

Guangdong Technion – Israel Institute of Technology

Sponsored/Horizontal scientific research projects and fund management measures (TRIAL)

Chapter 1 General Provisions ¹

Article 1 In order to strengthen and standardize the management and use of sponsored/horizontal scientific research projects of Guangdong Technion - Israel Institute of Technology (hereinafter referred to as "GTIIT"), and enhance the university's ability to serve society in science and technology, in accordance with the "Several Opinions on Further Improving the Fund Management of Central Financial Research Projects" ([2016] No. 50), "Implementation Opinions on Further Improving the Fund Management of Provincial Financial Research Projects and Other Policies (for Trial Implementation)" (Guangdong Committee Office [2017] No. 13), "The State Council's Regarding Optimizing Scientific Research Management and Improving Scientific Research notice a number of measures of performance "([2018] No. 25)" a number of policy measures to further promote scientific and technological innovation "(Guangdong [2019] No. 1) , " People's Republic of China Civil Code " and other documents, which serve the basis for this measures.

Article 2 Sponsored/horizontal scientific research projects (hereinafter referred to as "horizontal projects") are defined as contractual relations with enterprises, public institutions, social organizations, administrative agencies, through commissioned research such as: technology research & development, technical consulting, technical services, and other contracts. Such funding of non-public R&D financing is managed by the Research Office in conjunction with the Finance Office in accordance to the nature of funding sources and contractual agreements.

Article 3 Horizontal projects are managed in accordance with the contract terms and conditions, whereby the project leader is accountable. All funds for various horizontal projects obtained in the name of GTIIT shall be entered as university income, and transferred to the university's account by the Finance Office for unified fund management; such funds are earmarked for this specified purpose only.

Chapter 2 Project Management & Responsibilities

Article 4 GTIIT implements a system of unified leadership and hierarchical accountability for research fund management.

Article 5 The Chancellor takes leadership responsibility in fund management, and the Vice Chancellor and Pro-vice Chancellors on special issues exercise authority over fund management within the ambit of accountability. The Finance Office, Research Office, Academic Administration

¹ All research at GTIIT, whether horizontal, vertical, or GTIIT funded, requires an approved Research Project Approval Form, before beginning the research, and the form should be submitted at the stage of proposal submission.

Office, Lab and Equipment Management Department, and other departments should duly perform their respective functions and manage research funds within the scope of their authority.

Article 6 The Research Office, on behalf of the university, is to carry out horizontal research project contract review, monitoring project progress, and conduct management of all intangible assets and intellectual property.

Article 7 The Finance office is responsible for the financial management and accounting of horizontal funds, supervises and guides the project leader to use funds in accordance with the contract and financial regulations, and provides accounting management in a timely manner.

Article 8 Each department (discipline, center) shall reasonably allocate resources according to the actual needs of the horizontal project, provide conditional guarantees for the implementation of the project, and assume the supervision responsibility for the use of project funds.

Article 9 The faculty member (principle investigator, PI) in charge of the project is the person who is directly responsible for the preparation and use of the horizontal funding budget, and shall carry out scientific research in accordance with national laws and regulations, relevant school documents and contract provisions, and earnestly perform the contract.

Article 10 Where a horizontal project requires third-party or multilateral cooperation, it is necessary to clearly stipulate the cooperation unit, research objectives, research content, funding allocation, intellectual property rights, liability for breach of contract and/or other matters in the signed contract.

Chapter 3 Fund management

Article 11 The person in charge of the project (PI) is the person directly responsible for the use of horizontal funds, and is responsible for the compliance, rationality, authenticity and relevance of the use of funds.

Article 12 If the partner/collaborator of a contract requires or stipulates in the contract details of the budget, the contract shall be implemented according to the contract budget; if there is no budget in the project contract, the project leader shall prepare the budget according to the actual needs of scientific research activities, and the budget shall be reviewed and confirmed by Research Office, Finance Office, and the relevant university leadership.

Article 13 Horizontal research funds budget may include: research operating expenses, equipment fees, management fees, human resources and performance fees, and other costs, expenses' range of items are defined as follows:

1. Research operating expenses: including equipment usage expenses (including user hour fees), materials and supplies fees, test/calculation/analysis fees, fuel power consumption, costs for travel/conference/international collaboration, fees related to publication/reference/information dissemination/intellectual property service, etc.

2. Equipment fees: the cost incurred in the process of project research for purchasing or prototype development/making equipment, upgrading of existing equipment, and equipment rental. The equipment purchased for horizontal projects shall be incorporated into the university's asset management in accordance with GTIIT's Fixed Assets Management Measures.

3. Management fee: The management fee for horizontal projects is 15 % of the actual received payment amount, where 10% are incorporated into the university financial budget, and 5% are transferred to the project leader's general research account.

4. Human resources & performance expenses refers to labor costs as well as expert consulting fees in order to carry out the project. The scope of the labor cost may cover graduate students, post-doctoral fellows, visiting scholars, research staff employed by the project, and or research assistants. The proportion of human resource expenses shall be implemented in accordance with the contract budget. If there is no explicit ratio requirement in the contract budget, the standards for the issuance of human resources expenses are implemented in accordance with the relevant standards of the University Academic Administration Office by the PI.

5. Other expenses refer to other expenses such as meal expenses (for professional visits to GTIIT or visits by GTIIT research staff to the funding source, which must be strictly implemented in accordance to GTIIT staff reimbursement policy and regulations), office expenses, communication expenses, and related taxes and fees other than the above expenses. In principle, the proportion of other expenses shall not exceed 20% of the total expenses. Horizontal projects that meet the requirements for tax exemption can apply for tax exemption from the national tax authority.

Article 14 It is strictly forbidden to use horizontal funds in violation of university regulations. The scientific research personnel of the school shall use the funds strictly in accordance with the budget scope and standards stipulated in the contract. It is strictly forbidden to embezzle or defraud scientific research funds in any way; it is strictly forbidden to transfer research funds to conflict of interest units, companies, or individuals in violation of regulations; it is strictly forbidden to use scientific research assets for personal gain.

Chapter 4 Project completion fund management

Article 15 Once the project leader has completed the research content agreed in the project contract, after confirmation with Research Office, s/he should promptly go through the procedures for closing the remaining funds with the university finance department. The balance funds of the horizontal project can be transferred to the project leader's general research funding account according to the needs of the project.

Article 16 In the scenario of project leader departure and or resignation, the unfinished project funds shall go through the procedures for transfer or entrustment of scientific research funds according to university regulation. After obtaining the permission of Party A (or the project Parties), the project leader should implement the procedure of entrusting the funds, the trustee shall be a member of the research team and approved by GTIIT management. The scientific research

funds that have not gone through the entrustment/transfer procedures will be taken into the university financial budget.

Chapter 5 Supplementary provisions

Article 17 These measures will be implemented immediately on the day of release. If the promulgated management measures are inconsistent with these measures, management measures shall prevail. The Research Office and the Finance Office reserves the right of final determination of implementation.