

Finance: Governance, Reporting and Treasury

**KFS Account Control Sheet – External Funding Guidelines**

* The Account Control Sheet needs to be completed for every new account.
* Mark the option you choose with an **X** unless you need to enter a value or other information.
* If the form is incomplete or incorrect the account application will be disapproved.
* Please also refer to the Account Type Guidelines available on the KFS website:

<http://services.nwu.ac.za/financial-systems/kfs-coa>

* If you have any questions, please contact your Fin Planning Accountant responsible for the approval of the account application.
* Please note: The purpose of this form is to provide information ONLY regarding this NEW account application and the funding received for this specific purpose. The fields/questions you complete must only reflect the purpose of this specific account and funding.
* Accounts can be divided into two main groups and the applicable form must be completed:

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| **Internal Funding** | **External Funding** |
| Accounts receiving funding ONLY from within the NWU (subsidy, research funds, IREA / ITEA etc.). | Accounts receiving funding ONLY from outside the NWU (external funds from the industry, foreign or local, government funding, research councils or any other external party). |

* The Source of Funds code (SOF) indicates the origin of the income on a specific account:

1 = **Internal**: Subsidy / Tuition Fees / ITEA / IREA

2 = **External**: Research Councils e.g. NRF, MRC, WRC etc.

3 = **External**: Industry funds

4 = Investment Income (Centrally used only)

5 = **External**: Foreign funds

**Guidelines to complete the "External Funding" form:**

* **Complete in each applicable instance the contract’s page and reference number in the blue fields to support info, e.g. p 50; 1.7.**

Please remember to refer to the contract (page number and numbering) in the blue fields on the form, to indicate where specific information can be found in the contract.

Refer to numbering and questions in the ***KFS Account Control Sheet – External Funding (SOF 2, 3 and 5).***

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| 1 | **Doc no.:** Enter the KFS E-doc account application number.**Name of Account:** Enter an account name that is meaningful and contains all the necessary reference numbers (for example NRF UID numbers). This is the name you will see in KFS and on the GL Reports.Please remember, the name must be entered in capital letters for KFS’s purposes! |

