

## Financial Rules Governing Competitive Research Grants –Revised Policy 2021

1. HEC allow the grantees to budget for four categories of expenses in competitive research grants (i.e., NRP, GCF, LCF, TTSF, ICRG and RRII), namely personnel costs (internal as well as external), travel costs, costs of equipment, consumables, and services, and overhead costs. The following financial provisions set out the detailed rules regarding the limits on the nature and amount of expenses that can be claimed under each of the four specified budgetary heads.

### I. Personnel Costs

2. *General Conditions:* The following general conditions apply to the provision of personnel costs:
- The role of each person in the project must be stated clearly and justified. The justification should include the time commitment (as per cent of full time).
  - For faculty members, the budget request should include their name, designation, department/institute, and university. Future changes would be subject to approval of the HEC.
  - The university should affirm in writing that the time commitment of the university personnel engaged in a project (to the extent of their time committed) does not conflict with the time commitment for other projects and teaching/academic duties.
  - Only the remuneration of technical staff can be billed under the project. Administrative or secretarial staff, including the project coordinator, should be covered under the university overheads.
  - Any false statement in these matters will result in automatic cancellation of the project, recovery of advance payments, and black listing of the faculty member as well as the institution for 2 years.

Nature of Personnel	Unit Costs/ Expenditures Allowed
Faculty Members	<p>Faculty members (PIs and Co-PIs) will commit their time to the research project as percent of full time. One honorarium per year is admissible to the PI as per following limits;</p> <ul style="list-style-type: none"> <li>• Assistant Professor Rs. 150,000/-</li> <li>• Associate Professor Rs. 175,000/-</li> <li>• Professor Rs. 200,000/-</li> </ul> <p>On project completion one honorarium is admissible to the Co-PI on same rates as admissible to the PI.</p> <p>Honorarium to PIs and CoPIs is allowed in only one research project at a time.</p>
2. Students	<p>University students may be engaged as Research Assistants as per following limits:</p> <ul style="list-style-type: none"> <li>• PhD students: @Rs. 80,000 per month</li> <li>• MS/ MPhil Students: @Rs. 40,000 per month</li> <li>• Undergraduate students @ Rs. 20,000 per month</li> </ul> <p>Subject to approval of their supervisors, and based on their course load, students at the thesis stage will be allowed to allocate their time to research projects; Only the university's own students can be included under this heading.</p>

<p>3. Other Project Personnel</p>	<p>Stipends for the project staff is allowed as per following limits:</p> <ul style="list-style-type: none"> <li>• <b>Research Assistants</b> : <b>Rs. 100,000/- per month</b> (BS/ MS/MPhil) equivalent to lecturer</li> <li>• <b>Research Associate</b> : <b>Rs. 130,000/- per month</b> (Fresh PhD), equivalent to Asstt. Prof</li> <li>• <b>Research Fellow</b> : <b>As per Last pay drawn by the fellow</b> (PhD with 9 years' experience) equivalent to Assoc. Prof.</li> <li>• <b>Senior Fellow</b> : <b>As per Last pay drawn by the fellow</b> (PhD with 15 years' experience) equivalent to Professor.</li> </ul> <p>Each person appointed to project should receive a formal contract, specifying all the terms of employment, including salary, benefits, and the duration of engagement. The experience against the positions of Research Associate, Research Fellow and Senior Fellow will be treated as postdoc fellowship. Postdoc fellows on study leave with pay from his/her parent organization/ university is not entitled to draw salary under the project.</p> <p>Project employment should not create an entitlement or expectation of regular employment.</p>
<p>4. Short-term Consultants</p>	<p>These may be foreign nationals (including those of Pakistani origin, dual nationals, or Pakistani nationals).</p> <p>The respective remuneration rates would be based on market conditions, typically be on a per day basis.</p> <p>Total remuneration for all short-term consultants should not exceed 10% of the total direct HR cost of the project.</p>
<p>5. Short-term Project Personnel</p>	<p>Projects may engage staff on daily wages (e.g. enumerators, data collectors, etc.) at a maximum rate of Rs. 25,000 per month.</p> <p>Project employment should not create an entitlement or expectation of regular employment.</p>

## II. Equipment, Consumables, and Service Costs

3. *General Conditions:* The following general conditions apply to the provision of equipment, consumables and services costs:
- a. Equipment and Consumables should be itemized separately. However, the total cost under these heads may not be greater than **70 per cent** of the direct cost of the project
  - b. For each item under **Equipment**, and each item under **Consumables**, provide the name, description of equipment, specifications, unit cost, quantity, and purpose.
  - c. For Equipment, Consumables and Services, the university needs to certify in writing that it does not have access to the said equipment, consumables and service otherwise.
  - d. **10%** additional amount against approved equipment budget for imported items may be admissible to account for any currency rate fluctuation, subject to provision of justification, and the approval of HEC.

