

IMPORTANT

Proper Use of Research Funds

Keio University, in accordance with the *Guidelines of Management and Audit of Public Research Funds in Research Institutes (Implementation Standards)* established by the respective government ministries and agencies including the Ministry of Education, Culture, Sports, Science and Technology (MEXT), is engaged in efforts to institute the relevant regulations and research compliance education to prevent the improper use or allotment of research funds.*

Researchers may be subject to disciplinary action from Keio University and the funding agency, or face legal action or criminal proceedings for the wrongful use or allotment of research funds. The impact such actions have on Keio University are also immeasurable, including disciplinary action and loss of credibility with the funding agency. You may also be held liable and subject to disciplinary action not only when you are deemed intentionally implicated in such acts, but even in cases stemming from negligence, such as accounting errors or an insufficient grasp of the rules for the use of funds, or cases in which, while willful involvement in the improper use or allotment of research funds is not determined, a lack of due diligence is evidenced. It is important to be aware that most cases involve a lack of understanding of the rules or having neglected to properly manage funds leading to unintended situations, therefore, ensure that you consult with the administrative staff in charge regularly to confirm the various rules regarding usage.

The following is an example of improper use or allotment of research funds. We also encourage individual researchers to exercise due caution and continue to properly use research funds to prevent such cases from occurring.

* “Improper use or allotment of research funds” refers to the use of research funds for purposes other than research, or use that violates the terms of conferral or the conditions therein.

1. Primary examples of improper use or allotment of research funds

■ A falsified order or purchase of goods (fraudulent deposits, artificially inflating charges, tampering with product names)

The act of having a supplier claim a deposit for a non-existent or dishonest transaction, and having the funds handled as a deposit by the supplier. Examples include:

- 1) Forging falsified accounting documents in the guise of purchasing goods, temporarily taking receipt of the goods from the supplier to pass delivery inspections, and having the paid funds handled as a deposit by the supplier.
- 2) Increasing the charge amount by purchasing goods at a higher price than usual, and then having the supplier transfer the balance to your bank account.
- 3) Placing orders using accounting documents rewritten to list a different product name from the actual goods delivered, and having the vendor forge and issue fraudulent delivery slips.

■ Fraudulent remuneration and honoraria

The act of claiming for a wage or honoraria through deceptive means. Examples include:

- 1) Claiming for an honoraria to compensate non-existent work that has not actually been completed in order to support student living expenses.
- 2) Fabricating and submitting dishonest timesheets for students who are not actually working in order to make a claim appear related to expenses required for the maintenance and operation of laboratories.
- 3) Neglecting to properly allocate financial resources or duty management, such that payment of remuneration is not based in one's actual work or is outside the bounds of the purpose of the research funding.

■ Fraudulent business trips

Fraudulently claiming expenses for a business trip. Examples include:

- 1) Submitting applications for different routes/means of transportation than those actually used and claiming the balance.
- 2) Falsifying or tampering with invitation emails (date and time, contents, etc.) from the inviting party as a reason to undergo a business trip unrelated to the purpose of one's research.
- 3) Going on a trip related to one's own private corporation and not for the purpose of the research funds, or also unnecessarily creating work related to the research funds while on such a trip, and then claiming the full amount as travel expenses for a research business trip.

■ Double billing

The act of receiving double payments, such as by claiming expenses for business trips, etc., for which travel expenses have already been paid by another institution. Examples include:

- 1) Concealing the fact that travel expenses have already been paid by the hosting corporation of a seminar, etc., and charging those expenses to Keio.
- 2) Printing multiple copies of digital receipts and invoices and billing them to separate funds.

2. Primary examples of improper conduct

Inappropriate conduct such as engaging in money pools*1 or behavior to recollect funds*2 are strictly prohibited. Inappropriate conduct may also be subject to the disciplinary action indicated in 3. below.

*1 Money pools

The act, for what ever reason, of a laboratory or individual appropriating the difference, etc., generated by improper use or allotment of research funds.

*2 Recollecting funds

The act of collecting all or part of wages, honoraria, or travel expenses once they have been paid to students, etc., for private use, or expenses required for the maintenance or operation of laboratories.

Such acts are deemed unacceptable even with the consent of the student, etc.

3. Disciplinary action for the wrongful use or allotment of research funds

■ Disciplinary action for individual researchers

• Consequences with Keio

Should the Research Compliance Committee determine the disciplinary actions stipulated in the *Regulations for Rewards and Punishments (Employment)* (established on March 31, 1952) to be appropriate following an investigation into the person who wrongfully used or allocated research funds, depending on the severity and nature of the misuse, a disciplinary order of a reprimand, reduction in salary, suspension of employment, request for resignation, or disciplinary dismissal may be issued by the President.

(See *Rules for Disciplinary Action Appeals for Unauthorized Use of Public Funds*)

• Disciplinary action by the funding agency

i. Restriction of application eligibility

Funding agencies will limit the application and eligibility for competitive funds for up to 10 years.

(See *Guidelines for Proper Execution of Competitive Funds* [Agreement by the relevant ministries and agencies regarding competitive funds])

ii. Return of funds

Should research funds be improperly used or allotted, their conferral may be revoked by the funding agency, and the researcher who wrongfully used or allocated research funds will be held liable for returning the funds. (Article 8 of the *Regulations Regarding Use of Public Funds*)

In some cases, an additional fee will be added to this at an annual rate of 10.95% from the date the research funds were received, and a late fee for non-payment calculated at a 10.95% annual rate from the date the payment is missed. (See Chapter 4 of Act on *Regulation of Execution of Budget Pertaining to Subsidies*. If the subsidy is from a government agency other than the national government, check the ordinances and rules. If you have a contract, check the contract details.)

- **Legal action**

You may be subject to legal action such as criminal charges and civil proceedings from universities and funding agencies. (See *Rules for Disciplinary Action Appeals for Unauthorized Use of Public Funds*)

- **Criminal punishment**

Many malicious cases are treated as crimes of fraud.

- **Consequences and impact on research institutions**

- The offender may be liable to return the amount of wrongfully used or allotted research funds, etc.
- Measures may be implemented to reduce indirect expenses for research institutes
- Loss of credibility as an institution
- Huge time and cost burdens borne by the institution for the fraud investigation

* Detailed rules regarding the use of public funds can be found at the following URL.

<https://www.research.keio.ac.jp/internal/forms/01.html> (Accessible only via the campus network)