

National Yang Ming Chiao Tung University Guidelines Governing the Revenue and Expenditure Management of Academia and Industry Collaboration

Adopted at University Endowment Fund Management Committee 1st meeting of academic year 2021 on Oct 12, 2021

1. These Guidelines are formulated in accordance with the "Regulations Governing the Revenue and Expenditure Management of the National Yang Ming Chiao Tung University Endowment Fund Self-generated Income" and the "National Yang Ming Chiao Tung University Regulations Governing the Implementation of Academia and Industry Collaboration."
2. The revenues generated from the provision of training, research and design services by the University to external parties includes those earned by the University in accordance with the "Regulations Governing the Implementation of University-Industry Collaboration at Junior Colleges and Institutions of Higher Education" and those received from government grants or commissions pursuant to the "Fundamental Science and Technology Act" and other relevant regulations.
3. The administrative management fee (hereinafter the management fee) shall be allocated to all academia-industry collaboration projects signed by the university, with the allocation rules and ratios as follows:
 - 1) The management fee is set at 20% of the total project funding as set out in the contract, while technical service cost is set at 20% of the total funding, which is given to the University as management fees, and the management fee rate may be adjusted in exceptional circumstances upon sign-off by the President.
 - 2) If the management fee does not exceed 20% of the total project amount, 20% shall still apply to industry projects and at least 12.5% to the remainder. The official management fee rate shall apply to projects commissioned by government agencies, or if less than 12.5%, the maximum allowable management fee rate shall prevail.
 - 3) For academic conferences in which papers are presented, except for those subsidized by the Ministry of Education or the National Science and Technology Council (NSTC), which are exempted from the deduction of the management fee according to the regulations, the remaining academic conferences and non-presentation conferences (e.g. short-term workshops, lectures, etc.) shall have 5% of the total funding allocated to the University as management fee. However, the provisions of other government agencies shall be followed if they provide otherwise.
 - 4) The monetary contribution of industry to the NSTC academia-industry collaborative research

projects is governed by the relevant NSTC regulations.

4. The principles for the allocation of management fees at the University are as follows:
 - 1) The NSTC project shall have 60% of the management fee allocated to the University and 40% to the college/department/institute/center after the contribution set aside to the employers' accounts, the special account for physical and mental disabilities, a special fund for intellectual rights and for account maintenance fees.
 - 2) The management fees for academia-industry collaboration projects outside the NSTC are allocated according to the following principles:
 - (1) If the management fee does not exceed 20% of the total project amount, 75% and 25% of it shall go to the University and the college/department/institute/center as management fees respectively. Where the unit in charge is composed of the research centers, at least one-fifth of the 25% of the management fee allocated to the college/department/institute/center shall be given to the department/institute as management fee, while the management fee allocated to the first-tier unit shall be determined through consultation between the first-tier unit and the center.
 - (2) If the management fee exceeds 20% of the total project amount or if the management fee for a single project exceeds NT\$3 million on average per year, the school and the unit in charge shall each share 50% of the excess.
 - (3) If the management fee is 5% or less of the total project amount, it shall go to the school in full as a management fee.
 - (4) Seventy-five percent of the school's management fee should be set aside as a priority, and any shortfall in the allocation of the management fee should be supplemented by the Principal Investigator (PI).
5. The management fee is the indirect cost incurred in the implementation of the project. In addition to the rules and contracts of the cooperating institutions and commissioning bodies, the related expenses may be used for the following purposes:
 - 1) Personnel expenses to be paid are set out under paragraph 1, article 3 of the regulations governing the revenue and expenditure management of the University endowment fund self-generated income.
 - 2) Government sponsorships and scholarships.
 - 3) Funds for supporting the operation of the University System of Taiwan.
 - 4) Office expenses for utilities, gas, telecommunications, printing, publishing, office equipment, consumables, meals, etc.

- 5) Expenditure on environmental maintenance, safety and hygiene.
- 6) Purchase and maintenance of research laboratory equipment and instruments
- 7) Management and promotion of R&D results.
- 8) Subsidies for travel to overseas conferences, visits, training, research and experiments for research purposes or by invitation.
- 9) Promotional materials and souvenirs produced or purchased for the furtherance of school affairs and teaching and research.
- 10) Expenses related to the organization of business review meetings, end-of-year dinner parties or recreational activities, with year-end dinner parties and recreational activities limited to once per year.
- 11) Expenses for supporting school teaching, academic research and administrative activities.
- 12) Other funds as ratified on a case-by-case basis for the promotion of school affairs

6. The maximum rate of personnel expenses to be paid under the academia-industry collaboration program in accordance with paragraph 1, article 3 of the regulations governing the revenue and expenditure management of the University's endowment fund self-generated income shall be controlled internally by the unit in charge, and the total amount of remuneration shall not exceed 50% of the total revenue from the academia-industry collaboration.

The amount in excess of the aforementioned requirement shall be subject to approval on an ad hoc basis in line with administrative procedures, and shall be capped at 50% of the total self-generated income.

