



Calculating Research Training Program grant amounts

This document provides practical guidance in how Research Training Program grant amounts are calculated as set out in the [Commonwealth Scholarships Guidelines \(Research\) 2017](#)

Contents

Overview	2
Data used	2
Funding drivers	3
Part 1: Calculating a HEP's weighted HDR completions.....	4
Part 2: Calculating a HEP's percentage share of each funding driver	4
Part 3: Calculating a HEP's basic grant amount.....	6
Part 4: Applying rounding to calculate a HEP's final RTP grant amount	7

Overview

Funding for the Research Training Program (RTP) is allocated based on the relative performance of higher education providers (HEPs) in earning research income and generating higher degree by research (HDR) completions.

The RTP allocations are calculated in the following stages:

1. Calculating a HEP's weighted HDR completions
2. Calculating a HEP's percentage share of each funding driver
3. Calculating a HEP's basic grant amount
4. Applying rounding to calculate a HEP's final RTP grant amount

Data used

Research income

Research Income collected as part of the [Higher Education Research Data Collection](#) (HERDC) is broken into two categories for the purposes of calculating RTP:

1. **Competitive Income** – the amount of research income classified as Category 1 in HERDC
2. **Engagement Income** – the amount of research income classified as Categories 2, 3 and 4 in HERDC

Weighted completions

HDR completions are collected as part of the [Higher Education Student Data Collection](#) (HESDC). For the purposes of calculating RTP allocations, weightings are applied to HDR completions based on the level of a degree, the cost of a degree and the nature of the student undertaking the degree. These weightings change the value of a completion and its financial reward for a HEP.

Weightings for HDR Completions

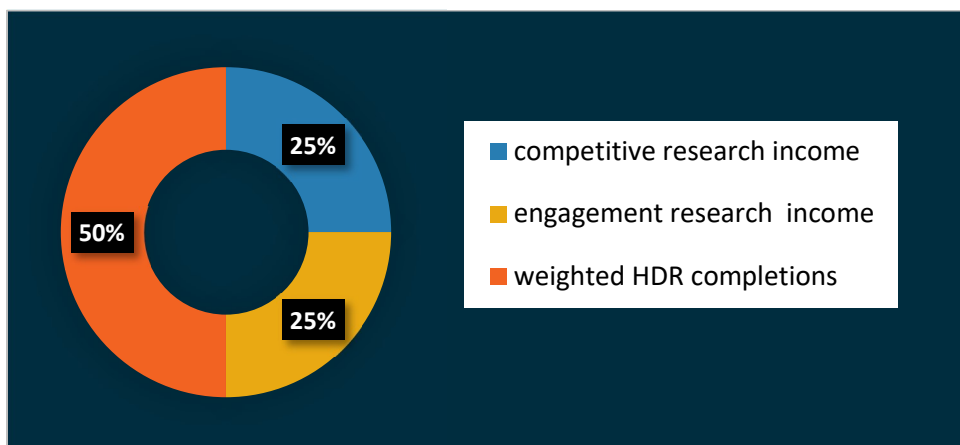
Student classification	Masters high cost	Masters low cost	Doctorate high cost	Doctorate low cost
Non-Indigenous	2.35	1	4.7	2
Indigenous	4.7	2	9.4	4

Funding drivers

A HEP's basic grant amount is based on its share of each funding driver relative to other HEPs. Each funding driver makes up a proportion of the overall RTP allocations.

The basic grant amount is comprised of 3 funding drivers known as:

1. **Competitive research income** – 25% of RTP allocations
2. **Engagement research income** – 25% of RTP allocations
3. **Weighted HDR completions** – 50% of RTP allocations



Part 1: Calculating a HEP's weighted HDR completions

Calculation steps

Step 1 - Add up the HDR completions by the type of HDR course and then separated by non-Indigenous and Indigenous students. See the 'HDR completions' column in the working example table below.

Step 2 - Using the weightings for HDR completions table in the data used section above, multiply the HDR completions by the weightings for each student and course type. See the 'Weighted HDR completions' column in the working example table below.

Step 3 – Sum the total of weighted HDR completions by each student and course type. In the working example table below, the weighted HDR completions are 3,127.

Working example

Student Classification	Type of student course	HDR completions	Weighting	Weighted HDR completions
Non-Indigenous	Research masters - high cost	200	2.35	470
Non-Indigenous	Research masters - low cost	50	1	50
Non-Indigenous	Research doctorate - high cost	500	4.7	2,350
Non-Indigenous	Research doctorate - low cost	100	2	200
Indigenous	Research masters - high cost	2	4.7	9.4
Indigenous	Research masters - low cost	1	2	2
Indigenous	Research doctorate - high cost	4	9.4	37.6
Indigenous	Research doctorate - low cost	2	4	8
Total		859	n/a	3,127

Part 2: Calculating a HEP's percentage share of each funding driver

Calculation steps

Step 1 - For each grant year a HEP's share of COMPETITIVE income is calculated by the sum of that HEP's category 1 income for the two most recent years divided by the sum of category 1 income for all eligible HEPs for the two most recent years.

Step 2 - For each grant year a HEP's share of ENGAGEMENT income is calculated by the sum of that HEP's category 2, 3 and 4 income for the two most recent years divided by the sum of category 2, 3 and 4 income for all eligible HEPs for the two most recent years.

Step 3 – For each grant year a HEP's share of WEIGHTED HDR COMPLETIONS is calculated by sum of that HEP's weighted completions for the two most recent years of weighted completions divided by the sum of weighted completions for all eligible HEPs for the two most recent years.

