**Instructions:**

This checklist is designed to be used by staff working in the Office of Sponsored Research, the Research Partnership Managers, staff in Research Legal and any other staff engaged in the development of Research Contracts with funding providers or industry partners. This checklist is an aid to be utilised when drafting or agreeing contract terms, to ensure that key financial elements or risks are considered and/or managed. This checklist should be read and used in conjunction with the [Interim State Flowcharts](https://coo.uq.edu.au/files/5010/research-contracts-and-grants-interim-state-flowcharts.pdf) related to 2.2 to 2.3 Contractual Arrangements, Compliance Arrangements.

| **No.** | **Checklist Item** | **Check** |
| --- | --- | --- |
| **Y** | **N** | **N/A** |
| **Process 2.2 Contractual Commitments** |
|  | For all Category 3 (Industry funding) contracts, has a credit risk assessment been performed?If no, STOP and conduct credit risk assessment as required through Accounts Receivable (refer Process 2.1.3) [Interim State Flowcharts](https://coo.uq.edu.au/files/5010/research-contracts-and-grants-interim-state-flowcharts.pdf)If yes, go to Step 2 |  |  |  |
|  | Does the contract adequately address any credit risks identified? |  |  |  |
|  | For RCTI contracts, have UQ banking details only been supplied in the standard format [RCTI Banking Form](https://coo.uq.edu.au/files/5007/rcti-grants-banking-details.docx) and with the RM reference supplied to be used as the remittance reference?Where UQ banking details are supplied without the need to quote the RM number as remittance reference, this results in increased administrative effort to manage unallocated deposits |  |  |  |
|  | For all contracts, have billing details been completed in the standard UQ contract format or a [Billing Information Form](https://coo.uq.edu.au/files/4986/billing-information-form.docx) in standard format has been appended to the customer contract or forwarded to OSR for attachment to the GRL? Where inadequate billing details are supplied to Finance, billings may be incorrect and incomplete and may result in long outstanding debt and additional administrative effort. |  |  |  |
|  | Where contracts include a contractual commitment for “in kind”, is the detailed commitment clearly articulated in the contract for the purposes of reporting back on achievement?Ideally the detail recorded in the contract should enable reporting back to the funding provider on whether the commitment has been discharged. Contracts should not refer to $ lump-sums without being supported by adequate detail. |  |  |  |
|  | Have you considered whether the contract includes onerous financial reporting or other administrative conditions which should be further negotiated?Where necessary, contact Contracts & Grants Accounting [Guidelines for negotiating financial clauses](https://staff.uq.edu.au/information-and-services/finance/grants-funding/research) to seek advice. |  |  |  |
|  | For commercial research contracts (or consultancies) which include a budgeted margin, have you ensured that they do not contain a financial acquittal reporting requirement?Financial acquittal is not possible or appropriate where commercial contracts contain a budgeted profit margin. |  |  |  |
|  | Is the contract adequately clear on whether funds will be required to be returned to the funding provider should a surplus exist at the end of the contract?UQ’s preferred position is to retain project surpluses unless a contractual obligation exists to return surplus funds. Research Legal will be required to provide a legal opinion in cases where contract obligations are not clear. |  |  |  |
|  | Are contract terms adequately clear to enable classification of the contract as Research vs Consulting?Contracts which are incorrectly classified and are required to be reclassified at the end of the year for HERDC reporting purposes, result in administrative rework and possible non-compliance risks (e.g. Ethics) |  |  |  |