

Interim Measures of Guangdong Technion-Israel Institute of Technology for the Management of Transfer of Research Project Funds

Article 1 These Measures are formulated in accordance with the national, provincial (ministerial), and municipal policies concerning the management of research project funds and based on the actual situation of Guangdong Technion-Israel Institute of Technology (GTIIT), for the purposes of implementing the spirit of the Several Opinions of the General Office of the State Council on Reforming and Improving the Management of Central Government Scientific Research Funds (No. 32 [2021] of the General Office of the State Council) and the Implementation Opinions of the General Office of the Guangdong Provincial People's Government on Reforming and Improving the Management of Use of Provincial Financial Scientific Research Funds (No. 14 [2022] of the General Office of the Guangdong Provincial People's Government), further standardizing the management of transfer of research project funds of GTIIT, enhancing the efficient use of funds, and ensuring the harmonious, healthy, and sustainable development of scientific research work.

Article 2 These Measures apply to the funds for research projects (including tasks, the same below) undertaken by GTIIT as a legal entity in the fields of science, engineering, agriculture, and medicine.

Article 3 "Research project funds transferred to external entities" mentioned in these Measures mainly include:

1. research funds agreed to be transferred to a collaborating entity under a collaborative project in accordance with the project assignment, budget proposal, or project contract;
2. the purchase cost of equipment that shall be delivered to the collaborating organisation in accordance with the project contract; and
3. research collaboration service fees payable to external entities based on project research needs (including testing, analysis, processing and etc.).

Article 4 Funds for various open funds of GTIIT can be managed by referring to these Measures, or separate management measures may be developed under the framework of these Measures based on the actual situation.

Article 5 The Research, Informatics, and Graduate Studies Office (hereinafter referred to as "RIGS"), the Finance Department, the Purchasing Department, programs (departments), directly affiliated units, and other related departments and principle investigators ("PIs") shall understand their respective responsibilities and authority, perform their own duties and collaborate with one another in terms of the management and supervision on the transfer of research project funds, to ensure the

standardized and orderly management of transfer of research project funds.

1. RIGS is mainly responsible for: the approval and management of collaborative (outsourcing services) contracts for research projects; reviewing the relevance, rationality, and compliance of the collaborative (outsourcing services) business based on research tasks and objectives; and cooperating with related departments in managing and supervising the transfer of research project funds.
2. The Finance Department is mainly responsible for: the accounting, financial management, and budget control of the collaborative (outsourcing services) business of research projects; making timely transfers of funds according to the approved project budgets and the external partners technical contracts (agreements) for research projects approved by RIGS; providing finance-related guidance on the management of transfer of research project funds; supervising audits for transfer of research project funds; reviewing and retaining reports on the use of funds; and appointing third party audit firm to conduct audits on research project funds transferred to external entities in accordance with the requirements of the state and GTIIT, and perform monitoring duties.
3. The Purchasing Department is mainly responsible for: the approval and management of pre-research equipment purchase contracts for research projects; and accepting and approving tender applications for the purchase of equipment, materials, and research collaboration services required for the research projects, and organizing the tendering in accordance with the prescribed procedures.
4. Each program (department) and directly affiliated unit are mainly responsible for: managing and supervising the transfer of their own research project funds; reviewing and controlling the collaborating (outsourcing services) entity's capabilities and qualifications to perform collaborative (outsourcing services) tasks, as well as the relevance, rationality, and compliance of the business; and strictly reviewing the collaborative (outsourcing services) projects undertaken by companies established by PIs, participants, or their relatives, or any direct beneficiary.
5. The PI, as the person directly responsible for the transfer of research project funds, is mainly responsible for the authenticity, relevance, rationality, compliance, and effectiveness of the collaborative (outsourcing services) business. The PI shall be familiar with laws and regulations concerning finance and economics and policies on the management of research project funds, and make transfers of funds according to the approved project assignment, budget proposal, or project contract; voluntarily commit that the PI has no direct interest with the collaborating (outsourcing partners) entity, and accept the supervision and inspection by the competent authorities, the client, third parties, and related departments of GTIIT.

Article 6 Any transfer of research project funds shall be based on a project approval document, assignment, budget proposal, or outsourcing

technical contract (agreement), the PI or applicant should submit a PR in the ERP system and the transfer should be made according to the agreed amount, payer, bank name, account number, and other related clauses. Funds shall not be transferred in cash. The Essential supporting documents including: <Application Form for Transferring Funding to External Entity> (Appendix 1), and:

1. If a collaborating (outsourcing services) entity is a company or enterprise, it shall provide its business license of enterprise legal person, qualification certificate, original project contract, and other related materials.
2. If a collaborating (outsourcing partners) entity is a university, scientific research institution, social group, or other public institution or non-profit organization, it shall provide its legal person certificate of public institution or organization code certificate, qualification certificate, original project contract, and other related materials.
3. A collaborating (outsourcing services) entity shall provide a report on the use of funds upon project completion.

Article 7 Vertical funds must be transferred in strict accordance with the name of collaborating entity and the amount explicitly specified in the project approval document, assignment, or budget proposal. The collaborating entity shall not be changed without permission, the transfer of funds shall not be refused, and the amount transferred shall not be excessive or insufficient.