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| 2 | **Please give a short explanation of the purpose of the account:**This is very important. Please give us just a short explanation about the account and what it will be used for. Where will the funds be received from? What will you be doing with the funds? What is your responsibility – what is the deliverables/result of this project? Etc.  |
| 3 | **Please note: Accounts may NOT be used for any other purpose than it was initially created for.**Confirm with an “X” that you will not use the account for any other purpose than it was initially created for. If you should start using an account for another purpose, the account is not evaluated again by all the approvers and there is a very good chance that the attributes will no longer be correct for the re-used purpose of the account. The reporting on the funds will then be incorrect and the VAT, for example, may also be incorrect. It is YOUR responsibility to ensure that you use the account ONLY for the purpose it was created for. |
| 4 | **You are responsible to close this account as soon as the project/purpose was completed.**Confirm with an “X” that you agree to close the account as soon as the project/purpose was completed. The Closing of Accounts guidelines are available at: <http://services.nwu.ac.za/financial-systems/kfs-coa> |
| 5 | **Fiscal Officer (FO) Delegate.**Enter one or more Fiscal Officer (FO) Delegate(s) for the account to ensure that the approval process of documents (routing) is not interrupted.  The delegate(s) can approve documents on behalf of the Fiscal Officer when he/she is unavailable (on leave, sick or any other reason).  Please check with your Financial Planner who the relevant delegate(s) should be. |
| 6 | **Is a contract applicable?**Indicate if a contract is applicable to this account application.If there is a contract, you need to confirm that you have attached the final, signed contract (Signed by all parties).If there isn’t a contract, you need to complete the “Confirm” field to confirm that you have attached all the relevant supporting documentation and correspondence regarding the account application.You also need to complete the Contract Start, End Date and Contract Amount (Excluding VAT) if a contract is applicable. |
| 7 | **You are responsible to provide GRT with renewed contracts and/or addendums.****GRT = Governance, Reporting and Treasury**Confirm with an “X” that you agree to provide GRT with renewed contracts and/or addendums as soon as it were finalised and signed. GRT needs to have the latest info at any stage of the project. |
| 8 | **Choose best explanation of contract type:**Complete this question only if a contract is applicable to the new account application.Mark the appropriate option with an “X” according to what kind of contract it is. Is it a:* Service delivery contract
* Research project / contract
* Co-operation agreement or
* If none of them fit, please use the “Other” option to describe what the nature of the contract is.
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| 9 | **The SOF indicates the origin of the income – please choose the appropriate SOF for this specific account:**Choose the correct SOF that indicates the origin of the income that will be received on this account.* SOF 2 – Research Councils e.g. NRF, MRC, WRC etc.
* SOF 3 – Industry funds (Local / RSA)
* SOF 5 – Foreign funds (International)
* Attach the Currency converter only if you apply for a SOF 5 account. Make use of the **contract start date** and **not** the KFS account application date.
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| 10 | **Local as well as foreign funds? Indicate the % split:**If the income received on this account will be local as well as foreign funds – please indicate the % split. How much will you reckon will be locally and how much from abroad. Roughly estimate a percentage. For example, 70% local and 30% foreign. |
| 11 | **Name the external party where the NWU will directly receive the funds from:**Enter the external party’s name where the NWU will receive the funds directly from. For example, if UP receives foreign funding for research and NWU is a sub-contractor for UP, we are receiving the funding directly from UP. |
| 12 | **Is the NWU responsible to contribute to a certain ratio or amount?**In some instances, for example NRF Postdoctoral fellowship grants, the NWU is responsible to make an institutional contribution to the grant. Please choose YES / NO to indicate if this account that you apply for has any similar type of conditions in the contract indicating that the NWU must contribute to a certain ratio or amount? |
| 13 | **If yes, indicate the ratio/amount & which account will contribute:**If it is stipulated that the NWU must contribute to a certain ratio or amount, please indicate either the ratio or amount and also the account number that will contribute. |
| 14 | **Restricted or unrestricted funds?**Indicate with an “X” if the funding for the account is restricted or unrestricted according to the following definitions:***Restricted funds:*** *received in terms of a legal requirement that may only be used for specified purposes e.g. bursaries.* The contract can also stipulate that any unspent funds must be returned, meaning the NWU cannot use the funds for any other purpose and it is therefore restricted.***Unrestricted funds:*** *may be used (by institution's controlling body/council) for any purpose it deems necessary.*There are no legal requirements regarding the funding. |
| 15 | **Are the deliverables / results for the use of:**Deliverables is a term that's used to describe goods or services that is intended to be delivered to a customer upon the completion of a project.Can the NWU also use the deliverables / results from the project/contract/services rendered or is it only for the use of the industry? Please indicate who may use the deliverables? |
| 16 | **Please give a short description of the deliverables:**What deliverables / results are expected from NWU at the end of the project / contract? |
| 17 | **What is the main request, what is expected of NWU?**Read each scenario carefully and choose the one that matches the purpose of the account you are applying for.* **Service delivery with NO research.** All external income activities which are not associated with research. E.g. hosting a workshop/conference, consultation services with no research involved, sales of products etc.
* **Service delivery is the request and main purpose. Research is only a small aspect** of the services rendered. Deliverable result to the Industry. Contracts/invoices apply.

Also indicate the % split between service delivery and research.* **Research – with deliverable result to industry.** Research funded by a grant to enhance University's skills. **Main purpose is research, not service delivery.** Funding is in the form of a grant / award or contribution - not payment for services rendered. Contracts/invoices apply.
* **Research** – funded by a grant (similar to donations) to enhance University’s skills. No formal contracts. Letters/invoices can apply. **NO deliverables to Industry.** Industry/Individual may request recognition.
* **Other** – Please describe your scenario if it doesn’t fit any of the above.
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| 18 | **Service delivery****The services will be delivered to? Indicate who the recipient of the service is?*** A RSA recipient
* A foreign recipient
* A branch of a foreign company in RSA

**Indicate by selecting YES or NO if there is any research in delivering the service?**Do you need to do any research in order to be able to deliver the service?**Identify the type of service e.g. Consultation**Identify/name the type of service you are rendering, for example consultation, sales, hosting a workshop etc. |
| 19 | **Research**Choose the appropriate type of research:**Basic:**Basic research – categorised as experimental or theoretical work undertaken primarily with a focus to acquire new knowledge of the underlying foundations, phenomena and observable facts without a particular application or use in view. No prospects of commercialization. (No input tax deduction)**Applied:**Applied research – means a project which is primarily directed towards a specific practical aim or objective and should result in the application of new knowledge into a process or product, or the transfer of existing knowledge into a process or product for the benefit of the donor or for immediate purpose of commercialising the product. (50% input tax deductible)**Contract:**Contract research – means a project where the funder receives a specific deliverable of goods or services in terms of the agreement. The input tax recovery in respect of contract research projects are further determined by whether students are involved in the research project which takes into account the educational component.(Student involvement: 50% input tax deductible)(No student involvement: 100% input tax deductible)Input tax incurred in these categories of research is recoverable as follows:

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| **Research category**  | **Input tax treatment**  |
| Basic  | No input tax deduction  |
| Applied  | 50% input tax deductible  |
| Contract (Student involvement)  | 50% input tax deductible  |
| Contract (No student involvement)  | 100% input tax deductible  |

**Nature of the funding:**Where do we receive the funding from, select the appropriate?* Industry funding (No government relation)
* Government or research council / entity funding. E.g. NRF, WRC, DSI, DAC, CSIR, ARC, TIA, etc.
* If not one of the above, describe in the space provided.

**What is the purpose of the research?**Briefly describe the purpose of the research.**What is the benefit of the research to the funder? Does the funder acquire any rights to the outcome of the research?**What does the funder get from the research? Briefly describe the benefits or rights?**Will there be NWU student/staff publications resulting from the research?**Indicate YES or NO |

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| 20 | **Student involvement**If there is student involvement in the project/contract – in which way will the students be involved?* Will they do research?
* Will they publicise?
* Will they be receiving bursaries from the funds?
* Will they be rendering a service, for example assisting with tasks when hosting a workshop?
* Describe if not one of the above in the “Other” field.
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| 21 | **Bursaries**Select YES or NO with regard to the following questions:* Are bursaries awarded to students from other universities from this account’s funding?
* Are bursaries awarded to NWU student(s) from this account’s funding?
* Will the full bursary amount be transferred to the student’s NWU student account at the Bursary Office? In other words, will this account only be used to receive the income and to transfer the full amount to the Bursary Office? No funds remain in this account and no other transactions take place in this account.
* Will any bursary funds remain in this account for other expenses managed on behalf of the student(s)? In other words, are part of the funds transferred to the student’s account at the Bursary Office but some funds remain in the account to be managed by the department. The remaining of the funds may for example be used for the student’s research expenses.

**If other expenses are applicable – what type of expenses?**If there will be other expenses managed on behalf of the student, please indicate what type of expenses it will be, research or other expenses (not research related)?**If not only bursary funds – indicate the % split**If the funds will be used for bursaries and other expenses – please indicate the percentage split. How much of the funds in this account will be used for bursaries (transferred to the Bursary Office) and how much for other expenses (in this account)?**Indicate % under-/postgraduate funding:**Indicate with a percentage how much of the funds will be used for undergraduate bursaries and how much for postgraduate bursaries? |
| 22 | **NRF funds:**Include the following account types:S NRFSS NRF STUDENT RUNNING EXPENSES**Award letter with grant/UID and reference number must be attached.**Confirm with an “X” that you have attached the award letter with the grant/UID and reference number.**Is an institution contribution applicable?**In some instances, for example NRF Postdoctoral fellowship grants, the NWU is responsible to make an institutional contribution to the grant. Please select YES or NO to indicate if this account that you apply for has any similar type of conditions in the award letter/contract indicating that the NWU must contribute?**If YES – indicate the SOF 1 E-doc application no. or the SOF 1 account no.:**If the NWU must contribute, indicate the KFS E-doc number of the application for the SOF 1 account or the number of the SOF 1 account if it was already created. |
| 23 | **Hosting of a conference / workshop (3/5B account)**If the NWU is hosting a conference / workshop, please select the appropriate answer for the following questions:* **Local and international attendees? Indicate % split:**

Indicate with a percentage how many attendees will be local and how many international.If it will only be local attendees, complete the “Local” field with 100%.* **Donation or sponsorship applicable?**

Indicate with an “X” in the appropriate field if you will be receiving any donations or sponsorships for the hosting of the conference or workshop.**Donation:** Donations received. It must be an unconditional donation. No direct or indirect valuable benefit to the donor. The donor may indicate what it should be used for as long as they do not benefit from it. If not indicated, the funds that are received may be used as seen fit. **Sponsorship:** Sponsorship received. The funds must be used for a specific sponsored purpose. The sponsor gets a benefit (marketing / recognition) through sponsoring. **Please note:** There is a difference regarding VAT between Sponsorship and Donation income. Tax Manager: Tanja BadenhorstSelect YES or NO with regard to the following questions:* **Will students also attend the conference / workshop?**
* **Is it mandatory for the students to attend?**
* **Is it part of the students’ curriculum / formal studies?**
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| 24 | **Presenting a short course**If you or your department is presenting a short course, please select YES or NO with regard to the following questions:* **Is the short course SCAS approved?**

