

<b>Policy Title</b>	<b>Research Fund Management and Financial Practices</b>
<b>Responsible AIU Office (Higher Management/Directorate) (Accountability Office)</b>	<b>Office of the VP for Research Affairs</b>
<b>Policy Owner (Executive Department/Office) (Administrative Responsibility Office)</b>	<b>Office of the Comptroller Finance Department The Grants and Contracts Office (GCO)</b>
<b>Pertinent Dates</b>	[Dates the policy was created, expired, revised, approved, and became effective.]

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## I. SCOPE OF POLICY

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This policy provides the necessary framework to ensure financial management activities and practices that promotes appropriate and effective stewardship of all research funds. Compliance with this university policy/procedure extends to all Academic, Administrative, and Support Staff involved in research activities.

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## II. DEFINITIONS

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There are no definitions for this policy.

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## III. POLICY STATEMENT

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According to the applicable laws, AIU is a Non-for-Profit Higher-Education Institution. AIU Board of Trustees is accountable for the effective and efficient stewardship of University funds including those allocated for research activities. This compels the University to have an effective system of financial internal controls consisting of the policies and procedures required for the efficient conduct, reporting, and auditing of the entity's business. Funds received form national, regional, and international research funding agencies as well as those received from industry partners and/or donors and restricted for the purpose of research are covered under this policy. AIU's financial systems support financial transaction processing together with financial reporting for control and planning. Financial controls ensure proper authorization of transactions and adequate maintenance of documents and records with safeguards over access to and use of assets and records.

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## IV. RESPONSIBILITIES

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- Grants and Contracts Office (GCO): initiates the contracting process with the funding source and coordinates for transfer of funds to AIU's accounts. Afterwards, the GCO instructs the Finance Department regarding the restrictions associated with funds disbursement and their allocation into sub-accounts.

- Finance Department: Opens a ledger for the said funds and maintains close recording and monitoring of transactions executed under the applicable laws and restrictions imposed by the funding agency/partner

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## V. POLICY STANDARDS AND PROCEDURES

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1. AIU will conduct its financial operations within the following guiding principles:
  - compliance with all relevant legislation, AIU policies and procedures, as well as funding agency/donor terms and conditions
  - reporting in accordance with the generally accepted accounting principles
  - using a best practices approach, and
  - leveraging technology
2. After securing the necessary signed contracts and documentation for receipt of research funds (See Policy #..., Interaction with Extra-mural Research Funding Agencies (Outreach, Application, Contract Review, and Signing Authority)), the GCO will proceed with coordinating funds deposit into the relevant AIU account (See Policy #..., funds deposit policy)
3. The Finance Department will open a ledger for the received fund and assign an internal account number (See Policy #..., Construction of Internal Accounts)
4. GCO will relay the necessary information regarding the division of funds into sub-accounts and all attached restrictions on spending as per the contractual agreement, applicable laws, and AIU policies (See Policy #..., Experimental Animal Care and Use Policy, Policy #....., Rules and Regulations of Research Involving Human Subjects, Policy #....., Indirect Cost of Research Policy)
5. GCO will inform the Finance Department of the frequency of financial reporting required as per the contractual obligations
6. GCO will set critical fund thresholds for all sub-accounts to be imposed by the Finance Department
7. The Finance Department will execute all spending requests as appropriate in accordance with the applicable legal framework, relevant AIU policies, and funding agency/donor imposed restrictions
8. The Finance Department will generate the required financial reports in a timely manner
9. The Finance Department will advise the corresponding parties (GCO and internal account owner/PI) when the funds in a given sub-account reach the critical threshold set by GCO
10. Once the funded research activity is concluded or should the research activity cease prematurely, the GCO will inform the Finance Department, which will in turn generate a final financial report for submission to the GCO, and share with/submitted to the funding agency/donor as required by the contractual agreement. Any fund surplus remaining will be managed by the Finance Department and GCO according to the relevant contract.
11. Should any incidence of over-spending arise, this will be handled by the Finance Department in accordance with the relevant AIU policy (See Policy #..., Overspending and Over draft policy)

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## VI. FORMS/INSTRUCTIONS (if applicable)

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- Funds Deposit Request
- Construction of an Internal Account/Sub-divisions/Restrictions/Critical Fund Thresholds
- Request for Fund Allocation for Spending

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## VII. APPENDICES (if applicable)

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[This section includes any additional relevant information or documents in attached appendices.]

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**VIII. RELATED POLICIES**

- Policy #..., Interaction with Extra-mural Research Funding Agencies (Outreach, Application, Contract Review, and Signing Authority)
- Policy #....., Funds Transfer and Deposit Policy
- Policy #....., Construction of Internal Accounts Policy
- Policy #....., Experimental Animal Care and Use Policy
- Policy #....., Rules and Regulations of Research Involving Human Subjects
- