

Research Funds Management Regulations

Established on April 6, 2021

Chapter 1. General Rules

Article 1 (Purpose) This set of regulations aims to help researchers including teaching staff to perform research projects smoothly and efficiently by specifying general aspects necessary for research management of State University of New York Korea (Hereafter, referred to as ‘this university’).

Article 2 (Definitions) Terms used in these regulations are defined as follows:

1. “Research funds” are granted by national or local governments, government funded organizations, businesses, private organizations, etc. to this university for various expenses spent for research projects conducted by this university.
2. A “research funding organization” (Hereafter, referred to as ‘funding organization’) means a contract party of this university that grants research funds.
3. “Overhead costs” are provided in addition to or as part of research funds under the name of 'overhead costs' according to criteria specified by the funding organization or Research and Business Development Foundation.
4. The “central management of research funds” is the research funds management system for integrated administration operated by the Research and Business Development Foundation to procure and execute necessary research funds by installing an organization dedicated to managing research funds on behalf of researchers through the integrated research administration system (Hereafter, referred to as the ‘system’).
5. The “working budget of research funds”(Hereafter, referred to as the ‘working budget’) means an item of research funds listed according to regulations of the funding organization or this university.
6. “Items” mean each budget item within the limit of the working budget.

Article 3 (Scope) Research funds and overhead costs are managed in accordance with these regulations unless there is a separate appropriate standard of the funding organization. However, there are separate regulations for in-university research funds supported by this university.

Article 4 (Work supervision) Aspects regarding research work are managed centrally by the Research and Business Development Foundation in principle. If necessary, however, a research center, etc. may be entrusted with the work of research fund expenditure management.

Chapter 2. Research Funds Management

Article 5 (Principle of research funds management) Research funds management is performed with the aim to improve efficiency and reliability, secure the autonomy of research, and promote convenience in research to the fullest.

Article 6 (Accounts for research funds) ① Incomings and outgoings of research funds are treated as part of revenue and expenditure budgets in the Research and Business Development Foundation accountings according to the nature of research funds and regulations of this university.

② The principal investigator of projects during the year serves as the account manager, and the account manager takes the full responsibility for execution and settlement of research funds.

③ For transparent and efficient management of research funds, budgets for research funds are separated from the general budgets and funds of the Research and Business Development Foundation, and a separate account is opened and managed for it according to financial resources of each research project.

Article 7 (Submission of a written working budget plan, etc.) ① The principal investigator shall report and register working budgets to the integrated research administration system as specified by the funding organization once the research fund is confirmed.

② Any change to working budgets shall be based on standards of the funding organization. If there are no such standards of the funding organization, the system shall be used to apply for a change.

③ Aspects of organization, change, and execution of working budgets shall be decided under the authority and responsibility of the principal investigator except for special items such as settlement.

Article 8 (Use of research funds) ① Research funds shall be used within the limit of working budgets.

② Research funds shall not be used for any other purpose than research.

③ In principle, evidential documents regarding execution of research funds are recognized only when they are for funds used within the research period agreed upon. However, special cases recognized by the funding organization and the head of the Research and Business Development Foundation are exceptional.

④ The Research and Business Development Foundation shall monitor related items in advance to prevent research funds execution beyond the limit approved by the funding organization or inconsistent with the research protocol, such as expenditure increase that exceeds the working budget, excessive appropriation, new addition of not-approved items, execution out of the research period, execution by a non-participant researcher, etc.

⑤ If there is a certain portion of research funds to be allotted to someone other than those belonging to this university, the organization that he or she belongs to may be entrusted with that portion of research funds.

⑥ If a certain space of this university is used for research purposes, the president may decide on the use.

Article 9 (Criteria of appropriation and execution of research funds items) ① All research funds are executed first for each item and then charged thereafter with the evidential documents attached in principle.

② Criteria of appropriation and execution of each research fund item are determined through specific rules.

Article 10 (Payment of research funds) ① The principal investigator claims payment of research funds to the Research and Business Development Foundation through the system according to the research fund execution plan.

