

## Hiring / Personnel

### Provision of Notice of Employment to research assistants

- You must give notice of relevant employment conditions (including contract period, working hours, remuneration, etc.) to the party employed based on employment regulations.
- The employment conditions should not be communicated verbally; instead a person in charge of administrative duties should compile a Notice of Employment for the delivery of such conditions on paper.

### Proper management of work hours after hiring

- As a supervisor, ensure the hours of employment of those hired are properly recorded in the log of working hours and overtime hours.
- When hiring graduate students, clearly define the distinction in job responsibilities between a hired student and a research assistant.
- As wages are paid only for the days/hours in which actual tasks of research assistance are performed, employee working hours must be properly managed and recorded.

### Precautions when hiring a teaching assistant or research assistant

- Sufficiently ensure that work does not hinder the graduate student's own lecture and research requirements.
- Properly manage employee working hours using an attendance book or attendance report for part-time workers.
- Remuneration paid to teaching assistants and research assistants is compensation for their educational assistance work. As wages are paid only for the days/hours in which actual tasks of educational assistance are performed, employee working hours must be properly managed and recorded.

## Any questions?

## — List of Contacts — (Extension number is last 4 digits)

### General Inquiries

- Inquiries on how to apply for public research funds / administrative procedures including performance reports → **Research Cooperation and Planning Division** **086-251-7118**
- <Inquiries on contract/joint research applications and performance reports> → **Industry Cooperation Promotion Division** **086-251-7757**
- Inquiries on usage (execution) rules for public research funds → **Contract Division** **086-251-7164**
- For inquiries concerning **Placing Orders / Delivery** → **Contract Division** **086-251-7164**
- For inquiries concerning **Travel Expenses / Honorariums** → **Accounting Division** **086-251-7160**
- For inquiries concerning **Hiring / Personnel** → **Personnel Division** **086-251-7025**

# Notice on Public Research Funds used at Okayama University



## Introduction

This leaflet was created to highlight general points and specific areas where caution should be exercised regarding public research funds to ensure that the faculty and staff of Okayama University properly utilize such funds.

If you have further concerns regarding the information found in this leaflet, please check the rules for utilizing public research funds or contact the office listed on page 4 of this leaflet.

## Definition of public research funds

- “Public research funds” covers all funds managed by the university, including funds received from external sources such as operating expense grants, contract research funds, subsidies, and endowments.

\*These funds must be properly managed by the University as they are bestowed upon the University through funding directly from tuition fees and public tax funds, as well as through agreements signed between the University and public organizations or corporations.

## Prerequisites for use of public research funds

- There are different rules governing the use of public research depending on the kind of research. In addition, the rules differ on a per-project basis for contract research funds, joint research funds, contract project funds, and subsidies.
- Before using public research funds, please refer the column, “Main Reference Materials for Confirming Usage Rules,” in the table below for contracts, etc.

	Categories of Public Research Funds	Main Reference Materials for Confirming Usage Rules
External Funds	① Contract Research Funds	(1) Contract (contract amount, research period, purpose, etc.)
	② Joint Research Funds	(2) Appropriate project manual (project summary, etc.) (usage rules, etc.)
	③ Contract Project Funds	(3) University regulations such as accounting rules
	④ Subsidies (excluding facilities maintenance subsidies)	(1) Law Concerning the Improvement of Executing Budgets Related to Subsidies (2) Appropriate manual for each subsidy (subsidy summary, etc.) (3) Handbook on Grant-in-Aid for Scientific Research (Ministry of Education, Culture, Sports, Science and Technology (MEXT); Japan Society for the Promotion of Science) <a href="http://www.mext.go.jp/a_menu/shinkou/hojyo/1293726.htm">http://www.mext.go.jp/a_menu/shinkou/hojyo/1293726.htm</a> (4) University regulations such as accounting rules
	⑤ Endowments	(1) Purpose of donation, conditions of donation (2) University regulations such as accounting rules
	⑥ Operating Expense Grants, etc. (including University income such as tuition fees and income from the University-affiliated hospital)	(1) University regulations including accounting rules

## Placing Orders / Delivery

### Using public research funds in an organized and well-planned manner

- It is important to use funds in a well-planned manner to avoid the suggestion of inappropriate budget execution for research projects, such as purchasing consumable supplies in large quantities right before the end of the research term.
- In particular, if planning to purchase research equipment, etc. (exceeding 5 million yen) subject to a competitive bidding process, contact the person in charge of contracts and agreements at an early stage (as it takes time to process the contract paperwork as well as for delivery).

### Budget for expenses before placing orders

- Determine the expenses used before placing an order.
- Each budget has a limit on the allowable purchase and travel expenses.  
Confirm the rules for using these funds (by referring to the handbook on Grant-in-Aid for Scientific Research and contract agreements, etc.)

### Ordering as a faculty member

- The value of an order placed by a faculty member is capped at 500,000 yen. Equipment orders are capped at 100,000 yen. In addition, faculty members may not divide an order into multiple smaller orders in order to purchase an item equal to or more than 500,000 yen (100,000 yen for equipment).
- Immediately after placing an order, promptly complete an online purchase request

University accounting rules stipulate that an online purchase request must be completed within 1 week after an order is placed (for orders with an unconfirmed amount, it is to be completed following confirmation of cost). To avoid missing the deadline, complete it as soon as possible after an order is placed.

### Inspection at the Inspection Center

- When a shipment is delivered, have the order inspected (delivery confirmation) at the Inspection Center.
- Goods/supplies are to be properly utilized and managed according to the intended purpose of the relevant public research funds.

### Approval for joint use with other public research funds

- There are public research funds that can be used jointly following certain criteria, as well as public research funds that cannot be used jointly. Confirm the usage rules beforehand.

## Travel Expenses / Honorariums

### Ensure the nature of the trip matches the purpose of the research funds

- Verify that the nature of the trip matches the intended purpose of the public research funds.
- Ensure that the details of the trip (post-trip report, data collection, etc.) are appropriately timed to the research term.

### Travel expense coverage and eligibility

- A travel application must be submitted in advance of the travel order.
- When a student will go on a trip, ensure that the student is eligible to receive reimbursement of travel expenses from the public research funds that will be used.
- Ensure that the planned dates of travel do not coincide with the work days of a teaching assistant or research assistant, and follow appropriate procedures.

### Paperwork required after the trip

- In principle, you are required to submit a travel report following the completion of the trip.
- If there were any changes to the destination or itinerary of the business trip, you will need to complete the relevant procedures as part of the travel application.
- If traveling by airplane, submit the boarding pass.

### Confirm completion of the task

- Ensure that the time and date of an honorarium-related job task does not coincide with other job tasks (in case of students, a class / seminar).
- Ensure that the nature of the task matches what appears on the honorarium payment record.

### Attendance records for honorarium-related tasks

- An attendance sheet must be kept in the office. Administrative employees must confirm the attendance record of workers on a daily basis.
- Workers should mark their attendance each day of work by directly placing their seal on the attendance sheet.

# Case Studies on the Inappropriate Use of Public Research Funds

Category	Inappropriate Action	Reasons and Alternatives
<Preface> Usage Rule	Taking and using experimental equipment to another research facility outside of the University. Not completing the necessary paperwork to do so. This act is also mentioned in research proposals, and is planned.	When taking University property and equipment off site, it is necessary to complete the procedures described in the fixed asset management regulations. Based on these rules, please consult the officer in charge of accounting in your department or division, and complete the necessary procedures.
<Preface> Usage Rule	Continued usage of budget over its limits even though there is a restriction on the amount of diversion allowed between expense items (categories of consumable goods, personnel, travel expenses, etc.) for subsidies and contract research funds.	Some public research funds have limits on the amount to be used for each expense item. If the usage rule is violated, it becomes a violation of the subsidy condition in case of a subsidy, or contract agreement violation in case of contract research. If the limit amount will likely exceed the limit, please follow the rules prescribed for the project to apply for permission to modify budget usage in advance.
Placing Orders / Delivery	When purchasing equipment, the ordering procedure gets more complicated if the amount exceeds 100,000 yen. Therefore, the total equipment purchase was set to under 100,000 yen, and the vendor was asked to create a fictitious invoice for the rest of the purchase as consumable goods. The total amount of payment remained the same.	Even if the total amount due remains unchanged, this scenario represents an inappropriate price manipulation. This must never happen. In addition, this also hinders the ability to properly control and monitor the inventory of supplies.
Placing Orders / Delivery	Ordering a video camera at the same time as placing an order for chemical reagents with a chemical vending chemical. This order was placed because the sales rep said they could handle such an order.	The “ability to handle such an order” in this scenario is considered as the sales rep’s trick in which he/she accepts an order and fulfills it by making a cash transaction with a third party electronics retail store for merchandize the company does not normally carry, and in turn pads the invoice with a higher amount for profit. The invoiced amount is inappropriate and higher than market value, while there is a possibility for future problems to arise with regarding after-sales service for the product after delivery. Therefore, please do not go through a middle man for a product, instead please order from a specialized vendor directly.
Placing Orders / Delivery	There is still budget remaining at the end of the fiscal year, so more supplies were ordered even though these supplies are not currently required for use.	Please make well-planned decisions for the purchase of supplies. If it is later found that the supplies have not been used since delivery, the cost may not be approved as a research expense for the project (may be noted as an inappropriate execution of budget). In that case, the offender may be requested to reimburse the amount of research funds spent. In addition, if there is budget remaining at the end of the fiscal year, please follow the usage rule for each public research fund to properly handle any remaining funds, such as returning surplus funds directly to the public research fund.
Placing Orders / Delivery	A delivery form without an issue date was received, and later filled out with an approximate date by a University faculty member.	In order to appropriately execute the budget of public research funds, the accounting slip must be filed on the same day as the actual action. If a University faculty member puts in a random date that is different than the actual date of action, it may bring about concern that the date entered was chosen intentionally for benefit. In addition to instructing the vendor to always fill in the correct date, if an undated delivery form is received, please take it to the Inspection Center for inspection (the account will be processed according to the date of inspection).

# Case Studies on the Inappropriate Use of Public Research Funds

Category	Inappropriate Action	Reasons and Alternatives
Placing Orders / Delivery	Supplies delivered after April were paid with a Grant-in-Aid for Scientific Research. However, the supplies were ordered in March, prior to the start date of research (in this scenario, the notice date of the grant offer was April 1st).	<p>If using a Grant-in-Aid for Scientific Research, supplies can only be ordered after the start date of research.</p> <p>The start date of budget execution is determined in the usage rules for each public research fund (such as the grant offer notice date, contract signing date, etc.)</p> <p>Before placing an order for supplies, please decide ahead of time which budget will be used for the payment, and consult the usage rule regarding the start of the budget execution date.</p>
Travel Expenses / Honorariums	A discrepancy existed between the task content described in the honorarium payment record and the actual task performed.	<p>The task content and its matching honorarium are determined by the honorarium payment record. Moreover, the honorarium is paid out based on the record and actual task performed.</p> <p>The officer monitoring work hours should have determined the job content in advance and closely managed the tasks performed.</p>
Hiring / Personnel	A student teaching assistant / research assistant performed other contracted work during the work hours defined in the Notice of Employment, and received both salary and an honorarium payment.	<p>Salary is paid for the actual hours of work performed as determined in the Notice of Employment. Please strictly monitor the job duties and work hours (through attendance records, etc.) as determined in the Notice of Employment.</p>

The above examples showcase inappropriate actions where the budget executioner did not understand the usage rules. In addition to the above scenarios, two additional examples of fraud arising from a clear violation of rules are described below for your reference.

## ◆ Examples of Fraud Subject to Disciplinary Action (Fraudulent Deception) ◆

If a case similar to the following is confirmed to be true, in addition to the offender being subject to disciplinary action, the University will also face scrutiny as the institution responsible, and may be restricted in applying for other external funding due to a loss of credibility, which can greatly impede the University's future educational research projects. For this very reason, no matter what the reason may be, fraud shall not be tolerated.

### Money Deposit

Due to a budget surplus, the offender requests a third party contractor to create a fictitious delivery form and invoice. In turn the contractor is asked to hold this amount on deposit.

Even when the money deposited with the vendor is later used for research purposes intended for that budget, the offender will still face disciplinary action for having the University make a fraudulent payment to a vendor (this can also lead to a criminal complaint for fraud).

Moreover, if the fraudulently obtained money on deposit is used privately, a stiff punishment will follow regardless of the amount.

### Padded Salary Payment

Due to a budget surplus, the offender over reports a student's part-time work hours and later requests the student to reimburse the extra amount in cash, which is kept for future use to host seminars, etc.

Even when the retained cash is later used for student experiments, the offender will face disciplinary action for having the University make a fraudulent payment to the student due to intentionally reporting improper work hours (this can also lead to a criminal complaint for fraud).

