

THE LONDON SCHOOL OF ECONOMICS AND POLITICAL SCIENCE**DEPARTMENTAL FUNDING GUIDELINES 2016-17****THE DEPARTMENTAL FUNDING MODEL**

1. A revised model for funding of non-staffing expenditure in academic departments was approved by the Academic Planning & Resources Committee in the 2008/09 session.
2. The model consists of seven elements:
 - Core Departmental Funding
 - Student Hospitality
 - Special Factors
 - Premium Fee Allocation
 - Moodle Maintenance Funding
 - Staff Research Fund
 - Funding for Replacement of IT Equipment within Academic Departments
3. These funds continue to be administered and applied at the discretion of the Head of Department, albeit spend must be against agreed expense codes as set out below.
4. The model has the following benefits:
 - allows departments to fund non-staffing costs that arise throughout the year;
 - it is an equitable, predictable and transparent method of allocating departmental funds.

APPENDICES

5. Appendix 1: departmental guidelines and parameters used in the funding model
6. Appendix 2: staff research fund guidelines.
7. Appendix 3: funding for Replacement of IT Equipment within Academic Departments

CONTACT DETAILS

8. If you have any queries about the departmental funding model or the underlying data used in the calculations, please contact Gary Barclay in the Planning Unit on extension 7948 or via email (g.j.barclay@lse.ac.uk)
9. All queries concerning financial transactions and departmental budgets should be addressed to Naomi Richardson in the Finance Division on extension 1284 or via email (n.richardson@lse.ac.uk)
10. The model and the special factors will be revisited periodically.

DEPARTMENTAL FUNDING - APPENDIX 1**DEPARTMENTAL GUIDELINES AND PARAMETERS USED IN THE FUNDING MODEL**

Annual Timetable:

- September – Allocations for Departmental Funding to all departments, including Staff Research Funding, transferred by Finance Division.
- November – Student hospitality, premium fee allocations and the research student element of the Replacement of IT equipment within Academic Departments rebalanced to take into account the actual levels of student recruitment as at 31st October.

Descriptors below are split into: Core Departmental Funding; Student Hospitality; Special Factors; Premium Fee Allocation; Moodle Maintenance Funding and the School's policy with regard to contingency and carry forward of funds.

CORE DEPARTMENTAL FUNDING (Account code: 1-xxx-0070-xxxxx)

Projected Staff Teaching FTE – Projected Department Profile adjustment to Teaching Staff + Projected Staff Admin Staff FTE x Allocation per Staff FTE

1 Core Departmental Funding

The core departmental funding allocation is based on a per capita measure of Academic and Administrative staff FTE. As departments which are shown to be over-staffed according to the Department Profile are making use of additional resources on salary payments there is a subsequent reduction in their non-staff budget.

Projected 2016-17 Department Profile staff FTE data as at September 2016 is used for this calculation.

The allocation per Staff FTE is calculated once the Student Hospitality and Special Factors elements of the model have been set.

The 2016-17 Allocation per Staff FTE is c£1,695.90.

Allowable Expenditure: this allocation is intended to cover general service costs (associated with reprographics, stationery, telecommunications, postage and consumable office supplies) for departmental staff and administrative and research only staff in departments who are not part of an independent Research Centre and must be charged to the eligible expense codes set out below:

- o 40013 Call Charges including mobile phones
- o 44002 Stationery and consumables
- o 44003 Postage and courier
- o 44004 Duplication

Assuming that the costs of general services have been budgeted for, this allocation can also be committed to the following eligible expense codes:

- o 43001 Equipment and refurbishment
- o 43003 Furniture
- o 43010 Event costs
- o 43052 IT Equipment
- o 45207 Teaching and Research material
- o 46023 Computer Software [note: Finance Division to advise alternate expense code]
- o 47001 Travel & Subsistence

- 49004 Hospitality
- 51001 Professional organisation memberships and subscriptions
- 52020 Advertisement
- 52082 Conference Attendance
- 52094 Training and Development
- 52306 Prizes

STUDENT HOSPITALITY (Account code: 1-Axx-0070-xxxxx)

Student FTE (UG including General Course, PGT and PGR) x Student allocation per Student FTE

2 Student hospitality allocation per UG FTE, PGT and PGR FTE

This is for hospitality for each student registration.

The student FTE is initially based on total target FTE student numbers and is replaced with actual student recruitment figures as at 31st October for the November rebalancing process.

The 2016-17 student hospitality allocation is calculated at a flat rate of £21 per FTE student.

