference to University guidelines ([www.research.unimelb.edu.au/ncp/](http://www.research.unimelb.edu.au/ncp/)) as amended from time to time. These guidelines are concerned with cost recovery for the provision of research infrastructure and the calculation of in-kind contributions associated with research activities. Variations from these guidelines should be negotiated with the Deputy Vice-Chancellor (Research). Advice on the valuation of Intellectual Property should be sought from Melbourne Ventures Pty Ltd.

### 3. REPORTING

Approved procedures must be established to enable adequate reporting on the activities of the various kinds of centres.

The Heads of the Departments and Deans of the Faculties involved are to be kept informed on a regular basis about Centre activities by receiving the relevant management documentation including minutes of meetings, financial statements and annual reports.

Unless the Centre is subjected to formal and regular external reviews then Reviews of Centres should be aligned to the 5 yearly Departmental reviews. This ensures that Centres are within the University's continuous improvement and quality assurance cycles.

On an annual basis each Centre should, in conjunction with the Head of School, review its performance against Centre objectives and budgets. This should also include reporting any IP developed by the Centre within the previous twelve months. The review outcomes should be discussed with, and presented to, the relevant Head of Department and Dean. Performance of Centres will form part of a Faculty operational performance review.

## **4. Responsibilities for Centres**

### **4.1 Institutional Centres**

Where a Centre involves only one Department, that Department must be designated as the unit responsible for the Centre and the staff therein. Where a Centre involves more than one Department, normally only one Department would be designated as the unit responsible for the reporting of Centre outcomes. However, in exceptional circumstances, the Planning and Budget Committee may approve an alternative arrangement, including reporting procedures, following consultations with the relevant Dean or Deans. The Director will be responsible for complying with the reporting requirements.

It is recommended that each Centre should have an Advisory Committee comprising both University members and external members as is deemed appropriate for the Centre's Mission. The Advisory Committee should meet at least once a year.

### **4.2 Collaborative Centres**

When the Centre is unincorporated normally only one Department will be designated as the unit responsible for the Centre. However, in exceptional circumstances, the Planning and Budget Committee may approve an alternative arrangement for accountability and reporting purposes, following consultations with the relevant Heads and Deans.

Where the Director of the Centre is not a member of the University, a University staff member will be designated Head of the University node and will undertake the reporting responsibility. This person will provide the first point of contact for any matters pertaining to the activities of the University node of the Centre.

For incorporated centres reporting will be in accordance with obligations described in contractual arrangements.

## **5. STAFFING ISSUES**

All University staff engaged to work in any centre will be normally employed as members of the Departments with which the Centre is involved. All such staff will assume the responsibilities consistent with membership of these Departments.

Special conditions will apply to staff seconded to incorporated centres. Such conditions will be determined when the University enters into contractual arrangements with the incorporated body.

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A Director of an Institutional Centre normally may be appointed for a period of up to five years in the first instance and renewable for further periods of up to five years. Where appropriate, the terms and conditions of the Director's appointment should be confirmed at the time the Centre is proposed and be included in the Council Resolution establishing the Centre.

## **6. AUDIT REQUIREMENTS**

Funds available to Centres are the overall responsibility of the Departments involved. Centre accounts are audited as part of the continuous auditing procedures which the University must undertake to fulfil statutory obligations.

In some cases, there is a requirement for the University's in-kind contributions, resulting from the commitment of both human and other resources, to be ratified in the audit of the activities of the Centre. Each centre must establish and maintain a record of all its resources and intellectual property created. The latter must be reported in accordance with the University invention disclosure policy.

For some Centres there may also be a requirement for the accounts associated with the Centre to be audited independently of the University's auditing operations. In the first instance, audit arrangements should be made with the Internal Audit Office of the University.

## 7. REVIEW

### 7.1 Externally Reviewed Centres

For Collaborative Centres and some types of Institutional Centres which are obliged to undergo a review by external bodies, the Faculty responsible for the Centre will not normally conduct another review of the University contribution to the Centre. This decision is subject to both the satisfactory operation of the Centre and acceptable outcomes from the external review.

Copies of external reviews should be forwarded to the Dean of the Faculty responsible for the Centre, for subsequent reporting through the operational performance review process and to the Planning and Budget Committee as appropriate.