② The Research and Business Development Foundation reviews the written claim for research fund payment stated in the previous paragraph to determine whether to pay the requested fund amount.

③ If it is unavoidable for research performance, the researcher may apply for an advance.

Article 11 (Research funds execution and use of credit cards for research funds payment) ① The principal investigator shall execute research funds according to the research protocol.

② Each research funds execution shall be performed by using a research fund credit card (including company credit cards) except when a bank transfer is inevitable for labor fee payment or commodity purchase. In addition, the following rules shall be complied with:

1. Research funds shall not be used for any other purposes than research performance.
2. If there is a special aspect to be considered for research funds execution, its consideration shall be requested to the Research and Business Development Foundation in advance.
3. Research funds may be paid through a bank transfer to or from a financial institution.
4. Labor fees are paid directly into the individual's bank account as requested by the principal investigator.
5. In an inevitable situation where no research funds credit card is usable, cash may be used within the limit of 30,000 won (However, this is not applicable to expenses for a meeting. If there is a criterion of the funding organization regarding cash use in research funds execution, that criterion of the funding organization is applicable)
6. The principal investigator will submit receipts and other evidential documents directly related to the research project to the Research and Business Development Foundation.

③ The principal investigator takes the primary responsibility for the use of research funds.

④ Research funds shall be used within the research period in principle. If the period of use needs to be extended for a justifiable reason, however, a permit of extension shall be obtained from the Research and Business Development Foundation and funding organization before the research period ends.

Article 12 (Suspension of research funds payment and withdrawal) If the principal investigator is in any of the following conditions, the research funds payment may be suspended or even already paid funds may be withdrawn, partially or fully.

1. If the funding organization notifies of suspension of research funding payment or withdrawal.
2. If it is recognized that the research project cannot be completed within the designated period for a reason attributable to the principal investigator.
3. If research funds have been paid in a false or any other unjust way.
4. If research funds are used in violation of the research objectives.
5. If there is any other objective reason for the research to be stopped.

Article 13 (Settlement of research funds) ① Once execution of research funds is completed, the principal investigator shall settle the amount of research funds spent in consultation with the Research and Business Development Foundation and report the settlement result to the funding organization.

② The balance and interests of research funds execution are treated according to the standards of the funding organization, if any. Otherwise, the Research and Business Development Foundation absorbs and uses them.

③ If there is a redemption due to an unjust execution of research funds as revealed through the funding organization's verification of research funds settlement results, the principal investigator takes the responsibility.

Chapter 3. Overhead costs

Article 14 (Use of overhead costs) Overhead costs are used for any of the following items:

1. Expenses for central management of research funds (including labor fees for research assistance staff)
2. Support for academic or research activities
3. Evaluation and support for affiliated research institutions and research projects
4. Expenses for the creation of a safe research environment
5. Expenses for welfare of research participants
6. Expenses for facilitation of a research institution operation
7. Expenses necessary for application for intellectual property rights, insurance policies, compensation for incidents, etc.
8. Other expenses for research and academy/industry cooperative activities that are recognized by the head of the Research and Business Development Foundation

Article 15 (Overhead cost accounts) Incomings and outgoings of overhead costs may be classified, managed, or operated with a separate account as part of revenue and expenditure budgets for the Research and Business Development Foundation's account.

Article 16 (Settlement of overhead costs) ① All research funds and research contributions are included except in-university research funds.

② Overhead costs are settled in accordance with the funding organization's standards, if any. Otherwise, standards of the operating committee of this university's Research and Business Development Foundation are followed.

③ If the funding organization pays overhead costs in addition to research funds, the amount may be regarded as overhead costs.

Article 17 (Execution of overhead costs) ① Overhead costs are executed at the responsibility of the Research and Business Development Foundation but only within the limit of budgets.

- ② Remaining budgets not executed within the year may be carried forward to the next year.

