Handbook on Use of Public Research Funds

- For correct understanding and proper use of funds -

Revised in April 2023

大阪大学
OSAKA UNIVERSITY

Contents

1 Introduction

Public research funds handled by Osaka University largely come from taxpayers’ money.
Misuse of public research funds, therefore, could seriously damage the public’s trust in the University, betray their expectations, and even shake the foundation of the nation’s academic research.

In today’s information society, even a minor misuse by an individual could easily result in the loss of confidence in the entire organization to which he or she belongs, and such lost confidence is not easy to restore.

This Handbook provides basic rules on the procedures for handling public research funds to prevent misuse and other inappropriate uses of these funds due to lack of understanding of such rules and procedures.

Osaka University staff who are involved in the administration and management of public research funds are required to read this Handbook thoroughly and join efforts to create an environment where no one can misuse or be made to misuse public research funds.

2 Definition of Public Research Funds

At Osaka University, public research funds are defined in Paragraph 1 of Article 2 of the National University Corporation Osaka University Regulations Pertaining to Public Research Funds as “all the funds handled by the University, taken from the management expenses grants, donations, subsidies, and commissions.” All these funds are subject to measures to prevent misuse.

Types of Public Research Funds at Osaka University

Types of Research Funds (Public Research Funds)	
(1) Competitive research funds that are distributed by the national government and independent administrative institutions (including MEXT and other governmental ministries)	Subsidies, grants and commissions provided by public institutions including Grants-in-Aid for Scientific Research (KAKENHI) and public competitive funds
(2) Funds provided by private foundations and companies	Contracted research funds, joint research funds and donations (including research grants)
(3) Management expenses grants	Other than the above

(1) Competitive research funds that are distributed by the national government and independent administrative institutions (including MEXT and other governmental ministries)

Research projects conducted with competitive funds are, even if conceived and proposed by individual researchers, funded by taxpayers’ money. Research institutions are therefore required to manage the funds and follow the procedures for administering the funds on behalf of individual researchers. Also, principal investigators who are responsible for implementing research projects with competitive research funds should endeavor to ensure proper administration and management of the funds in compliance with the rules of the funding organization.

(2) Funds provided by private foundations and companies

Contracted research funds and joint research funds include subsidies and commissions from the national government and other public entities, and compliance with the prescribed rules is required in administering these funds.

When any Osaka University staff member has directly received a donation from a private company or foundation, he or she should donate the money to Osaka University for accounting purposes following the prescribed procedures, if either of the following cases applies:

①The donation is designed to offer financial support to the University staff member in conducting educational and/or educational activities as part of his or her official duties, or

②The donation is to be used to cover the expenses of educational and/or research activities conducted by using equipment or facilities of the University.

(Paragraph 2 of Article 6 of the National University Corporation Osaka University Regulations on Handling of Donations, etc.)

(3) Management expenses grants

These grants refer to all expenses other than (1) and (2) shown above.

i

For the National University Corporation Osaka University Regulations Pertaining to Public Research Funds, please visit the following site.
(Official website of Osaka University)
Home / Research / Preventing the Misuse of Competitive Research Funds
URL: https://www.osaka-u.ac.jp/en/research/fuseiboushi

3 Appropriate Use of Public Research Funds

3-1. Rule on the Use of Competitive Research Funds

Principal investigators who are responsible for implementing research projects with competitive research funds should endeavor to ensure bona-fide administration and management of the competitive research funds in compliance with the rules of the funding organization. Any researcher who has used competitive research funds arbitrarily in violation of the rules is regarded as having misused the funds and may be ordered to return the funds, restricted from subsequent application for funding, or subjected to other penalties.
Rules on non-permitted use are established for each competitive fund (direct expenses). Check the rules that apply to your fund and use the fund appropriately.

Common rules on non-permitted use applied to competitive research funds

(1) Prohibition of use for purposes other than originally intended
Competitive research funds may be used only for the procurement of items or services necessary for performing the relevant research projects and compiling research results, and cannot be used for any other purpose even if research-related.

(2) Restrictions on use
Competitive research funds cannot be used to purchase items to be provided by the University, or that are not necessary for research such as alcohol, tobacco, or items that should be charged to indirect expenses.

(3) Restrictions on the period of use
Competitive research funds may be used to pay for items that are ordered, delivered and used for the research projects within the period specified in the rules of the relevant funding organizations only. Accordingly, the funds cannot be used to pay for items ordered before the date that funding is approved. For example, the funds cannot be applied to the payment of items ordered by the end of the current academic year in March, but delivered in April, and items delivered in March but used in April. **However, these restrictions shall not apply to funds available for a period of more than one year, and funds for which carrying over the balance is approved.**

Indirect Expenses
Indirect expenses are expenses that are disbursed at a fixed ratio to the direct expenses (which are directly appropriated to items necessary for the research projects), and that are used by the recipient research institutions for the purpose of managing the research projects conducted with the competitive research funds.
Reference: Common Guidelines for Indirect Expenses under Competitive Funds
(Agreement of the Inter-Ministry Committee on Competitive Funds: revised on October 1, 2021)

Costs that cannot be covered by Grants-in-Aid for Scientific Research (KAKENHI)

KAKENHI should not be applied to the following:
(1) Cost of maintenance and improvement of buildings and facilities, except the cost of installation of devices, etc. purchased by a researcher with KAKENHI
(2) Cost of recovery after an accident or disaster that has occurred during the research
(3) Personnel expenses of principal investigators or collaborators and honorariums paid to them
(4) Other costs that should be charged to indirect expenses

If a funding organization determines that you have used the funds in violation of its rules, you may be held liable for misuse. When using competitive research funds, therefore, you should check relevant guidelines and other instructions to ensure proper administration and management of the funds.

Carry-over of the Single-year Grants of KAKENHI

If a research project funded by the Series of Single-year Grants of KAKENHI cannot be completed within the current academic year due to reasons that could not be foreseen at the time when the granting of the funds was decided, the Single-year Grants of the said year may be carried over to the next academic year in whole or in part subject to the completion of the prescribed procedures.

- To apply for carry-over of the funds in the last year of the funded project, you must be eligible to apply for KAKENHI for the next academic year. For Grants-in-Aid for JSPS Fellows, you can apply for carry-over of the funds only if the funded project is expected to be completed within the period in the following academic year during which you retain the status of Research Fellowship for Young Scientists/JSPS Postdoctoral Fellowship for Foreign Researchers.

- In case of a research project funded by the Multi-year Funds of KAKENHI, the part of the funds that remains unused during the current academic year due to a change of the funded project or other reasons, if any, can continue to be used in the next academic year.

Conditions for approval of carry-over

Carry-over of KAKENHI is permitted only in the following cases:

(1) There is a valid reason for altering the funded project without changing the research objective specified in the KAKENHI application form.

(2) The reason for carry-over could not be foreseen at the beginning. (Failure to arrange the allocation of the funds cannot be regarded as an unforeseeable reason. Similarly, payment of KAKENHI in installments cannot constitute a valid reason for carry-over.)

(3) Some external factors necessitate carry-over of the funds. (Personal reasons such as pressure of work are unacceptable.)

(4) Carry-over of the funds is indispensable to achieve the research objective.

(5) The funded research project will be completed within the next academic year.

Examples of valid reasons for carry-over

- While a research project is under way, it becomes apparent that the originally intended research objective cannot be achieved without changing the procedures and methodology of the project.

- It has become necessary to examine new findings published by other research groups, whether in Japan or abroad, with a view to achieving the research objective.

- A foreign research collaborator has become unable to visit Japan due to a disaster in his or her country, thus making it necessary to rearrange the research schedule.

- A cooperative research institution has become unable to offer cooperation as originally planned due to a sudden deterioration of social conditions (in terms of the economy, public safety, etc.), thus making it necessary to rearrange the research schedule.

Some competitive research funds other than KAKENHI may also be carried over.
Please check the relevant guidelines and other instructions to use research funds effectively.

Adjustment Fund System for research projects funded by the Series of Single-year Grants of KAKENHI

If a research project funded by the Series of Single-year Grants of KAKENHI is not qualified for the carry-over of remaining funds, or if a reason for needing to carry over the funds arises after the expiration of the carry-over application period, **you may apply for permission to use the remaining funds in the next academic year under the Adjustment Fund System.**
If a research project funded by the Series of Single-year Grants of KAKENHI proceeds faster than planned or there is a reason for needing additional funds to cover the expenses of the said project in the current academic year, the Adjustment Fund System allows you to **use the Single-year Grants of the next academic year(s) ahead of schedule**, provided that the total amount to be disbursed for the entire research period remains unchanged from the amount notified at the time the funding was approved.

Return of unused competitive research funds

If some of the research funds remain unused upon completion of the research project, please return the unused amount to the national government, instead of using it just for the sake of consuming the funds.

Returning an unused amount will not cause any disadvantage in the subsequent screening of applications for KAKENHI.

3-2. Authorizing Academic Staff to Place Orders

To maintain the educational and research standards of Osaka University by expediting and streamlining the procurement process, Osaka University gives accounting authority and responsibility to academic staff in some procurement procedures, and allows them to place orders directly with suppliers.

The authority of academic staff to place orders

Flow of authorizing academic staff to place orders

It is necessary for academic staff who place orders to have the same authority as budget managers, contract signatories, and accounting managers.
The academic staff who have been delegated authority by budget managers are deemed to have been delegated the authority by the President of the University and accounting managers.

- If you are not sure whether you have been delegated the authority or not, inquire at the administration department at your school/graduate school/institution.
- Principal investigators and research collaborators engaged in research projects funded by KAKENHI etc. are responsible for administering the funds without the above authority.
  (Reference: Paragraph 1 of Article 7 "Administration Principles" in the Guidelines for Handling Grants-in-Aid for Scientific Research at National University Corporation Osaka University)
- Even with the authority to implement the budget, academic staff remain subject to certain limitations when placing orders.