Working example

Where the HEP has research income and weighted HDR completions in the two most recent years comprising:

- Competitive income: \$800,000 and \$1,200,000
- Engagement income: \$400,000 and \$600,000
- Weighted HDR completions: 800 and 700.

And the total research income and weighted HDR completions for all eligible HEPs in the two most recent years is:

- Competitive income: \$35,000,000 and \$65,000,000
- Engagement income: \$45,000,000 and \$55,000,000
- Weighted HDR completions: 23,000 and 27,000.

Step 1 – calculate the HEP’s share of COMPETITIVE income

$$\begin{aligned}\text{COMPETITIVE share for a HEP} &= (\$800,000 + \$1,200,000) \div (\$35,000,000 + \$65,000,000) \\ &= \$2,000,000 \div \$100,000,000 \\ &= 2.0 \% \text{ share}\end{aligned}$$

Step 2 – calculate the HEP’s share of ENGAGEMENT income

$$\begin{aligned}\text{ENGAGEMENT share for a HEP} &= (\$400,000 + \$600,000) \div (\$45,000,000 + \$55,000,000) \\ &= \$1,000,000 \div \$100,000,000 \\ &= 1.0 \% \text{ share}\end{aligned}$$

Step 3 – calculate the HEP’s share of WEIGHTED HDR COMPLETIONS

$$\begin{aligned}\text{WEIGHTED HDR COMPLETIONS share for a HEP} &= (800 + 700) \div (23,000 + 27,000) \\ &= 1,500 \div 50,000 \\ &= 3.0 \% \text{ share}\end{aligned}$$

Part 3: Calculating a HEP's basic grant amount

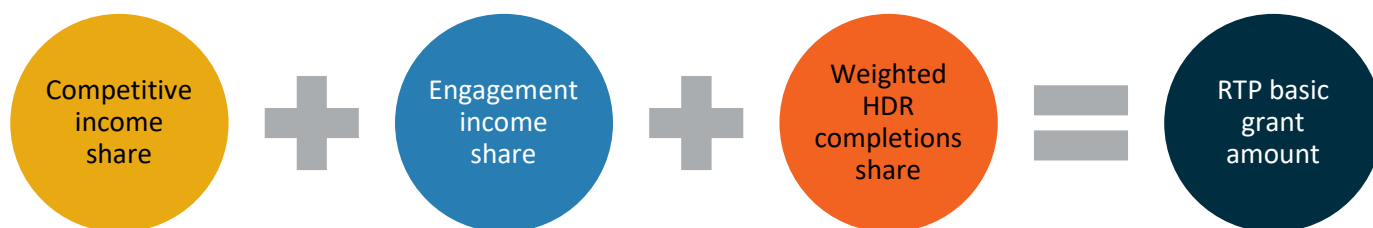
Calculation steps

Step 1 - A HEP's competitive component is calculated by multiplying 25 per cent of the RTP funding pool by the HEP's share of COMPETITIVE income.

Step 2 - A HEP's engagement component is calculated by multiplying 25 per cent of the RTP funding pool by the HEP's share of ENGAGEMENT income.

Step 3 - A HEP's engagement component is calculated by multiplying 50 per cent of the RTP funding pool by the HEP's share of WEIGHTED HDR COMPLETIONS.

Step 4 - These three amounts are added together to determine a HEP's basic grant amount.



Working Example

Step 1 – calculate the HEP's competitive component where the total RTP funding pool is \$1,000,000,000

$$\begin{aligned} \text{HEP competitive component} &= (0.25 \times \$1,000,000,000 \times \text{COMPETITIVE share}) \\ &= (0.25 \times \$1,000,000,000 \times 2.0 \%) \\ &= (\$250,000,000 \times 2.0\%) \\ &= \$5,000,000 \end{aligned}$$

Step 2 – calculate the HEP's engagement component where the total RTP funding pool is \$1,000,000,000

$$\begin{aligned} \text{HEP engagement component} &= (0.25 \times \$1,000,000,000 \times \text{ENGAGEMENT share}) \\ &= (0.25 \times \$1,000,000,000 \times 1.0 \%) \\ &= (\$250,000,000 \times 1.0 \%) \\ &= \$2,500,000 \end{aligned}$$

Step 3 – calculate the HEP’s weighted HDR completions component where the total RTP funding pool is \$1,000,000,000

$$\begin{aligned} \text{HEP weighted HDR completions component} &= (0.50 \times \$1,000,000,000 \times \text{WEIGHTED HDR COMPLETIONS share}) \\ &= (0.50 \times \$1,000,000,000 \times 3.0 \%) \\ &= (\$500,000,000 \times 3.0 \%) \\ &= \$15,000,000 \end{aligned}$$

Step 4 – calculate the HEP’s basic grant amount

$$\begin{aligned} \text{HEP Basic Grant Amount} &= \$5,000,000 + \$2,500,000 + \$15,000,000 \\ &= \$22,500,000 \end{aligned}$$



Part 4: Applying rounding to calculate a HEP’s final RTP grant amount

The RTP Grant Amount is calculated by rounding down the basic grant amount.

Calculation steps

Step 1 – The RTP basic grant amount for each HEP is rounded down to the nearest dollar.

Step 2 – The rounded down RTP basic grant amount is subtracted from the unrounded RTP basic grant amount. The difference in cents between a HEP’s rounded down and unrounded RTP basic grant amount is its remainder. The sum of all remainders is the unallocated dollars.

Step 3 – Each HEP is ranked in descending order based on their remainder’s closeness to 100 cents.

Step 4 – One dollar is assigned to each HEP’s rounded RTP basic grant amount in order of ranking until all unallocated dollars are exhausted. Each HEP’s RTP grant amount is equal to the rounded down RTP basic grant amount plus any whole dollars assigned in step 3.