

CRC for Intelligent Manufacturing – draft Contribution Guidelines

CRC for Intelligent Manufacturing Project Contribution Guidelines

The following details what is eligible for CRC cash matching for expenditures incurred by a Research Partner through an approved Research Project, in line with Commonwealth CRC Program Guidelines:

Research Partner Expenditure Description	Eligible for CRC cash matching?
Cost of Research Partner employee salaries plus up to 30% on cost (allowance to cover on-costs such as employer paid superannuation, payroll tax, workers compensation insurance, and overheads such as office rent and the provision of computers). This 30% on cost allowance is determined by the Commonwealth (CRC Round 23 Grant Guidelines, May 2021, page 29). The total maximum cost is therefore up to 130% of the base salary, and the employed staff must be paid through the Research Partner's payroll.	Yes
Operating costs including for example the cost for consumables, materials, prototypes, prototype tooling, software licenses, rental or hire of dedicated tools or systems, energy and utilities.	Yes
Operating and 'out of pocket' costs for directly related and relevant Project Management	Yes
Operating and 'out of pocket' costs for directly related and relevant travel, marketing, communications, etc	Yes

Costs for initial intellectual property protection and utilisation / commercialisation planning	No Only considered as Other In-Kind
Cost for buildings and facilities, or any purchase cost of capital equipment or production tooling	No Only considered as Other In-Kind
Costs for Management / Senior staff / Key Researcher who are directly employed by the Research Partner involvement in Project	No Only considered as Staff In-Kind

CRC Partner in-kind contributions consist of non-monetary inputs, which may be in addition to, or, independent from, any cash contributions. Partners can include Research, Industry, Portal, Government or Other collaborators, as well as Project Partners. These in-kind contributions include personnel (referred to as 'staff in-kind') and facilities, equipment and services (referred to as 'non-staff-in-kind') provided by a Partner to the CRC from its own resources and as inputs to CRC projects and other initiatives.

1 Partner staff in-kind contribution

Partner staff in-kind contributions relate to the amount and value of personnel (staff, management, etc.) provided by a Partner to the CRC for project or other CRC associated work, from the Partner's own resources. When staff salary is paid by the Industry or Research Partner for CRC activities, the Full-Time Equivalent (FTE) time commitment value of the staff's time spent on the activities is an eligible staff in-kind contribution.

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If a staff member is added as an FTE contribution, that portion of their time cannot be claimed in any other way, either as a Partner cash contribution, or non-staff in-kind contribution.

- As students are not direct employees of Partners in the CRC, their time is not an allowable contribution and therefore cannot be claimed as staff in-kind or non-staff in-kind contributions.

When determining the in-kind staff contribution FTE, it is important that all time-based contributions by staff are considered. Some examples where staff may contribute in-kind to the CRC or CRC projects include but is not limited to:

(a) Item 1 - Research Project involvement

- All Industry Partner project staff time (i.e. non-Research Partner project staff) used to support the project work and administration, including management time, and support staff (eg Finance, administration)
- Senior salaried Research Partner project staff directly working on the project. (Note: the CRC asks that staff employed by the Research Partner independent of project funding should be included as an in-kind contribution)
- Senior Research Partner project staff directly supervising research staff, technical staff and early career researchers working on the CRC projects
- Senior Research Partner project staff time directly supervising work of students whose stipends are supported by the project
- Apportioned time of Research Partner project research staff employed to operative and maintain research assets and equipment used within the project

- Research Partner project staff time allocated to research/student educational project proposal drafting, discussions, interviews and appointments.

(b) Item 2 - Project / Committee Meetings

- CRC project meetings and project management committee meetings (at least 1 x1hr project meeting per week for project working level meetings and 1 x 1hr meeting per month for project management meeting. Expect all project member and students to attend at least 1 full day meeting per year as a traffic light review.)
- Time spent reviewing milestones, quarterly reports, final reports and cash and in-kind reports.