7. If there is a need to spend the funds after the approval of the academia-industry collaboration projects and completion of the registration with the University, and before the funds are allocated to the University, the following rules apply:

- 1) Government research grants and commissioned projects: Within the limit of 50% of the annual project funding (excluding management fees), project funds may be advanced by the university's endowment fund. In the case of more than 50%, the PI should fill out the "Application for Advance Payment of National Yang Ming Chiao Tung University Academia-Industry Collaboration Project Funds" and apply for advance payment of the project funds.
- 2) Foundation, private enterprise, and private partnership projects: The PI should complete the "Application for Advance Payment of National Yang Ming Chiao Tung University Academia-Industry Collaboration Project Funds" and apply for an advance on the project funds, subject to a limit of 50% of the annual project funds (excl. management fees) and not exceeding NT\$3 million. If there are special circumstances that require more than the

aforementioned percentage or amount, the reasons, the nature of the project, the repayment period and the source of repayment if the provisional advance is not approved shall be stated and then signed off on an ad hoc basis.

In the event that the collaborating institution is unable to pay the University's provisional advances, the PI shall be responsible for raising funds and returning them to the University.

8. The PI of an academia-industry collaborative project should file expense reimbursement and conclude the project by the following deadlines:
 - 1) The PI of a NSTC-funded research project should complete the expense reimbursement within 45 days from the end date of the project and submit the "National Yang Ming Chiao Tung University NSTC Project Closure Application Form" to the Accounting Office for closure.
 - 2) The PI of a non-NSTC funded project should, unless otherwise specified by the government, complete the expense reimbursement within three months from the end date of the project at the latest and submit the "National Yang Ming Chiao Tung University Academia-Industry Collaboration Project Closure Application Form" to the Accounting Office for closure.
9. After the conclusion of an academy-industry cooperation project, the surplus of the project shall be used to cover the management fee, and the remaining amount shall be paid back to the commissioning organization upon request, while the following rules shall apply:
 - 1) Any surplus of NT\$20,000 or less shall be coordinated and utilized by the University.
 - 2) If the surplus is in excess of N\$20,000, 20% of the surplus shall be coordinated and utilized by the University, and 80% shall be recycled by the PI's surplus account, and upon his/her departure or retirement, the surplus of the account shall be coordinated and utilized by the University.
10. The PI's surplus account is dedicated for teaching and research purposes and shall not be used for the personal benefit of the PI or faculty and research fellows and shall be applied to the following:
 - 1) The cost of consultants, full-time/part-time assistants, temporary workers, work-study students for the implementation of the research project, and other expenses necessary for taking out labor and health insurance.
 - 2) Expenses for inviting academics and experts from home and abroad to give lectures, participate in conferences, collaborate in research, and supervise experiments in order to improve research.
 - 3) Office expenses incurred for the purchase of research equipment, books, consumables and

for research purposes (e.g. annual membership fees for participation in societies, meal costs at meetings and other related purposes).

- 4) Travel expenses for overseas conferences, visits, training, research and experiments for research purposes or upon invitation.
 - 5) Funds for recreational activities organized by departments, institutes and laboratories to bolster the morale of research fellows and for supporting activities that promote cooperation between university and industry (e.g. exhibitions of results).
 - 6) Expenses necessary for the promotion of R&D results.
 - 7) Expenses associated with patent application and maintenance of R&D results.
 - 8) Other expenses as signed off on an ad hoc basis for use
11. The surplus of the university-industry collaboration project is to be coordinated and used by the University for the following purposes:
- 1) Teaching and administrative costs of the University.
 - 2) Expenditure on teaching and research incentives for faculty members in conformity with the faculty evaluation criteria and the regulations governing grants for the publication of academic research results.
 - 3) Overseas travel expenses, the application procedures for which are in accord with the relevant regulations.
 - 4) Purchase, replacement and leasing of official vehicles.
 - 5) Expenditure on new construction projects.
 - 6) Salaries and allowances for contract staff and remuneration for assisting staff of each unit.
 - 7) Expenses incurred for the promotion and management of R&D results.
 - 8) Expenses for the purchase of library instruments and equipment.
 - 9) Expenses associated with the organization of seminars and academic lectures.
 - 10) Meals for conferences and academic exchanges.
 - 11) Funds for the promotion of school affairs.
12. The academia-industry collaboration project PI is liable for damages suffered by the University as a result of his/her failure to execute the project in accordance with the contract. Deductions and fines imposed by the sponsor or litigation costs and attorney's fees incurred as a result of a breach of contract not attributable to the PI may be payable by the PI's surplus of funds upon approval on a case-by-case basis. If the PI does not have a surplus, leaves or retires, the costs shall be shared between the PI, his/her college/department/institute/center and the University's management fund.

13. Matters not provided herein shall be subject to the "Regulations Governing the Management and Supervision of the National University Endowment Fund" and the "Regulations Governing the Revenue and Expenditure Management of the National Yang Ming Chiao Tung University Endowment Fund Self-generated Income."
14. These Guidelines shall come into operation upon review and approval by the University Endowment Fund Management Committee and the same applies to any subsequent amendments hereto.