Chapter 4. Research project application and contract

Article 18 (Preparation of a research protocol) ① A research protocol shall be prepared according to the guideline of the funding organization unless there is any other special requirement stated. Research projects by a private funding organization such as business entity shall be conducted in consultation with that organization. A research project must be applied for through a Research and Business Development Foundation.

- ② Overhead costs shall be estimated in compliance with Article 16.

- ③ A Research and Business Development Foundation may conduct a preliminary investigation of the appropriateness of the research protocol and working budget planning/execution methods prior to the application for a research project or prior to the conclusion of a research contract.

Article 19 (Duty of reporting research contracts or research funds granted) ① Every research fund from an external funding organization requires a research contract in the name of the head of the Research and Business Development Foundation. If there is an unavoidable request by the external funding organization, the contract may be concluded exceptionally in the name of the president. In this case, its management is conducted by the Research and Business Development Foundation.

- ② In the event that a research contract is concluded in the name of a certain individual such as a professor rather than the Research and Business Development Foundation, it shall be notified to the Research and Business Development Foundation immediately. In this case, the research fund is transferred to this university's account for research funds. Its management is entrusted to the Research and Business Development Foundation.

- ③ For any problem that occurs resulting from a violation of the previous paragraph, the principal investigator takes the legal responsibility and is liable for compensation. In this case, the offender is disqualified for any support for academic research activity or any in-university research fund benefit for Research and Business Development Foundations.

Article 20 (Contract preparation) Any forms designated by funding organizations including governmental agencies shall be prepared according to the same guideline stated above. If there is no designated form, the standard contract provided by the Research and Business Development Foundation may be used. As for industrial advice, however, contract preparation may be substituted by submission of an application for industrial advice.

Article 21 (Contract period) The contract period is from the date of conclusion to the end of the research period in principle. If there is a special reason, the contract may be concluded with the research period retrospectively.

Article 22 (Contract change) ① When the principal investigator intends to change a contract term as requested by the funding organization or for a personal reason during the research period, it shall be notified immediately to the Research and Business Development Foundation after advance consultation with the funding organization.

② The Research and Business Development Foundation shall take necessary procedures to obtain consent from the head of the Research and Business Development Foundation, and then the modified contract term(s) shall be notified to the principal investigator in agreement with the funding organization.

Article 23 (Cancellation) ① The contract may be canceled only if there is a specific ground for it stated in the research contract.

② When the contract is canceled, the settlement of research funds is based on the terms and conditions of the research contract. The balance of research funds is used for repayment, and the principal investigator bears the deficit, if any.

③ Aspects stated in Paragraph 1 and Paragraph 2 must be notified to the Research and Business Development Foundation for joint implementation of necessary tasks.

Chapter 5. Follow-up management of research results and projects

Article 24 (Submission of interim reports and result reports) In the Research and Business Development Foundation, the principal investigator shall be sure that interim reports and result reports are prepared in the designated form of the funding organization and submitted before the deadline. However, if the funding organization does not require their submission, this step may be omitted.

Article 25 (Report of research funds execution results) When research funds execution results are to be reported, the Research and Business Development Foundation must review related evidential documents and then submit them to the funding organization.

Article 26 (Research project changes) An application for changes may be submitted according to the designated procedures, including changes to researchers (assistants), budget amounts of items, purchase of research facilities, labor fees, etc. Such changes shall be approved by the Research and Business Development Foundation and handled in accordance with standards of the funding organization if any.

Article 27 (Follow-up management of research) ① After a research project ends, the principal investigator takes the responsibility for follow-up management of research including research thesis publication, researcher training, intellectual property rights management, etc.

② When the principal investigator reports achievements from a research project to the Research and Business Development Foundation, the Research and Business Development Foundation shall promote them in and out of the university. In addition, if the principal investigator intends to maintain the research findings in cooperation with a business entity, such efforts may be made in consultation with the Research and Business Development Foundation.

Chapter 6. Research ethics, authorities and responsibilities of auditors and research staff

Article 28 (Illicit use of research funds) “Illicit use of research funds” is classified mainly into two: "inappropriate execution of research funds" that is practiced in violation of related laws, research contract terms, and other related regulations of the Research and Business Development Foundation; and "unjust execution of research funds" that the principal investigator or anyone in the research staff practices to exploit research funds out of the supervision of the Research and Business Development Foundation and funding organization.