Allowable Expenditure: this allocation is intended to cover expenditure on student hospitality and must be charged to the eligible expense code set out below:

- 49004 Hospitality (note: student hospitality only)

SPECIAL FACTORS (Account code: 1-Axx-0152-xxxxx except where stated)

3 Special factors

The following special factor allocations are included for 2016-17:

- Anthropology: £20,740 (£4,500 Special language training for students; £16,240 Fieldwork)
- European Institute: £6,040 (£1,000 Double Degree travel & hospitality; £5,040 Special language training for students)
- Geography & Environment: £28,500 (£27,500 Map room & field work; £1,000 Double Degree travel & hospitality)
- International Development: £937 (General services costs for redeployed staff)
- International History: £25,600 (£3,600 Double Degree travel & hospitality; £10,000 Double Degree expenses; £12,000 associated with providing language training for students on the double degree programme with Columbia).
- International Relations: £1,000 (Double Degree travel & hospitality)
- Media and Communications: £7,400 (£3,600 Special language training for students; £3,800 Double Degree travel & hospitality)
- Methodology: £7,800 (Reprographics)
- Psychological and Behavioural Science: £18,430 (Laboratory expenses)
- MPA: £7,600 (£2,000 IT Allocation; £5,600 Double Degree travel & hospitality)
- Total special factors: £124,047

Note: Double Degree travel and hospitality special factors were agreed on the basis of £1,000 for European destinations, £1,500 for Columbia, £1,700 for Annenberg and £2,100 for Asia.

Allowable Expenditure: The special factor allocations must be used for the purposes for which they have been specifically allocated and must be charged to the eligible expense codes set out below:

- i) Funds provided for special language training for students:
 - o 52094 Training and development
- ii) Departments in receipt of funds for double degree programmes:
 - o 40013 Call Charges including mobile phones
 - o 47001 Travel and Subsistence
 - o 49004 Hospitality
- iii) The Methodology Department:
 - o 44004 Duplication
- iv) MPA programme's IT allocation for administrative staff and students:
 - o 43052 IT Equipment
 - o 46023 Computer Software [note: Finance Division to advise alternate expense code]
- v) The Geography and Environment Department's map room & field work allocation:
 - o 30052 – Hourly paid Support Staff (note: used for Map room only)
 - o 52076 – Fieldwork expenses (fieldwork only) [note: Finance Division to advise alternate expense code]
- o vi) Psychological and Behavioural Science's Laboratory:
 - o 43001 – Equipment and refurbishment
 - o 46001 – Computer hardware
 - o 46003 – Application Software [note: Finance Division to advise alternate expense code]
 - o 46008 – Laser Printed Cartridges [note: Finance Division to advise alternate expense code]
 - o 46011 – Oth Consumables and Small Computer Items [note: Finance Division to advise alternate expense code]
 - o 49050 – Film Hire [note: Finance Division to advise alternate expense code]
 - o 52103 – Laboratory Supplies [note: Finance Division to advise alternate expense code]

PREMIUM FEE ALLOCATION (Account code: 1-Axx-0195-xxxxx)

Amount per FTE Student x Student FTEs

4 Premium Fee Allocation

A proportion of the fee from Masters programmes charging at the Premium fee level is recycled to the home department(s) to help to provide an improved student experience.

Departments charging premium fees receive £400 per student except for the Department of Finance which also receives, as agreed by the APRC, the difference between the Premium and Super Premium fee levels.

Provisional amounts are reflected in the model and are adjusted according to actual levels of recruitment at 31st October in the November rebalancing process.

Allowable Expenditure: The premium fee allocations can be used for any activities which benefit the students on premium fee programmes. This can include field trips, residential courses, course packs, furnishing student space, student hospitality and staff costs (where the staff are specifically involved with improving the offering to premium fee students), eligible expense codes:

- o 30033 Graduate Teaching Asst

- 30052 Hourly Paid Support Staff
- 30180 Honoraria
- 30500 Self employed suppliers and consultants
- 43001 Equipment and refurbishment
- 43003 Furniture
- 43010 Event costs
- 43052 IT Equipment
- 44002 Stationery and consumables
- 44003 Postage and courier
- 44004 Duplication
- 45207 Teaching and Research material
- 46023 Computer Software [note: Finance Division to advise alternate expense code]
- 47001 Travel and Subsistence
- 49004 Hospitality
- 51001 Professional organisation memberships and subscriptions
- 52082 Conference Attendance
- 52306 Prizes

MOODLE MAINTENANCE FUNDING (Account code: to various Department advised account codes)

Pro-rata share of £63.15k budget allocated on the same basis as in 2012-13 to 2015-16 i.e. based on number of Moodle courses running per Department in 2012-13

5 Moodle Maintenance Funding

Moodle funding is allocated to Departments who can then decide how to spend it on Moodle Maintenance.