e. LC opening for purchase of permanent equipment is allowed

#	Item	Details
1.	<b>Equipment</b>	<p>A few examples are provided here. These, and similar items could be billed to the project if otherwise justified:</p> <ul style="list-style-type: none"> <li>• <i>Scientific lab Equipment</i>: tools and equipment used in laboratories for research work relevant to the project. Some examples are DNA sequencers, electrometers, or <u>spectrometers</u>.</li> <li>• <i>IT equipment</i>: some examples are servers, network equipment, routers, or communication equipment.</li> <li>• <i>Office Equipment</i>: some examples are laptops, desktops, scanners, printers.</li> <li>• <i>Specialized Software/ IT Applications</i>: e.g., LabView, AutoCAD, MATLAB.</li> </ul>
2.	<b>Consumables</b>	<p>A few examples are provided here. These, and similar items could be billed to the project if otherwise justified:</p> <ul style="list-style-type: none"> <li>• <i>Lab Chemicals</i>: e.g., chlorates, persulfates, peroxides, oxidizing acids, methanol, ethanol, or reagents.</li> <li>• <i>Glassware</i>: e.g., beakers, flasks, or test tubes.</li> <li>• <i>Plastic wares</i>: e.g., pipettes.</li> <li>• <i>Expendable supplies</i>: e.g., preserving and cleaning material, fuel, medicines, personal protective equipment, i.e., gloves, masks, or surgical caps.</li> <li>• <i>Accessories</i>: small tools and accessories used routinely in labs, e.g., kits, PCR plates, ladders, sealers, magnetic stands.</li> </ul>
3.	<b>Services</b>	<ul style="list-style-type: none"> <li>• <i>Access to scientific equipment</i>: cost of access to sophisticated lab or research equipment not available in host institution.</li> <li>• <i>Service contract for repair/ maintenance of purchased scientific equipment</i>: The service cost should not exceed 25% of the cost of current price of the same/similar model</li> <li>• <i>Subscription to open access journals or publications</i>: provided these are not already covered under HEC's agreement with the HEI.</li> <li>• <i>Management Cost for organizing national level conferences, workshops, or seminars</i>: in cases, where such dissemination of research results are outsourced to external professional bodies.</li> <li>• <i>Limited commercialization and development costs</i>: these will be allowed only for research grants (e.g., TTSF and RTTG) that explicitly include product development and commercialization goals. The admissible expenses are: <ul style="list-style-type: none"> <li>○ Patent filing Fee</li> <li>○ Consultancy Services for product development (limited 10% of the direct cost of the project)</li> <li>○ Legal and Financial Services: related to intellectual property rights, research commercialization, or licensing agreements.</li> <li>○ <i>Marketing Services</i>: for marketing of prototype or proposed product to appropriate investors or stakeholders</li> </ul> </li> </ul>

### III. Travel Costs

4. *General Conditions:* Travel Cost covers expenses of project team (faculty and students and other project personnel (Research Assistants, Research Associate, Research Fellow) related to research/ field work, participation in project meetings, attending national or international conferences or workshops to present research results from the project.

- a. Travel budget must be justified by providing purpose of visit, the city, the country, the number of travelers, and estimated costs per visit.
- b. Budget limit for Local travel is Maximum Rs. 150,000/- per year as per actual.
- c. Prior approval of HEC must be obtained for each project-related international travel with proper justification.
- d. The international travel expenses are allowed as per following details:

Project Personnel Type	Purpose of Expenses	Limits	Allowed Expenses
Faculty, students, other project personnel (maximum one visit per year)	Costs of participation in foreign country for fieldwork, research work or meetings under the project	Max one visit per year for a visit duration of not more than 30 days	Travel expenses of foreign round trip and Daily Allowance including accommodation as per Government rules
	Cost of participation in international Conferences, Seminar, Workshops, Symposium to present research results under the project	Max 1 visit per year for a visit duration of not more than 6 days	Registration fee as per actual, TA, DA including accommodation as per HEC Travel Grant Policy and Government rules.

### IV. University Overheads

5. *General Conditions:* There are three purposes for allowing payment of overhead costs to sponsoring HEIs: first, to compensate HEIs for expenses needed to provide research support in the form of campus facilities, secretarial or administrative services, tuition waivers to research assistants, or project development expenses; second, to enable HEIs to build up a professional research support system in order to enable their faculty members to attract research funding from other sources as well, including, e.g., capacity building activities; and third, to ensure that universities exercise proper quality control over research products.

6. The overhead amount should go directly into the research management budget of universities, which may allocate it for various purposes according to the needs of each project as well as the overall demands of professional research management. In case of multi-institutional projects, the overhead costs are expected to be shared on the basis of the percentage of funds allocated for each institution.

7. HEC allows three tiers of University overheads or institutional costs, as a percent of the total direct cost of the project: 5%, 10%, and 15%.
  - a. Basic (5% Overheads): this covers projects that do not require allocation of dedicated office space or dedicated secretarial or support staff. It covers the basic research support services, i.e., accounts management, project reporting, auditing, office supplies (e.g., pens, staplers, or stationery), and monitoring and evaluation. Researchers are expected to use their own offices and regular university facilities.
  - b. Extra (10% Overheads): In addition to the services listed in paragraph (a) above, the HEI also provide the following additional facilities: support staff (daily wage clerical or manual labor, secretariat staff), campus expenses (e.g., use of dedicated office, unit, or building), utility costs, cost of access to digital resources (e.g., Digital Library, PERN), maintenance of scientific equipment, and/or access to laboratories.
  - c. Performance (15% Overheads): In addition to the services listed in paragraph (b), the HEI may demonstrate superior performance on behalf of the ORICs or other research management institutions.
8. The provision of overheads means that HEIs will not be allowed to include normal administrative expenses (e.g., administrative salaries, TA/DA. honorariums, bonuses, or stipends).