Article 29 (Inappropriate execution of research funds) “Inappropriate execution of research funds” is an act of a researcher or the Research and Business Development Foundation that executes or manages research funds in violation of related laws, research contract terms, or any other related regulations of the Research and Business Development Foundation, including the following:

1. Using research funds for any other purposes than research
2. Inappropriate conversion between research fund items
3. Inappropriate execution of labor fees, travel expenses, etc.
4. Inappropriate management of purchase procedures for facilities, etc.
5. Use of research fund credit cards with no just reason
6. Inappropriate management and execution of overhead costs

Article 30 (Unjust execution of research funds) “Unjust execution of research funds” is an act of the principal investigator or anyone related to the research abusing or embezzling research funds intentionally out of the supervision of the Research and Business Development Foundation and funding organization, including the following:

1. Integrated management and redistribution of labor fees for research participants (Except in the case where the research funds pooling system is applied)
2. Claim for research funds based on false invoices or receipts
3. False registration of participant researchers

Article 31 (Audit and preventive measures) ① The Research and Business Development Foundation conducts a comprehensive internal audit for central management of research funds, at least once a year. When necessary, special audits and external audits also may be conducted.

② When an audit stated in the previous paragraph is conducted, each of the following shall be examined:

1. Appropriateness of labor fee payment
2. Appropriateness of facility purchase procedures and management types
3. Appropriateness of travel expense execution
4. Basic execution of the research fund credit card system

5. Appropriateness of research fund bank accounts and documents management

6. Appropriateness of overhead cost execution

③ For aspects pointed out in an audit, necessary measures for correction, regulatory revision, prevention of recurrence, etc. shall be taken promptly.

④ The Research and Business Development Foundation shall establish specific preventive mechanisms and maintain the environments for their proper operation in recognition of the fact that prevention is more important than follow-up management when it comes to unjust use of research funds.

Article 32 (Response to fraudulent acts of research) ① The Research and Business Development Foundation will handle fraudulent acts of research such as plagiarism according to regulations of this university.

② When there is a fraudulent act of research funds such as appropriation of research funds involved in research funds execution, the Research and Business Development Foundation shall handle it through deliberation by the operating committee of the Research and Business Development Foundation.

Article 33 (Responsibilities of the research fund manager) The principal investigator in charge of research funds incomings and outgoings and receipt, storage, or management of items, the head of the Research and Business Development Foundation, and its employees shall fulfill their responsibilities according to the fiduciary duty.

Article 34 (Authorities and responsibilities of the head of the Research and Business Development Foundation)
The head of the Research and Business Development Foundation takes the following responsibilities and duties:

1. Management and supervision of research funds execution to secure transparency
2. Comprehensive management supervision of research performance (from application to submission of research findings presentation)
3. Securing researchers' autonomy of research performance and prioritizing administrative supports
4. Establishing and implementing environmental improvement plans for research performance
5. Management of ownership (ledger) and public use of assets (facilities, academic books, etc.) and research results (theses, patent, etc.) acquired in the process of research performance. As to consortium research projects conducted jointly by two organizations, however, the research organizations or researchers involved consult with each other.
6. Joint responsibilities with researchers regarding compliance with related regulations and contract terms
7. Establishing and implementing internal/external vocational education plans for efficient implementation and management of research projects by research staff and workforce dedicated to research management
8. Prompt and accurate treatment and cooperation regarding other requirements of the funding organization

Article 35 (Researcher authorities and responsibilities) ① The principal investigator and collaborating researchers take the following responsibilities and duties regarding research performance:

1. Faithful research performance in line with the research protocol throughout the research period
2. Reports on various research changes in the whole process from research initiation to submission of research

findings

3. Research funds execution to secure transparency
 4. Management and education for research assistants
 5. Annual report (limited to multi-year projects)
 6. Research result report
 7. Presentation (in an academic journal or publication of professional academic books) and submission of research results
 8. Compliance with the present regulations and contract terms regarding a research project
 9. Other details specified by the funding organization regarding research performance
- ② Various reports shall be confirmed by the Research and Business Development Foundation.