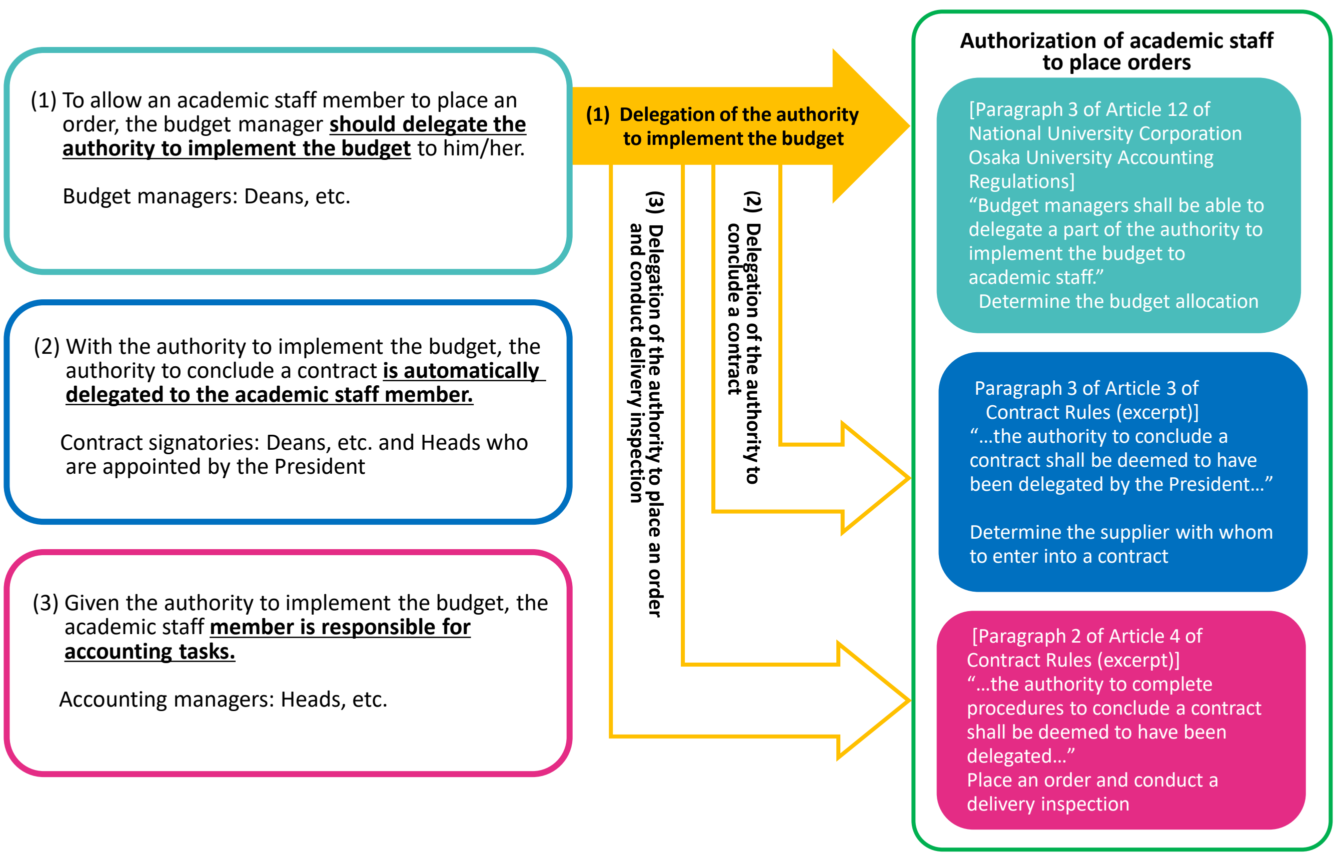


Fig : Structure and Authority of Authorizing Academic Staff to Place Orders

Orders that academic staff are authorized to place

Academic staff can place orders directly with suppliers for the following:

(1) Purchase and production of items and contracts for service with the total value of order(s) placed with one supplier in one day being under 1,500,000 yen
(excluding contracts for temporary laborers, contracts regarding the disposal of industrial waste, and contracts relating to institution-owned intellectual property)
(2) Contracts relating to institution-owned intellectual property at the Co-Creation Bureau
(3) Contracts concluded overseas (only if funds are distributed to the overseas project)
(4) Repair of medical equipment at the University hospital (only if required urgently and unavoidably)

Orders that academic staff are not authorized to place

Academic staff should ask the administration department for the following:

(1) Purchase and production of items and contracts for service with the total value of order(s) placed with one supplier in one day equal to or exceeding 1,500,000 yen
(2) Construction work
(3) Contracts for temporary laborers, contracts regarding the disposal of industrial waste, and contracts relating to institution-owned intellectual property

It is not permitted for academic staff to intentionally divide one contract with a total value equal to or exceeding 1,500,000 yen into two or more contracts so that the value of each contract is less than 1,500,000 yen.

Responsibility combined with authority

Persons authorized to place orders by the University also take on certain responsibilities.

<u>**National University Corporation Osaka University Accounting Regulations**</u> (excerpt)
(Accounting Obligation and Responsibility)
Article 52

1. Each of the Trustees and Staff of the University shall perform respective duties with the due care of a prudent manager pursuant to laws and ordinances applied directly or mutatis mutandis to financial and accounting procedures of the University and these Regulations.
2. Should any of the Trustees of the University act in violation of the provisions of the foregoing paragraph, whether deliberately or by negligence, and cause damage to the University, then he or she shall be held responsible for compensating for the damage.
3. Should any of the Staff of the University act in violation of the provisions of Paragraph 1, whether deliberately or by gross negligence, and cause damage to the University, then he or she shall be held responsible for compensating for the damage.

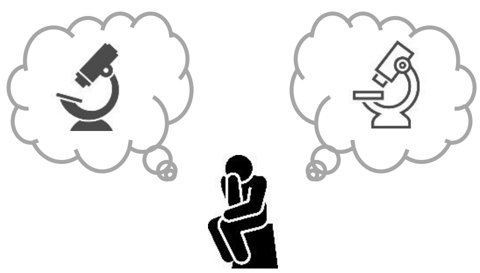
Responsibility pertaining to the implementation of the budget

- Before placing an order and concluding a contract, you should select the budget to be used from among those you are authorized to use.
- You are responsible for drawing up a plan to implement the budget you are authorized to use and managing the balance of the budget.

Accountability of academic staff in concluding a contract

When placing an order and concluding a contract, the academic staff should make a decision as shown below, complete the prescribed procedures and be able to convince others of the validity of the decision. While academic staff may instruct a secretary, etc. to contact a supplier to place an order, the accountability still lies with the academic staff who has the authority to place the order.

- Selection of a model to purchase: Select the item that is absolutely essential for your research or other purpose.
- Selection of a supplier: Select a supplier in consideration of reliability and specialty. You conclude a contract under the authority given by the President. This means that the parties to the contract are Osaka University and the supplier, not you and the supplier, whether the contract is executed in writing or not.
- Contract amount: Ensure the contract amount is appropriate.
  You must be able to convince others that the contract amount is appropriate based on market price and other data.
- Terms and conditions: The contract should include the following terms:
  - Place of delivery (or place of service in case of a service contract)
  - Date of delivery (or date(s) of service in case of a service contract)
  - Date of payment (end of the second month after the month when the order is placed)
  - Payment method (bank transfer)
  - Others



You should record details of the order including the source of funding by keeping a notebook or entering relevant data in the Financial Accounting System so that you will be able to check the items you received against the order in terms of quantity, standards, etc.

Responsibility for conducting inspection

<Delivery inspection>

Upon delivery of the item or completion of service under contract, the **academic staff** should conduct a delivery inspection to check the delivered item or the provided service against the order in terms of standards, amount, quality, performance, specifications, etc.

When purchasing an item

- Conduct a delivery inspection to check the delivered item against the order to make sure that:
  The item is the one that was ordered, works normally, and is free from damage.
  → Evidence of the delivery inspection should be provided by placing an official stamp on the delivery statement or other means.

When contracting with a service provider

- Conduct a delivery inspection to confirm that the service was provided exactly as ordered.
  → Evidence of the delivery inspection should be provided by placing an official stamp on the service completion report or other means.

<Confirmation of delivery of item or completion of service>

Administrative staff should check the delivery of the item or completion of service under contract to prevent misuse of public research funds by academic staff who are authorized to conclude a contract.

When purchasing an item

- Check the delivered item against the delivery statement to make sure that the item is delivered exactly as ordered.

When contracting with a service provider

- Confirm that the service was provided as ordered by means of a service completion report or other documentation. If any question arises regarding the provision of any service that requires specialist skills, such as database creation, program development, digital content production and maintenance and inspection of equipment, a third person who is knowledgeable about the service (who has no reporting relationship with the ordering person and who is a member of a different laboratory or research group) may be asked to conduct an investigation.

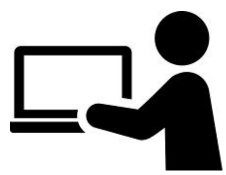
Osaka University Procurement System

The Osaka University Procurement System is designed to reduce opportunities for academic staff to directly contact suppliers and visualize the processes of order placement and delivery as well as delivery record, in order to create a fair transaction environment that does not allow any misuse of public research funds. **You are required to place an order through the Osaka University Procurement System in principle.**

Osaka University Procurement System
Log in to "My Handai" and click the "Osaka University Procurement" icon in the shortcut list.

To use the Osaka University Procurement System, you should first register with the system at the administration department of your school/graduate school/institution. Please make sure registration is completed before using the system.

Benefits of using the Osaka University Procurement System



- Collusion between suppliers and academic staff can be prevented.
- Fraudulent accounting operations can be prevented, such as: pretending that a higher price than the actual price is charged by a supplier; placing fictitious orders; and falsifying accounting documents by listing items different from those that were actually ordered.
- Administration departments can check the details of orders when placed by academic staff and monitor the results of supplier selection.

3-3. Travel Expenses

A business trip refers to a trip undertaken by Osaka University staff to a destination away from their workplace to perform duties for the University for education, research, and administrative purposes, or by non-Osaka University staff to a destination away from their place of residence for these purposes. The expenses incurred for the trip will be reimbursed by Osaka University as travel expenses.

Applying for a business trip

To go on a business trip, you should apply via the Business Trip Expenses System.

- Osaka University staff (individuals directly hired by Osaka University) are required to arrange tickets via the Ticketing System, including EX-IC Card, unless circumstances do not permit.
- While the Ticketing System is not meant for undergraduate students, graduate students, visiting academic staff, professors emeriti, temporary staff and individuals affiliated with other universities and other institutes, Osaka University staff may arrange tickets for them via the system if they so wish.
- Individuals authorized to use research funds of Osaka University, including JSPS postdoctoral fellows, are required to use the Ticketing System.
- If travel expenses are provided by another organization (e.g., a university or academic society), if you stay at your own home or a friend's home during a business trip, or if you use an official vehicle or rental car for the trip, the amount of travel expenses payable to you should be reduced. In any of these cases, you should indicate so when applying for the payment of travel expenses.

Business Trip Expenses System
Log in to "My Handai" and click the "Business Trip Expenses" icon in the shortcut list.

Submission of evidence of your trip

Travel by air: You must submit your boarding ticket stub and receipt.
(If you arranged your ticket via the Ticketing System, you do not have to submit any evidencing document.)

- You may submit a document that certifies your departure date, flight number and boarding class instead of a boarding ticket stub.
- If you traveled with an e-ticket, a boarding information slip or a security certificate is acceptable as evidence.
- Submission of a boarding ticket stub for the return trip is not required for individuals affiliated with other universities and institutes.

Domestic travel by rail: You do not have to submit any evidencing document, including a used limited express ticket.
Please use the EX-IC card for ticketless travel on the Shinkansen bullet train (Tokaido and Sanyo Shinkansen).

Hotel(s), etc.: Submission of an evidencing document is not necessary.
However, if you apply for reimbursement of the accommodation fee you paid to the hotel, you should submit a document evidencing the date(s) of stay and the amount you paid. (Submission of an evidencing document is not necessary if you reserved the hotel via the Ticketing System.)
If you stayed at a place other than an accommodation facility (e.g., your friend's home) during a business trip, you will not be paid accommodation expenses in principle.

If submission of evidencing documents is required under the rules of funding organizations, such rules supersede the above rules of Osaka University.

Use of mileage points

University staff are responsible for handling mileage points earned on their business trips and are required to use the points for subsequent trips to reduce costs.
(Notification of the Director of the Department of Finance dated November 11, 2010)

Business trip report

The business trip report should clearly state how the business trip went, giving specific details of the purpose and destination of the trip and an overview of work done at the destination. If your trip involved accommodation, indicate all the accommodation facilities you used during the trip.

Examples of "Overview of Work"

(1) Standard business trip (for research meetings, etc.):

I participated in a forum held at Company AA with Mr./Ms. BB (researcher) to discuss the topic of CC and acquired information about DD. This experience contributed to my research in the following manner: (specify).

(2) Business trip for a presentation at an academic conference:

I made a presentation on the topic of AA at the BB Academic Conference held on (date). Researchers specialized in this field were interested in the presentation and asked many questions.

(3) Business trip made by a student as an assistant:

I participated in a research meeting on the topic of AA held at BB Institution as an assistant to Professor CC of DD University and Professor EE of Osaka University, where I collected information about FF.

Note: If a business trip is made with competitive research funds, more detailed reporting may be required according to the rules of the funding organization.

Please **give specific details about the achievements made during the business trip** as "Overview of Work." **If you attended a research meeting, specify the name(s) of the person(s) present at the meeting.** Simply stating "I had a meeting" or just rewriting the purpose of work in the past tense is not acceptable.

3-4. Honorariums

For the purpose of Osaka University, honorariums mean fees and compensation paid to certain individuals*1 for services*2 rendered by them at the request of the University. In principle, honorariums are paid directly to the individuals who rendered services by bank transfer.

*1: Researchers and specialists invited from outside of Osaka University, students of Osaka University and other universities, etc.

*2: Lectures, text writing, translation and other services that require specialist knowledge and skills

Applying for honorariums

Depending on the nature of the service, different types of honorariums are paid, including compensation and service fees (i.e.: lectures, tutoring, text writing, translation, interpretation, etc.), compensations for clinical trial subjects, and compensations for patent application and patent indemnity. When you need to pay an honorarium, please apply via the Financial Accounting System of Osaka University.

How to apply for honorarium payment

Log in to "My Handai" and click the "Financial and accounting system" icon in the shortcut list.

- If you are planning to use any service that involves the payment of an honorarium, you should obtain approval from a budget manager, etc. in advance.
- To pay an honorarium, you should ensure the service for which the honorarium is to be paid has been provided, and then submit a report on the completion of the service or other document evidencing the completion, such as a brochure of the event at which the service was provided, to the Travel Expense and Honorarium Team.

Payment of income tax

- Honorariums for services that are set forth in Paragraph 1 (1) and (2) of Article 204 of the Income Tax Act, such as lectures, are paid after deducting income tax.
- The income tax rates are 10.21% for individuals living in Japan and 20.42% for individuals living overseas, both including the special income tax for reconstruction. When an honorarium is paid together with travel expenses, income tax is deducted from both the honorarium and travel expenses. (National Tax Agency's Fundamental Directives of Income Tax No. 204-2)
- When you are to invite an individual from a country that has a tax treaty with Japan, submission of relevant documentation to the local tax office is required. In this case, please consult in advance.

3-5. When Hiring Part-time Employees

Part-time employees hired to do simple tasks for a short period of time for educational and research purposes are paid wages via the Human Resources and Payroll System. For the employment procedures, please inquire at the administration department of your school/graduate school/institution.

Supervisors and managers are required to ensure that:

- Part-time employees are assigned tasks that are appropriate for them to carry out in terms of period of employment, nature of the task, etc.
- Tasks assigned to part-time employees are consistent with the purpose of the funds from which their wages are paid.
- Part-time employees' attendance at work is checked daily.
- Tasks assigned to part-time employees whose wages are paid from two or more funds are consistent with the purposes of the respective funds.

3-6. Side Jobs

You may engage in a side job only if the job meets the approval criteria of Osaka University. You are also required to complete the prescribed procedures whenever taking a side job, whether paid or unpaid, unless you work only for a short period of time (between one and six days, and less than 10 hours in total). For more details, please inquire at the section in charge of side jobs at your school/graduate school/institution.

If you engage in a side job at a partner company for the purpose of joint research, it is often difficult to distinguish between the side job and the main job at Osaka University. Therefore, appropriate labor management is required to distinguish between them.

4 Misuse of Public Research Funds

"Misuse" shall mean the use of Public Research Funds for purposes other than originally intended whether deliberately or by gross negligence, or the use thereof in violation of any of the regulations of the University, laws, ordinances, and grant and distribution conditions of competitive research funds and other funds (Paragraph 3 of Article 2 of the National University Corporation Osaka University Regulations Pertaining to Public Research Funds).

In addition to the use of public research funds for unauthorized purposes, attempting to obtain public research funds by submitting false documents to Osaka University as shown below constitutes misuse of public research funds, even if the purpose is not for personal use or the amount is not large.

Purchase of items (including services such as repairs)

Fraudulent depositing of public research funds with a supplier (1)	Asking a supplier to issue a fictitious delivery statement and depositing public research funds with the supplier as payment for the fictitious
Fraudulent depositing of public research funds with a supplier (2)	Asking a supplier to deliver products at a price which is higher than the usual fixed price range, and depositing the difference with the supplier
Fraudulent depositing of public research funds with a supplier (3)	Asking a supplier to take back the delivered product(s) after the delivery was confirmed by the administration department, and depositing public research funds used to pay for the product(s) with the supplier
Writing different items in a delivery statement	Purchasing items or ordering repairs or other services not permitted under the rules for using public research funds and making payment with public research funds by asking a supplier to issue a delivery statement on which consumables or other items permitted to be purchased with public research funds are written instead of the items or services that are not permitted
Falsifying a delivery date	Asking a supplier to issue a delivery statement with a false delivery date and making payment with public research funds to make it appear as if the items were delivered by the end of the relevant academic year, even though this was actually not the case

Travel expenses

Fictitious business trip	Receiving travel expenses for a business trip that did not take place or that was canceled by submitting a false business trip report
Overstating travel expenses	Asking a travel agency to issue a false receipt and quotation for the regular or overstated airfare despite having purchased a discounted air ticket, and pocketing the difference *Regarding airfares, the exact amount paid for the air ticket will be reimbursed. Applying for payment of normal travel expenses despite having traveled on a package tour, and pocketing the difference Applying for payment of more travel expenses than actually incurred
Receiving duplicate travel expenses	Applying for payment of travel expenses to Osaka University despite having received travel expenses for the same trip from another
Using travel expenses for private purposes	Taking family on a business trip and asking a travel agency to falsely add the airfare for the family to a quotation and receipt Receiving travel expenses for a private trip by submitting a false business trip report

Personnel expenses

Fictitious honorariums and Salaries	Applying for payment of honorariums or salaries for research assistants, etc. by reporting fictitious or overstated work hours and having them return the honorariums or salaries paid to them to apply towards expenses for operation of the laboratory or other.