Article 8 An external partners technical contract (agreement) or pre-research equipment purchase contract is required for the transfer of horizontal funds. Funds transferred to external entities shall in principle not exceed 30% of the total funds of the project, and such transfer shall be subject to different level approval based on the amount:

1. An external partners technical contract (agreement) with the amount to be transferred being no more than RMB 150,000 shall be reviewed by RIGS, and approved and signed by the director of RIGS.
2. An external partners technical contract (agreement) with the amount to be transferred being between RMB 150,000 and RMB 300,000 shall be reviewed by RIGS, and approved and signed by the director of RIGS and the Pro-Vice Chancellor for Academic Affairs.
3. An external partners technical contract (agreement) with the amount to be transferred being more than RMB 300,000 shall be reviewed by RIGS, approved and signed by director of RIGS, and then the Pro-Vice Chancellor for Academic Affairs, and then the Chancellor.

Article 9 For changing the collaborating partner:

1. The collaborating content and budget is specified in the assignment or the proposal, but not yet specify the collaborating partner or which need to be changed, the PI will need to submit a request to RIGS, and fill in the < Application Form for Transferring Funding to

External Entity> (Appendix 1), <Collaborating Partner and Budget Change Explanation> (Appendix 2), technical contract (agreement), and provide the certificates of the collaborating partner (business license or public organization certificate).

2. <Collaborating Partner and Budget Change Explanation> will need to be approved and signed by the program head.

Article 10 An external partners technical contract (agreement) is required for the transfer of experiment, test, assay, and processing fees in a research project, which shall specify the content of experiment, test, assay or processing, charge standard, amount, liability for breach of contract, dispute resolution, and other related information, and ensure the authenticity, relevance, rationality, compliance, and effectiveness of the business. The PI shall demand an experiment, test, assay, or processing report after the content specified in the contract is completed.

Article 11 The PI shall make transfers of research project funds in accordance with laws and regulations, and must not: misappropriate, embezzle, or fraudulently obtain research funds in any way whatsoever; illegally transfer research funds to an entity or individual with whom the PL has a common interest by fabricating a contract; fraudulently obtain research funds by fabricating the economic business or providing false bills; illegally incur experiment, test, assay, or processing fees by fabricating the content of experiment, test, assay, or processing or raising the experiment, test, assay, or processing spending standard; engage in illegal business activities, such as making investments or starting a business, by using research funds; conceal, privately transfer, or illegally possess fixed assets and intangible assets formed by the use of research funds; use the research funds for other purposes in the name of research collaboration; set up an unauthorized coffer; or use research projects and state-owned assets to seek benefits for individuals participating in the research projects and their relatives, or fraudulently obtain national and social resources under the guise of collaboration.

Article 12 GTIIT shall establish and improve coordinated management, supervision, and inspection mechanisms for the transfer of research project funds that cover the research, finance, assets, tendering/bidding, auditing, legal affairs, and other departments of GTIIT, the clients, and third party institutions, and keep improving its internal control and supervision mechanisms; establish an internal inspection system to conduct inspections of research project funds transferred to external entities on a regular basis, and incorporate them in the priorities of audit to ensure that all research projects are subject to random audits, and major and key research projects are subject to whole-process follow-up audits.

Article 13 GTIIT shall establish and improve credit management and punishment mechanisms for the transfer of research project funds. GTIIT shall establish a dynamic credit file system, and impose punishments on PLs with poor records and the related programs (departments), and directly

affiliated units based on the circumstances, including recovering funds transferred, interviewing and giving them warnings, circulating a notice of criticism, ordering them to make rectifications within a prescribed period, and if the circumstances are very serious, disqualifying them from applying for various research projects within several years. If they are suspected of having violated disciplines or laws, GTIIT will transfer them to the discipline inspection and supervision, judicial, or other authorities for treatment.

Article 14 RIGS reserves the right to interpret these Measures.

Appendix 1

Project Fund Transfer Application Form						
Project Name						
PI		Program				
Project Type			Grant ID			
Lead Organization	<input type="checkbox"/> In charge	<input type="checkbox"/> Participate	Budget Code			
Applicant			Contact No.			
Project Fund Receiver Information (Name, Bank Name, Account No., Recipient)						
Project PI commits	Any member of this research team is direct beneficiary of the collaborative/outsourced organization			Yes <input type="checkbox"/> No <input type="checkbox"/>		
	Is the following content consistent with the project budget plan					
	Research Content	Yes <input type="checkbox"/> No <input type="checkbox"/>	Organization	Yes <input type="checkbox"/> No <input type="checkbox"/>	Amount	Yes <input type="checkbox"/> No <input type="checkbox"/>
	PS: For transferring cooperation fee, if any of the above items is No, please attach the approval of the funding agency; For transferring outsourcing fee, if any of the above items is No, please attach the "Declaration for Changing Outsourcing Organization and Funding Details" and other relevant documents.					
The amount of fund transferred						
It is the __ times transferring to the organization. Total amount of _____ has been transferred to the organization. (Not including current transfer)						
PI Signature:	Applicant Signature:		Date:			

Appendix 2

Declaration for Changing Outsourcing Organization and Funding Details

Please specify the outsourcing content and the arrangement of the outsourcing organization in the original budget plan, as well as the reasons and relevant evidence for the change in the outsourcing content and the arrangement of the outsourcing organization.

Any member of the research team is direct beneficiary of the outsourcing organization (delete this sentence if not applicable):

PI Signature

Program Head Signature

Date

Date

Appendix 3

Workflow for Transfer Funding the External Parties