SCHOOL'S POLICY WITH REGARD TO CONTINGENCY AND CARRY FORWARD

6 Contingency and carry forward

A contingency will not be held back from individual departmental allocations and the current position is that departments will be permitted to carry forward unspent balances. This situation is reviewed annually in line with financial regulation C2.6 (Carrying Forward).

DEPARTMENTAL FUNDING – APPENDIX 2

STAFF RESEARCH FUND GUIDELINES (Account code: 1-Axx-1886-xxxxx)

1. The purpose of the Staff Research Fund (SRF) is to encourage and support research activity by academic staff.
2. Departments are to inform relevant staff of the amount available.

CALCULATION

3. This figure is based on total monies available for SRF divided by total number of eligible staff for the current year (Departments should note that there can be no guarantee that this figure will be available for future allocations).

The eligible staff numbers for the SRF are based on data extracted from the HR staff database. Data is adjusted to include new appointments and known leavers (i.e. those known to be leaving by the start of the 2016-17 academic session) at the start of the academic year. It is then circulated to departmental managers for approval and signoff.

A list of eligible staff for each department is available from the Planning Unit. Any queries relating to staff included on these lists can be addressed to Gary Barclay in the Planning Unit.

The SRF allocation for eligible members of staff in 2016-17 is £923.

ELIGIBILITY

4. The following staff based in an academic department are eligible:
 - Professorial staff (including centennial and visiting professors), Associate Professors, Readers, Senior Lecturers, Assistant Professors and Lecturers
 - Senior Research staff (i.e. graded at salary bands 7 to 10), who are either funded by MSLS or who are in receipt of their own research grant.

FURTHER NOTES TO ELIGIBILITY

5. Subject to staff satisfying the eligibility criteria set out in point 4 above, the following additional notes are supplied to help determine eligibility.
 - 5.1 Both full-time and part-time staff are eligible for the full allocation.
 - 5.2 Where staff share their time between two or more departments the SRF allocation is split proportionately between departments or as agreed between the Planning Unit and Departmental Managers.
 - 5.3 The rule is one SRF per POST.
 - i. If two staff share a post they must share the SRF.
 - ii. Replacements or temporary cover do not get a SRF allocation i.e. those covering eligible staff who leave during the year, or are on maternity leave; sabbatical leave or special buyout leave or are covering for academic role holders, i.e. the Pro Directors and the Deans of Graduate and Undergraduate Studies. In such cases it is expected that departmental managers will adjust individual allocations for the post being covered

accordingly.

- iii. Staff who are on unpaid leave for the whole year, i.e. covering the period 1 August 2016 to 31 July 2017, are ineligible for a SRF allocation. However, if their replacement is SBA1 or above then a SRF can be claimed for the replacement.

5.4 Emeritus staff (including those remaining at the School on teaching only contracts) are ineligible for SRF.

5.5 New appointments whose start date is after 1 February 2017 will not be eligible for a SRF allocation in 2016-17.

5.6 RQIF appointments in receipt of a research allowance as part of their contract are ineligible for SRF.

5.7 Education Career Track staff are ineligible for SRF.

EXPENDITURE

6.1 Allowable Expenditure:

Any of the following costs incurred while undertaking research or to aid research through the hiring of hourly paid occasional research assistants are permissible, eligible expense codes are:

- o 30190 Research Assistants (note: hourly paid only)
- o 30500 Self employed suppliers and consultants
- o 40013 Call Charges including mobile phones
- o 43001 Equipment and refurbishment
- o 43003 Furniture
- o 43052 IT Equipment
- o 44002 Stationery and consumables
- o 44003 Postage and courier
- o 44004 Duplication
- o 45207 Teaching and Research material
- o 46001 Computer hardware
- o 46003 Application Software [note: Finance Division to advise alternate expense code]
- o 46023 Computer Software [note: Finance Division to advise alternate expense code]
- o 47001 Travel & Subsistence
- o 49004 Hospitality
- o 51001 Professional organisation memberships and subscriptions
- o 52020 Advertisement
- o 52082 Conference Attendance
- o 52094 Training and development

6.2 Non-Allowable Expenditure

Purchase and maintenance of equipment for individual benefit or ownership. All, equipment purchased from school or research funds must be retained and administered through the department and 'etched' and insured through the School.

