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Department of Industry,  
Innovation and Science

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# **Citizen Science Grants - Eligible Expenditure Guide**

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This document provides guidance on expenditure that is eligible to be considered under the Citizen Science Grants element of the Inspiring Australia – Science Engagement Programme. You should read this guide before completing an application form.

## Introduction

This document provides guidelines on the eligibility of expenditure for Citizen Science Grants and should be read in conjunction with Schedule 1 of the Inspiring Australia – Science Engagement Programme Guidelines.

We will update this guide from time to time, so you should make sure you have the current version from the [business.gov.au](http://business.gov.au) website before preparing your application.

The Programme Delegate makes the final decision on what is eligible expenditure and may give additional guidance on eligible expenditure if required.

To be eligible, expenditure must:

- be incurred by the grantee within the project period
- be a direct cost from the project
- be incurred by the grantee for approved project audit activities
- meet this eligible expenditure guide.

## How we verify eligible expenditure

If your application is successful, we may ask you to verify the project budget that you provided in your application when we negotiate your grant agreement. You may need to provide evidence such as quotes for major cost items such as salary, contract expenditure, travel and project related equipment. Evidence can include:

- details of employees working on the project, including name, title, function, time spent on the project and salary
- quotes
- purchase orders
- supply agreements.

The grant agreement will also include details of the evidence you may need to provide when you achieve certain milestones in your project. This may include evidence related to eligible expenditure.

If requested, you will need to provide the agreed evidence along with your progress reports.

You must also keep payment records of all eligible expenditure, and must be able to explain how the costs relate to the agreed project milestones and activities. At any time, we may ask you to provide records of the expenditure you have paid. If you do not provide these records when requested, the expense may not qualify as eligible expenditure.

At the end of the project, you may be required to provide an independent audit certificate of all eligible expenditure for the project.

## Timing of eligible expenditure

Eligible expenditure must be incurred between the agreed project start and end dates in your grant agreement.

## Salary expenditure

Eligible salary expenditure for the grant covers the direct salary costs of employees who are directly employed on the core elements of the agreed project. A person is considered an employee

when they are paid a regular salary or wage, out of which regular tax instalment deductions are made.

Salary expenditure for leadership or administrative staff (such as CEOs, CFOs, accountants and lawyers) are not considered eligible expenditure, even if they are undertaking project management tasks.

Eligible salary expenditure includes an employee's total remuneration package as stated on their Pay As You Go (PAYG) Annual Payment Summary submitted to the Australian Taxation Office (ATO). Salary-sacrificed superannuation contributions are considered part of an employee's salary package if the amount is more than what is required by the Superannuation Guarantee.

The maximum salary for an employee, director or shareholder, including packaged components, that you can claim through the grant, is \$120,000 a year. This is counted as each full financial year (July-June) of the project period.

For periods of the project that do not make a full financial year, the maximum salary amount you can claim will be reduced in proportion to the amount of time in the part financial year the project was taking place.

Eligible salary costs are incurred only when an employee is working directly on agreed project activities during the agreed project period.

### Salary on-costs

Eligible salary costs can be increased by an additional 30% allowance to cover on-costs such as employer paid superannuation, payroll tax and workers compensation insurance.

Eligible salary costs must be calculated using the formula below:

$$\text{Eligible salary costs} = \text{Annual salary package} \times \frac{\text{Weeks spent on project}}{52 \text{ weeks}} \times \text{percentage of time spent on project}$$

#### Example

Tim, a scientist, is paid a total annual salary package of \$70,000. Tim will spend 26 weeks on the project. During this period, Tim will work on eligible project activities 60 per cent of the time. The remaining 40 per cent of Tim's time will be spent on other non-project activities. Therefore eligible salary expenditure for Tim is calculated as follows:

$$\$70,000 \times 26/52 \times 0.60 = \$21,000$$

**Plus** 30 per cent allowance for on costs

$$\$21,000 + (\$21,000 \times 0.30) = \$27,300$$

Therefore, total eligible salary expenditure that may be claimed for Tim is \$27,300.

Evidence you will need to provide can include:

- details of all personnel working on the project, including name, title, function, time spent on the project and salary
- ATO payment summaries, pay slips and employment contracts.

