

Research St. Joseph's – Hamilton (RSJ-H)		Pages 1 of 3	Number 035-RSJ-H
Policy Title Discretionary Accounts		Date 23 March 2017	
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<input checked="" type="checkbox"/> Charlton Campus	<input checked="" type="checkbox"/> West 5th Campus	<input checked="" type="checkbox"/> King Campus	

Position responsible for developing and maintaining the policy: *RSJ-H Scientific Director*

1.0 INTRODUCTION

Researchers may maintain funds in a research account that are not allocated to a specific project. These funds are known as “discretionary funds”. They allow flexibility and provision of unencumbered research funds for use by the researcher in accordance with the guidelines outlined in the procedure section of this document.

2.0 PROCEDURES

2.1 Opening a Discretionary Account

A researcher may request the opening of a discretionary fund account for research purposes by completing a “Request for Opening a Third-party or Research Account” form (available on MYSTJOES). Research Administration reviews the application and verifies the source(s) of funds prior to opening the account.

2.2 Deposits to Discretionary Accounts

Research dollars from completed research projects can be transferred to a discretionary account provided there is proof the funds are unencumbered and the funding source does not want residuals returned.

All deposits to the account must be appropriately documented regarding:

- The source, and
- The use as approved by the donor.

A “Research Account Deposit” form (available on MYSTJOES) must be completed for all deposits.

2.3 Deficits in Discretionary Accounts

Discretionary fund accounts will not be allowed to operate at a deficit. Accounts will be closed should a deficit develop.

2.4 Approved Uses of Discretionary Funds

Discretionary funds may be used for:

- Conference travel and ancillary expenses;
- New project start-up;
- Hospital long distance phone charges;
- Laboratory expenses not allocated to a specific project;

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- Textbooks, journals and subscription costs;
- Severance costs for staff;
- Costs of entertainment or hospitality (in accordance with policies 031-RSJ-H *Allowable and Non-allowable Research Expenses*, and 032-RSJ-H *Travel Expenses*);
- Membership fees in scientific societies;
- Academic fees and costs consistent with this policy incurred by research trainees that are in addition to the total value of the trainee's stipend;
- Research equipment;
- Laboratory or office furniture;
- Lab or office refurbishments (minor renovations);
- Additional expenses pre-approved by the Scientific Director or designate.

In general, discretionary funds may not be used to cover ongoing expenses such as salaries of staff, students or fellows. This is because discretionary accounts are usually the result of one-time surpluses or "windfalls", and are better suited to one-time expenditures. There are however, some important exceptions:

- a) If a salaried position is term limited (temporary) and there are sufficient funds for a whole term.
- b) If the funds are transferred to a salary account to cover salaries expense for a limited period (e.g. to bridge staff costs between grants).

In addition, they may not be used for:

- Personal income or personal expenses;
- Clinical purposes;
- Legal fees;
- Designated cost centre for Corporate Visa transactions;
- Other non-research-related activities (e.g. payment of dues to non-research-related groups or to health professional organizations).

Questions about appropriate use of discretionary funds should be directed to the Scientific Director. The Scientific Director must approve any use of discretionary funds other than those described in this policy.

2.5 Closing a Discretionary Account

If at any time a researcher no longer has active research project accounts and the only account remaining is a discretionary account, that account must be closed. The researcher has the option to transfer the funds to any active researcher or the funds will be returned to Research Administration to support research at RSJ-H.

2.6 Discretionary accounts shall not be drawn against for personal income and the balance of the account shall not be transferred to the Principal Investigator as personal income upon retirement.

2.7 The balance of a discretionary account may be transferred to the Head of the Principal Investigator's Program to be used to support Research within RSJ-H. Funds may also be

transferred to an active and affiliated member of RSJ-H pending the approval of the Executive Director of Research Administration and/or Scientific Director of the Research Institute.