Moreover, if the fraudulently retained money is used privately, a stiff punishment will follow regardless of the amount.

# Self-Check Sheet Prior to Utilizing Public Research Funds

Usage rules vary depending on the category of public research fund utilized.

The following Self-Check Form was compiled to highlight the specific areas concerning the usage rules of public research funds where special caution should be exercised.

Please use this form as a self checklist when reviewing the usage rules prior to utilizing public research funds.

① Name of Public Research Fund	(Name)	(Control Code)	
② Name of Researcher			
③ Public Research Fund Category	Public Research Fund	Main Reference Materials for Confirming the Rules of Use	
	<input type="checkbox"/> Subsidy (Grant-in-Aid for Scientific Research, etc.)	(1) Act on Regulation of Execution of Budget Pertaining to Subsidies, etc. (2) Appropriate manual for each subsidy (subsidy summary, etc.) (3) Handbook on Grant-in-Aid for Scientific Research (Ministry of Education, Culture, Sports, Science and Technology [MEXT], Japan Society for the Promotion of Science)	
	<input type="checkbox"/> Contract Research Fund <input type="checkbox"/> Joint Research Fund <input type="checkbox"/> Contract Project Fund	(1) Contract (contract amount, research term, purpose, etc.) (2) Appropriate project manual (project summary, etc.) (usage rules, etc.)	
	<input type="checkbox"/> Endowment	(1) Purpose of donation, conditions of donation	
	<input type="checkbox"/> Operation Expense Grant		
	<input type="checkbox"/> Other		
*In addition to the above usage rules, please also consult Okayama University regulations.			
④ Research Term	Year / Month / Date to Year / Month / Date	* Research term targeted by the external fund including dispersed subsidy, etc.	
⑤ Start Date of Budget	Year / Month / Date	(First date that supplies may be ordered) The start date of a research term may fall after the date of the subsidy offer.	
⑥ Delivery Deadline	Year / Month / Date	(Final delivery deadline for supplies already ordered) Most research funds have a delivery deadline of within the same fiscal year, however, for some, the deadline may be determined based on the items ordered.	
⑦ Final Date of Budget	Year / Month / Date	(Final deadline for payment) There are cases when the payment completion falls within the same fiscal year. Please confirm this year in the contract as well as the University payment date (in principle, once a month).	
⑧ Requirement for Submitting Completion Report	Is a written report required following the completion of research? <input type="checkbox"/> Yes <input type="checkbox"/> No		
⑨ Budget Carry-Forward Structure in Place	Is the budget structured to carry over to the next fiscal year? <input type="checkbox"/> Yes <input type="checkbox"/> No	* For funds such as Grant-in-Aid for Scientific Research, depending on the reason, the budget may be structured to carry over to the following fiscal year.	
⑩ Budget Amount	[ ] Yen		
	[Breakdown]		
	(1) Equipment Expense	Yen	
	(2) Consumable Goods Expense	Yen	
	(3) Domestic Travel Expense	Yen	
	(4) Overseas Travel Expense	Yen	
	(5) Honorariums	Yen	
	(6) Personnel Expense	Yen	
	(7)	Yen	
(8)	Yen		
* In the case where a budget is allocated to each expense, there may be a limit on the use of the budget. Please verify the usage rules.  Example: A restriction on budget diversions between expenses, or a restriction on the purchase of equipment, etc.			
⑪ Contacts for this Research Budget	Items	Department to Contact	Phone Number (Direct)
	(1) Usage Rules (Execution) Placing Orders / Delivery related inquiries Travel Expense / Honorarium related inquiries	General Affairs Officer and Travel Expenses / Rewards Payment Officer <b>Contract Group Contract Division</b> <b>Accounting Group Accounting Division</b>	<b>086 (251) *7164</b> <b>086 (251) *7160</b>
	(2) Budget Management of Public Research Funds Balance inquiries Inquiries for the summary of execution, etc.	* Accounting Officer of each department and division	
	(3) Office procedures such as applications, signing of agreements, completion reports, etc. (for subsidies, contract/joint research, contract projects, etc.)	Research Exchange Planning Division of the Research Exchange Department However, for performance reports of contracts and joint research, please contact the Industry-University Cooperation Promotion Division of the Research Exchange Department	<b>086 (251) *7118</b> <b>086 (251) *7757</b>