Attach the approval letter if YES* **Is the SCAS approval period/date on the letter still valid?**

Confirm by selecting YES or NO. |
| 25 | **Receiving Donations**Donations received. It must be an unconditional donation. No direct or indirect valuable benefit to the donor. The donor may indicate what it should be used for as long as they do not benefit from it. If not indicated, the funds that are received may be used as seen fit. Please note: There is a difference regarding VAT between Sponsorship and Donation income. Tax Manager: Tanja Badenhorst.**Is there any direct or indirect valuable benefit to the donor?**Select YES or NO**If it is a donation, is a 18A Certificate applicable?**Select YES or NO. 18A Certificate contact person: Celeste Rossouw.**Please send the 18A Certificate as soon as possible to** **Chimone.Barends@nwu.ac.za**Confirm with an “X” that you will send the 18A Certificate to Chimoné Barends as soon as possible. |
| 26 | **Receiving Sponsorships**Sponsorship received. The funds must be used for a specific sponsored purpose for example rugby clothing, conference etc. The sponsor gets a benefit (marketing / recognition) through sponsoring. Please note: There is a difference regarding VAT between Sponsorship and Donation income. Tax Manager: Tanja Badenhorst.**Explain the benefit:**Explain in which way the sponsor will benefit through sponsoring. |
| 27 | **Staff Development****A policy in this regard is available from Madelein van der Merwe. Please ensure that you familiarize yourself with the policy in this regard. Confirm with an “X” that you agree.**Personnel performing tasks that form part of their task agreement within their division cannot receive additional compensation for this. The Staff Development Funds are for interdepartmental service delivery only. Please refer to the guidelines and familiarize yourself with the purpose of the fund and the content of the guidelines (which include revenue generation, guidelines for spending and pay out to the staff member).Only one Staff Development account is allowed per organization.For payment to the Staff Development fund: make use of the *Transfer to Staff Development* journal form that is available on the KFS website: <http://services.nwu.ac.za/kfs-module/general-ledger-gl>NO direct payments or internal transfers are allowed on these accounts. |
| 28 | **Commercialization****Select YES or NO to indicate if commercialization will take place in this account?**Commercialization: “the process of managing or running something principally for financial gain. “Commercialization is the process of introducing a new product or production method into commerce - making it available on the market.Confirm with an “X” if commercialization will take place in this account? |
| 29 | **Other**Other account types are listed here.Please explain the purpose of your account application if it does not entail any of the types already mentioned in the form. The appropriate external funding account will then be created according to your explanation.  |
| **Any other information regarding the account:**Please enter any other additional information about the account that you feel may assist us in understanding the purpose of the account in order to ensure the correct type of account is created. |
| **Approval (Name and Signature please):**Please take note of the following in the approval block before you give your approval:We, the undersigned,* confirm that the account will be utilized in accordance with the relevant contract, if applicable, as well as the NWU’s financial policies and guidelines.
* acknowledge that all capital items (if applicable) acquired in the account remain the property of the NWU and will be made available for physical verification upon request.
* understand that the information provided by us is used to assign valuable attributes to an account. These attributes include: Account type, SOF (Source of funds), Sub-Fund Code, Higher Education Function Code, Interest and VAT. These attributes determine where the transactions are recorded in the financial statements.
* understand that the information in this form will be used for audit purposes.
* confirm that all the information completed on this form is correct and complete.

**You need to ensure that all the information is correct and complete before signing.**The names and signatures of the following persons are required. The correct role players need to sign:* Initiator: The person completing the application on KFS is the initiator.
* Project leader: The person responsible for the project and the managing thereof.

Only if there isn’t a project leader involved, the Fin Planning Accountant may sign here.* Fin Planning Accountant: Only the Accountant or Faculty Accountant from Financial Planning responsible for this particular organisation (OU code) may sign here.

When the accountant is on leave, the responsible Fin Planning Accountant delegate must sign the form. A note must be added in the “Notes and Attachment” tab, indicating the reason why the delegate signed the form.* Director/Organisation Manager: The Organisation Manager / head of the organisation unit (OU code).
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