Others

Kickback	Collecting all or part of the honorariums, salaries, and travel expenses paid to students, etc. to be used for the operation of the laboratory or other purpose.

Spending or receiving public research funds fraudulently through the falsification of documents or false applications in manners other than the above also constitutes misuse (e.g., fabricating accommodation receipts or submitting a false application for private vehicle use, etc.).

5 Disciplinary Action for Misuse of Public Research Funds

In case of misuse of public research funds, not only the individual who committed the misuse but also his or her affiliated research institution may be subject to disciplinary action, such as a cut in indirect expenses and reduction in grants resulting from a lower rating of the institution in the national university corporation evaluation.

Disciplinary action against an individual

Disciplinary action taken by Osaka University

- Osaka University will take disciplinary action, including punitive dismissal, pursuant to the Osaka University Work Regulations and Regulations on Investigation into Misuse of Public Research Funds at National Corporation Osaka University.
- The University staff who has caused damage to Osaka University in violation of the regulations, whether intentionally or by gross negligence, may be ordered to compensate the University for the damage in whole or in part, in addition to any disciplinary action.
- Osaka University will make public the results of investigation into the misuse and the disciplinary action taken, including the name of the individual.

Disciplinary action taken by the funding organization

- Individuals who have misused competitive research funds are subject to restrictions on subsequent application for competitive research funds offered by the same or other funding organizations including ministries and agencies, pursuant to the Guidelines for Proper Execution of Competitive Funds (Agreement of the Inter-Ministry Committee on Competitive Funds dated September 9, 2005, revised on December 17, 2021). (Refer to the appendix “Restrictions on application for competitive research funds.”)
- Depending on the nature of misuse, the funding organization may revoke the grant decision and demand the institution/individual to repay the research fund in whole or in part.
- In case of misuse of Grants-in-Aid for Scientific Research (KAKENHI), the amount misused plus penalty charges (calculated based on the annual rate of 10.95% for the period from the date of receipt of KAKENHI to the date of repayment) must be repaid.

Appendix: Restrictions on application for competitive research funds

Individual subject to suspension of eligibility to apply for competitive funds due to misuse or wrongful receipt of funds	Severity of misuse		Period of ineligibility to apply for competitive research funds
Researcher who misused competitive research funds and researcher who participated in the misuse (1)	1. Misuse for the purpose of pursuing personal interests		10 years
	2. Misuse for purposes other than 1	(i) Misuse that has a large influence on society and that is determined to be highly malicious	5 years
		(ii) Misuse other than (i) and (iii)	2 to 4 years
		(iii) Misuse that has little influence on society and that is determined to be less malicious	1 year
Researcher who received competitive research funds through a fraudulent or other wrongful process and researcher who participated in the process (2)			5 years
Researcher who was not directly involved in misuse but failed to exercise the due care of a prudent manager (3)			Minimum 1 year up to 2 years depending on the severity of the breach committed by the researcher obligated to exercise the due care of a prudent manager

*In the following cases, the University will give a warning instead of imposing an ineligibility period.
- If the misuse by the researcher in (1) has little influence on society and is determined to be less malicious, and if the misused amount is small.
- In (3), if the influence on society is minimal and determined to be not so malicious.

!

Disciplinary actions for misconduct have become more severe in recent years. For example, individuals who used public research funds for private purposes are subject to more stringent restrictions on subsequent applications for funding, while restrictions thereon are newly imposed on individuals who failed to exercise the due care of a prudent manager.

Disciplinary action taken under law

Osaka University or the funding organization may consider taking legal action against the individual who committed misuse, such as filing a criminal complaint against fraud, embezzlement, document forgery, etc., and a civil suit.

Disciplinary action against a research institution

If the misconduct prevention program of a research institution has a serious flaw, or it is determined that misconduct resulted from the failure of the institution to implement an effective misconduct prevention program, the institution may be subject to a reduction of indirect expenses of 5% or more, or suspension of disbursement of competitive research funds.
In addition, if all the following items apply and the Committee for the Management Expenses Grants of National University Corporations determines that disciplinary action is applicable, measures against acts that result in the loss of confidence in the national university corporation will be applied and the amount of management expenses grants will be reduced.

- Inappropriate response to wrongdoing or incidents, or similar cases.
- Incidents caused intentionally or through negligence by the corporation (organization).
- Incidents that have a considerably large impact (including indirect impact) on the public and society.

Disciplinary action against a supplier

Disciplinary action taken by Osaka University

A supplier involved in misuse will be subject to suspension of transactions with Osaka University for a certain period of time ranging from 3 months to 24 months depending on the nature of the misuse. If the misuse was determined to be highly malicious, the suspension period will be longer than 24 months.

Disciplinary action taken under law

Osaka University may consider taking legal action such as filing a criminal complaint against fraud, document forgery, etc., and a civil suit when the misuse was determined to be highly malicious.