Article 36 (Responsibility for redemption of research funds) ① When there is a request for research fund redemption from the funding organization for such reasons as inappropriateness of research performance or result, fraudulent act, improper execution of research funds, etc., the principal investigator shall take the responsibility. However, if a loss to the institution is expected due to delay or failure in payment of the research funds to be redeemed, the Research and Business Development Foundation may decide a payment by proxy and settle the amount first as part of the overhead costs of the Research and Business Development Foundation.

② For such payments by proxy stated in Paragraph 1 above, the Research and Business Development Foundation may take legal measures such as claim for indemnity to the principal investigator. However, the Research and Business Development Foundation may convene the operating committee of the Research and Business Development Foundation. The operating committee of the Research and Business Development Foundation may then consult separately regarding the amount of redemption and the ratio of burden in consideration of the attributable reasons and fault ratio.

Article 37 (Responsibilities in a lawsuit) In the event that this university becomes legally liable or suffers a loss due to a lawsuit regarding a research contract, the matter and scope of responsibility will be determined through deliberation by the operating committee of the Research and Business Development Foundation.

Article 38 (Responsibility for disciplinary measures against the funding organization) ① In the event that there is an administrative disciplinary measure against the funding organization such as overhead cost rate decrease in national R&D projects for a reason attributable to a researcher, the financial support for the researcher regarding overhead costs of the Research and Business Development Foundation may be stopped or redeemed, fully or partially. In this case, legal measures may be taken such as a claim for damages against the researcher by determining the matter of responsibility and the range of compensation through deliberation by the operating committee of the Research and Business Development Foundation.

② Aspects necessary for implementation of Paragraph 1 are determined through separate instructions.

Chapter 7. Supplementary rules

Article 39 (Research facility purchase and registration) ① In the event that the principal investigator intends to purchase research facilities necessary for research performance, 'Purchase Regulations' of this university shall be complied with in principle.

② Items of research facilities shall be registered according to the procedures designated by related regulations of this university.

Article 40 (Ownership of results and products) Results and products of research projects such as facility, equipment, research instrument, book, trial product, intellectual property rights, etc. belong to this university in principle unless there is any separate standard of the funding organization.

Article 41 (Retention of research documents) ① The Research and Business Development Foundation and principal investigator shall retain documents related to research performance and research funds execution (various reports, equipment list, various accounting ledgers, evidential documents of bank accounts and expenditures) for a period designated by the funding organization. If there is no standard, the Research and Business Development Foundation and principal investigator shall retain such research documents for 5 years after the end of a research project.

② Incomings and outgoings of research funds shall be classified, when documented, by the funding organization, year of research funds receipt, principal investigator, and research project.

③ Original copies shall be filed and kept in principle. If documents stated in Paragraph 1 above are in electronic form, the system containing such materials shall be kept for the period of retention.

Article 42 (Fees for intellectual property rights application and registration) ① Fees for intellectual property rights application and registration regarding various research funds may be estimated.

② Fees for intellectual property rights application and registration will be counted as part of the Research and Business Development Foundation's accounts and managed by the Research and Business Development Foundation.

③ Surplus reserves of such fees for intellectual property rights application and registration may be used as expenses for application for and registration of intellectual property rights directly related to the specific research project.

④ Details regarding estimation and management of fees for intellectual property rights application and registration are separately decided by the head of the Research and Business Development Foundation.

Article 43 (Miscellanies) Other details necessary for research management may be decided and applied as directed by the head of the Research and Business Development Foundation.

Supplementary rules

Article 1 (Date of enforcement) This provision came into effect on April 6, 2021.

Article 2 (Interim measures) All research projects conducted before the implementation date of this supplementary rule are subject to existing research funds management regulations and instructions.