### 7.2 Institutional Centres

Each Institutional Centre should develop a Centre Plan along the lines outlined in section 2. Annually each Centre should report on the outcomes achieved against the Plan objectives, at the same time as the Operational Performance Reviews held in Faculties.

If a Centre is deemed not to be performing against its Centre Plan, a recommendation should be made to PBC for its consideration, according to the Criteria for Disestablishment in section 7.3.

### 7.3 Criteria for Disestablishment of a Centre

In determining whether the continuation of a Centre within the University should be approved, the Planning and Budget Committee will take into account the advice of the Deputy Vice Chancellor (Research) and relevant Heads of Departments and Deans as to whether:

- \* the purposes and objectives of the Centre have been met,
- \* the Centre is continuing to provide a unique and productive role in the University,
- \* the Centre continues to fit within the basic organisation structure of the University, and
- \* the Centre has a firm financial base.

#### **7.4 DISESTABLISHMENT Procedures**

Centres will be disestablished by Council on the recommendation of Planning and Budget Committee after receiving advice from Faculties.



**GUIDELINES FOR UNIVERSITY OF MELBOURNE INVOLVEMENT IN  
INCORPORATED COLLABORATIVE CENTRES**

A proposal for an incorporated collaborative centre should meet the following minimum criteria:

- A proposal to establish or participate in an incorporated collaborative centre must be approved by the Dean of the relevant faculty or faculties and if for research purposes, to the Deputy Vice-Chancellor (Research) in the first instance. Final approval of the proposed centre is subject to consideration and approval by Planning and Budget Committee and Council.
- All proposals to Planning and Budget Committee must include detailed costing, a business plan and a due diligence on intellectual property, conflicts of interest, and other material commitments. Applicants must prepare proposals compliant with the General Guidelines for the Formation and Management of University Centres. (Regulation 6.1.R7).
- As a general rule, given the costs involved, unless the value of the proposed Centre is at least \$10M (cash and in-kind) and have a minimum term of three years, centres should not be incorporated.
- Wherever practicable, the University's participation as a shareholder or member of an incorporated collaborative centre will be principally through a wholly owned subsidiary such as Melbourne Ventures Pty Ltd, with the University accepting responsibility for the discharge of any research-related obligations through a research contract with the incorporated collaborative centre.
- The Board of an incorporated collaborative centre will have the authority to determine the research program and other activities. However, any contract research project (or part thereof) allocated to the University of Melbourne must be acceptable to the University and compliant with University policies on such matters as ethics, risk management and safety.
- University approval of projects to be conducted at the University will be subject to a realistic cost/benefit analysis on the resources, especially the level of cash being made available to the University for the project by reference to the total University contribution, and to the potential enhancement of the University's core teaching and research activities. The University would normally expect that for each \$1 of cash or in-kind staff costs that it contributes, it will receive at least \$1 of additional cash from the incorporated collaborative centre to undertake the project.

- Budgeting for Projects to be conducted at the University must include a 20% (of new external cash) minimum research services and facilities contribution towards the additional support costs incurred for new research.
- Any cash which is contributed by the University will be tied to projects executed at the University. Cash normally will not be transferable directly to an external body. The University will establish through the Deputy Vice-Chancellor (Research) a separate account at the University to which its contributed funds will be transferred until allocated on the advice of the Centre board of management to approved projects at the University. The commitments and expenditure will be subject to financial audit. The funds will if possible, remain under the ownership and control of the University, and therefore not be unconditionally committed, until transferred on the request of the Centre board of management to the University approved project.
- If an employee of the University seeks to be a director of an incorporated collaborative centre, he or she must have approval from the University and must have appropriate training on the responsibilities and obligations of directors. Any conflict of interest matters must be managed in accordance with University policies.
- If a current employee of the University intends to be the Chief Executive Officer or in a senior management position with an incorporated collaborative centre, it is expected that he or she will have appropriate training on the responsibilities and obligations of Chief Executive Officers. He/she will need to either seek leave of absence without pay from the University or resign from his/her position because the Centre will be a separate legal entity.
- Use of University Intellectual Property by the centre will be subject to negotiation and agreement with the Deputy Vice-Chancellor (Research) in consultation with the University Intellectual Property Officer and will reflect the interests of the University to sustain research programs in the longer term.

This Guideline is Attachment A of Regulation 6.1.R7.