Compliance hotline service for misuse of public research funds

Osaka University requires suppliers to consult with the administration department of the relevant school/graduate school/institution, or report and provide information to the Audit Office, if they are requested by any University staff to accept a fictitious order, fabricate documents, or otherwise engage in fraudulent transactions.
Suppliers are informed of the compliance hotline service through the leaflet “STOP! Misuse of Public Research Funds” issued by the Office for the Proper Usage of Research Grants and the guidelines “For a new supplier who starts business with Osaka University” issued by the Finance Division.

6 Enhancement of Compliance Awareness

Osaka University has developed the “Code of Conduct on the Use of Public Research Funds at National University Corporation Osaka University,” setting forth principles that must be adhered to in conducting research and other activities. Both researchers and administrative staff must remain aware of their duties and responsibilities when using public research funds.

Code of Conduct on the Use of Public Research Funds at National University Corporation Osaka University

(Established on September 16, 2008)
(Amended on March 19, 2013)

Scientific research at universities is supported by the trust and expectations of the general public. The misuse of public research funds* could seriously damage such trust and expectations, and also hurt the reputation of the research institution to which the offending researcher belongs, and even shake the foundation of the nation’s academic research.
With this in mind, Osaka University (hereinafter referred to as the “University”) has established the following Code of Conduct defining the standards of conduct and attitude towards research, with the aim of ensuring the reliability and impartiality of scientific research of a public nature and securing public trust in scientific research conducted at universities.
All researchers and administrative staff of the University (hereinafter referred to as “Researchers”) shall act sincerely in compliance with the Code of Conduct.

1. Researchers shall ensure impartial and efficient use of public research funds in view of their public nature, and with awareness that the funds are under the control of the University.
2. In using public research funds, Researchers shall comply with all applicable laws, ordinances and notifications, as well as the relevant regulations, administrative procedures and usage rules established by the University.
3. Researchers shall ensure proper and well-planned use of public research funds according to the relevant research plan, and administrative staff shall ensure that public research funds are effectively and properly handled with a correct understanding of the characteristics of the research projects to which the funds are applied.
4. Researchers shall develop mutual understanding and foster close cooperative ties with each other so that they can help prevent the misuse of public research funds.
5. When using public research funds in dealing with a supplier, Researchers shall act in an impartial manner that does not give rise to suspicion or distrust among the public.
6. Researchers shall proactively participate in training on the handling of public research funds and deepen their understanding of the applicable laws and regulations, administrative procedures and usage rules of such funds.

*Public research funds refer to all the funds handled by the University, taken from management expenses grants, donations, subsidies, and commissions.

Responsibility of University staff

University staff are required to participate in compliance training and attend a session designed to measure their level of understanding of the rules of handling public research funds.

Compliance training

To prevent the misuse of public research funds, the Administration Bureau, as well as the schools/graduate schools/institutions of Osaka University, offer compliance training, explanatory meetings and e-learning opportunities at least once a year for the University staff to deepen their understanding of the usage rules of public research funds they handle, responsibilities pertaining to use of the funds, and what conduct could constitute a misuse. You must participate in such opportunities.

Session to measure the level of understanding of the rules of handling public research funds

To prevent the misuse of public research funds, be sure to participate in a session designed to measure your level of understanding of the rules of handling public research funds, which is offered as part of the compliance training of the University.

i

To view the "Quiz on Handling Public Research Funds," access My Handai, a portal site for the internal use of Osaka University, at https://my.osaka-u.ac.jp/.
(An ICHO ID and password are required to access the site.)

Submission of a written pledge

You must submit a written pledge stating that you will comply with all applicable laws and ordinances, and rules and regulations of Osaka University, and never engage in any misconduct, and that if you are involved in any misconduct, you will be punished by Osaka University or other relevant institution, and will bear legal responsibility.
Note that if you do not submit a written pledge, you will not be eligible to apply for public research funds or take part in the administration and management of the funds.