DEPARTMENTAL FUNDING – APPENDIX 3

FUNDING FOR REPLACEMENT OF IT EQUIPMENT WITHIN ACADEMIC DEPARTMENTS (Account code: 1-Axx-0070-xxxxx)

Pro-rata share of £260.0k budget allocated based on 2016-17 staff FTE projections and 2016-17 research student numbers.

The research student FTE is initially based on total target FTE student numbers and is replaced with actual research student recruitment figures as at 31st October for the November rebalancing process.

Of the overall 'IT allocation' available 80% is allocated to Academic Departments and 20% is retained by IMT. The sum retained by IMT will still be spent on Departmental IT provision, but at the discretion of IMT – principally to purchase expensive items of software which cannot be accommodated within the allocation of an individual Department, where spend needs to be co-ordinated across Departments (e.g. when aggregating demand for specific items) or as a contingency for unplanned expenditure (e.g. if the latest version of a specific required item of software cannot be accommodated on the then 'standard' recommended or installed hardware base).

The following set of rules / principles will apply to this funding:

- IMT will monitor IT assets in use by Departments and their need for replacement or upgrade, in liaison with Departmental Managers and IT Representatives, to make sure all that staff have a device that is 'fit for purpose' and fully functional. Departments will be strongly encouraged to replace such devices (principally PC's, laptops, and tablets) when they are no longer 'fit for purpose' e.g. they are not powerful enough to run the latest version of a piece of installed software or they are proving expensive or problematic to maintain or support.
- IMT reserves the right to insist that a device is upgraded or replaced if it is no longer 'fit for purpose' - we cannot 'support the unsupportable'. Any device must be replaced if it is 'end of life' as defined by IMT and evidenced by the agreement of the supplier of the device.
- Departments may purchase an item that is higher than the required or recommended specification (e.g. to 'future proof' it against the requirements of later software releases), or more expensive (e.g. because they want to buy an 'Apple' device rather than a 'Windows' device), but they will not receive any additional money to do so. They must be able to demonstrate that such a purchase represents value for money for the LSE.
- Departments will only procure IT equipment via IMT and any hardware or software purchased will be acquired, managed, and disposed of in line with Financial Regulations.
- Once devolved, the 'IT Allocation' will form part of a Department's 'supplies' budget and their ability to carry any 'unused' element forwards to a subsequent financial year, or otherwise manage it locally, will be undertaken in line with Financial Regulations.
- During the Summer Term, IMT will meet Departments to discuss the use of any remaining budget to purchase IT equipment for new starters from August 1st, or additional IT items to benefit their Department.
- The IT procurement process will be tracked and recorded in the IT Service Management tool, also using the new 'Aptos front end' when this becomes available. This will encompass any discussions of initial requirements, financial approval, equipment order,

delivery, asset management and, eventually, asset disposal (i.e. the whole 'end to end' process). This will be made visible to staff through the IMT portal.

- IMT expect Departmental Managers and IT Representatives to be the key points of contact for managing and discussing use of the devolved budgets within their Department, the points of escalation for resolving any issues and for communications. They will meet their respective IMT Support Manager at least termly.
- If Departments are not maintaining the minimum expected level of spend on refreshing or upgrading their IT assets (which will be tracked via the use of specific APTOS sub codes), this will be brought to the attention of the Director of IMT for discussion with the relevant Departmental Manager and Head of Department.
- Departments will not be allowed to procure or manage servers without liaison with IMT as the implementation of a secure, zoned network requires decisions about their management (and both logical and physical locations) based on knowledge of the services to be provided by these servers and the proposed users of such services.
- IMT will continue to be responsible for the support, patching, maintenance and administrative accounts of IT assets.
- Two schemes have recently been introduced - (i) personal financial rewards (PFRs) (including teaching buy-out) for academic staff and (ii) research infrastructure and investment funding (RIIF) for departments and centres. There is a clear expectation that these schemes will be used to support those IT needs of Research Centres or Departmental Research Units that are not directly funded via Grants, but maximum use should be made of Grants for such purposes. The devolved 'IT allocation'; budgets are not intended to fund the IT needs of Research Centres.
- These arrangements will be reviewed after 18 months and will also be implemented across Professional Service Divisions once they have 'bedded down' within Academic Departments.

Allowable Expenditure: The Funding for Replacement of IT Equipment within Academic Departments must be charged to the eligible expense codes set out below:

- 43052 IT Equipment
- 46023 Computer Software [note: Finance Division to advise alternate expense code]