(c) Item 3 - Other CRC involvement

- Interaction/meetings with advisors and potential Partners
- Reporting on activities to CRC and internally
- Invoicing and financial management
- Participating in CRC Industry 4.0 program, surveys, attending workshops and associated research
- Preparation time/ presentations for / attendance at CRC conferences and educational programs
- Other CRC initiatives, meetings, engagement, etc.

For all considerations above, do not forget to **include travelling time** in any time estimates.

In relation to the valuation of Partner staff in-kind contributions, the CRC will value these contributions on the following per annum basis:

- In-kind Salary Cost (per FY) = (Annual Salary package x 1.30) x FTE
- Up to 30% may be added to the Annual Salary package to capture on-costs – work-cover, payroll tax, insurance and office overheads.

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2 Non-staff in-kind contributions

Non-staff in-kind (NSIK) contributions relate to the value (time, usage, cost) of facilities, equipment and services provided by a Partner to the CRC for the activities, and from its own resources. The Commonwealth does not prescribe a specific formula to determine the value of NSIK. The value of NSIK is determined by the Partner and must be realistic and justifiable.

a) Capital/Equipment

The full value of equipment and facilities cannot be claimed as NSIK. The NSIK value must be calculated on a pro-rata basis and must be reasonable and justifiable. Valuations of NSIK contributions provided, such as access to large capital items, must be valued proportionally to the usage on CRC activities and based on the running costs and depreciation of the capital item. NSIK costs could include fees for access (for example, access to IP, laboratory facilities), only where it would be appropriate for a fee for access to be applied in a commercial environment. Examples of NSIK include:

- Annual Depreciation value of a resource apportioned to resources capacity used for the CRC project. (e.g. if a testing machine has an annual depreciation value of \$100,000 and the CRC was using 10% of the resource's capacity then the resource could be valued at \$10,000 per year)
- Suitable fee for usage of equipment that is not charged for within the project (See "Other" below for suggestion of items that may be included). This may include for example testing machines, laboratory equipment, robotic equipment, 3D printers, augmented and virtual reality equipment. (e.g. if the fee for usage of a 3D printer was \$500 per use and the CRC was receiving 100 usages

per year at no cost, the value of the resource could be valued at \$50,000 per year)

- Equivalent rent for Office space and equipment the CRC is utilising as an in-kind contribution which is additional to Partner's in-kind and paid staff office space. This includes office space and computers supplied to students whose stipends are supported by the CRC. (Note, Research and industry Partner in-kind and paid staff office space is accounted for within CRC financial tables and Commonwealth valuations)

b) Other Infrastructure or assistance

It can sometimes be hard to identify all of the other types of non-staff in kind provided to the CRC. Suggestions of the types of things that can be included have been provided below;

- Use of specialist equipment in labs or other facilities within the organisation
- Use of specialist equipment in workshops
- Loan of specialist equipment for CRC activities
- Use of specialist software. This often carries a licence fee and so the portion of the licence fee (assuming it has not been paid for from CRC funds) used undertaking CRC activities can be counted as in-kind
- Lab and other consumables used in CRC activities not paid for by CRC
- Lab maintenance costs for the portion of the lab used for CRC activities
- Use/Purchase of specific computer software (not paid for out of CRC funds)
- Provision of samples
- Access to sites or facilities

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- Access to data or results
- Travel and accommodation costs not covered by CRC (typically this will mean all industry costs are eligible NSIK)
- Use of external contractors and consultants
- Other out of pocket expenses related to the activities or projects, that could include
 - Intellectual property management
 - Marketing, communications, advertising
 - Events
 - Procurement
 - Audit and reporting
 - Etc.

3 Reporting in-kind to the CRC

Project related In-kind is part of the Project Quarterly reporting along with the quarterly finance report.

A request for in-kind declaration will be sent to all Partners every 6 months to report both Project and Non-Project related In-kind at organisation level.

In-Kind declarations are part of the annual CRC Audits, therefore all Partners are required to maintain relevant supporting and provide to auditors if requested.