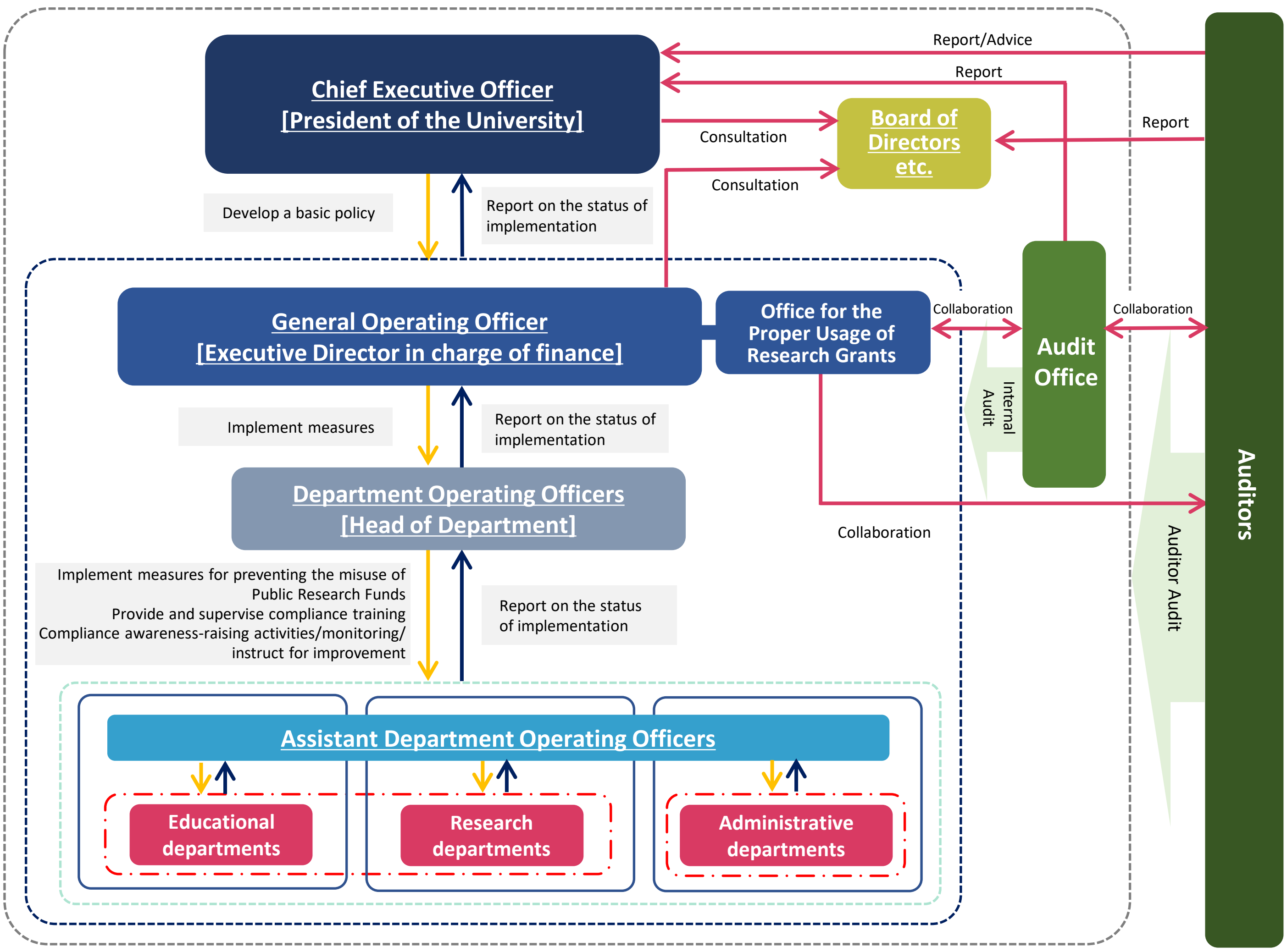
Compliance awareness-raising activities

To ensure proper use of public research funds, Osaka University publishes a public relations magazine for the University staff and students. The University also issues the leaflet "STOP! Misuse of Public Research Funds" for them and distributes the leaflet during employment procedures.

7 Responsibilities and Roles to Prevent the Misuse of Public Research Funds

The University defines a responsibility system for preventing the misuse of Public Research Funds based on the National University Corporation Osaka University Regulations Pertaining to Public Research Funds, etc.

Chief Executive Officer	Article 4 The University shall establish the post of Chief Executive Officer to assume overall responsibility for the administration and management of Public Research Funds, and shall appoint the President of the University to the post.
General Operating Officer	Article 5 The University shall establish the post of General Operating Officer to assist the Chief Executive Officer with the substantial responsibility and authority to supervise the administration and management of Public Research Funds across the University, and shall appoint the Executive Director designated by the President to the post.
Department Operating Officers	Article 6 The University shall establish the post of Department Operating Officers with the substantial responsibility and authority for the administration and management of Public Research Funds at the Departments and Offices of the University(including the Administration Bureau), and shall appoint the head of each Department and Office (and the Executive Director in charge of finance of the Administration Bureau) to the post.
Assistant Department Operating Officers	A Department Operating Officer may appoint an Assistant Department Operating Officer at the division of education, research and administrative office in each department if necessary, to be able to take care everyday and supervise effectively.



Responsibilities to prevent the misuse of Public Research Funds at Osaka University

8 Compliance Hotline Service

Concerns relating to misuse of public research funds under the control of Osaka University should be directed to the Audit Office at:

1-1 Yamadaoka, Suita, Osaka 565-0871

Audit Office,
Osaka University

When reporting misuse, you should give **<u>your name, affiliation, address and details of the misuse</u>**. You may request that your name be kept confidential in the subsequent investigation.

Email: kansatsuuhou@ml.office.osaka-u.ac.jp

TEL: 06-6879-4071

FAX: 06-6879-4074

URL: https://www.osaka-u.ac.jp/en/research/fuseiboushi/tuho

*For more details about how to report misuse, refer to the above website of Osaka University.

How to report

1. You may report misuse to the Audit Office by email, telephone, fax, in writing or in person.
   *To report in writing, download the report form from the above website of the University to ensure that the details are made clear and necessary action is taken promptly.
   *If reporting misuse by post, write "Notification of misuse" on the front of the envelope clearly.
2. Where to contact: Audit Office of Osaka University (on the 1st floor of the Administration Bureau)
3. Opening hours: 8:30–12:15, 13:00–17:15
   *Except on Saturdays, Sundays, national holidays, year-end holidays (December 29 to January 3) and other non-working days

Note the following when reporting misuse

1. Give your name, affiliation, and contact information.
2. Describe details of the actual or alleged misuse of public research funds at the University.
3. When reporting misuse to the Audit Office by telephone or in person, you must give substantial reliable evidence and information.
4. The person in charge at the Audit Office may contact you to confirm the details you gave.
5. Note that if your information is deemed to be a general opinion or complaint, not a case of misuse, it will be forwarded to the relevant division or office and used to improve the situation.
6. The information will be kept confidential under the Act on the Protection of Personal Information Held by Independent Administrative Agencies, etc.
7. After the information is accepted, you may request that your name, affiliation and contact information be kept confidential.
8. Your name and other personal information will not be published without your permission.
9. Rest assured that you will not be treated unfairly for reporting misuse to the Audit Office.

大阪大学
OSAKA UNIVERSITY

Edited and published by

Office for the Proper Usage of Research Grants, Osaka University
1-1 Yamadaoka, Suita, Osaka 565-0871
TEL: 06-6879-4340
FAX: 06-6879-4074
Email: huseishiyoboshi@office.osaka-u.ac.jp
URL: https://www.osaka-u.ac.jp/en/reseach/fuseiboushi

Published in August 2023

STOP
the misuse of research funds!