## Contract expenditure

Eligible contract expenditure is the cost of any agreed project activities that you contract others to do. These can include contracting:

- another organisation
- an individual (who is not an employee, but engaged under a separate contract).

All contractor project work must have a written contract prior to the work being started—for example, a formal agreement, letter or purchase order which specifies:

- the nature of the work to be performed
- the applicable fees, charges and other costs payable.

Invoices from contractors must contain:

- a detailed description of the nature of the work
- the hours and hourly rates involved
- any specific expenses paid for such as project related equipment or travel.

Invoices must directly relate to the agreed project, and the work must qualify as an eligible expense as if you had claimed it directly (without engaging a contractor). The costs must also be reasonable and appropriate for the activities performed.

Suitable evidence may include:

- an exchange of letters (including email) setting out the terms and conditions of the proposed contract work
- purchase order
- supply agreements
- invoices and payment documents.

As stated in the grant agreement, you are required to ensure all project contractors keep a record of the costs of their work on the project. You may be required to obtain and provide a contractor's records of its costs of doing project work. If such records are not provided, the relevant contract expense may not qualify as eligible expenditure.

## Project management expenditure

Project management is eligible where it directly relates to undertaking the project activities. Project management is limited to 10 per cent of the total amount of eligible salary expenditure claimed.

Administrative project management activities (such as the preparation of reports required under the grant agreement) are not eligible.

## Travel expenditure

Travel for project participants (including citizen scientists) is eligible where it directly relates to undertaking project activities. This includes reasonable domestic and overseas travel (including accommodation meals, air and ground transport). Overseas travel is only eligible where the project includes project activities occurring outside Australia.

Reasonable cost of transportation for air transportation is an economy class fare for each sector travelled. Where non-economy class air transport is used only the equivalent of an economy fare for that sector is eligible expenditure. Where non-economy class air transport is used, the grantee will require evidence showing what an economy air fare costs at the time of travel.

## Project related equipment

Eligible project related equipment is limited to the tools needed to undertake the project activities. This will vary from project to project but may include items such as:

- laptops, iPads or other personal electronic devices required for activities such as the collection or transformation of data
- personal safety equipment
- test kits and other field equipment and consumables required to collect data.

The Programme Delegate may approve other items.

Items such as vehicles and lab equipment with significant value beyond the life of the project are not eligible.

## Other eligible expenditure

Other eligible expenditures for the project may include:

- staff and citizen training that directly supports the achievement of project outcomes (including venue hire, presenter, materials)
- project promotion and advertising for the purpose of attracting citizen participation in the project
- design of materials and services to enable citizen participation, such as web interface or app design, printed materials, data collection forms
- project website registration, hosting, design, coding, authoring, etc
- printing & distribution of printed materials to enable citizen participation
- small grants to local participant groups, to enable their participation in the project which may assist with costs such as travel, equipment and consumables required to collect data
- cost of staff and participating citizens attending and presenting at conferences to promote the work of the project and the benefits of citizen science. However the cost of establishing the conference itself is not eligible.
- reasonable costs of establishing competitions, prizes and other incentives to encourage, promote or reward participation by citizens in the project
- costs you incur in order to obtain planning, environmental or other regulatory approvals related to the conduct of the project during the project period. However, associated fees paid to the Commonwealth, state, territory and local governments are not eligible.
- costs associated with publishing the results such as in peer-reviewed journals.
- independent financial auditing of project expenditure.

Other specific expenditures may be eligible as determined by the Programme Delegate.

## Examples of ineligible expenditure

Examples of ineligible expenditure include:

- infrastructure and support costs associated with ongoing activities. This includes costs such as rental, renovations, construction, utilities and insurance costs.
- equipment and material that is not directly related to the project including the purchase of assets such as office furniture and equipment, printers and photocopiers.

- costs involved in the purchase or upgrade / hire of software (including user licences) and ICT hardware (unless it directly relates to the project)
- financial costs, including interest
- debt financing
- costs related to obtaining resources used on the project, including interest on loans, job advertising and recruiting, and contract negotiations
- non-project-related staff training and development costs
- routine operational expenses, including communications, stationery, postage, legal and accounting fees and bank charges
- costs incurred to prepare and apply for the grant, preparing any project reports (except for the costs of an independent audit report if required) and any project variation requests.
- costs incurred prior to project approval.

Other specific expenditure may be ineligible as determined by the Programme Delegate.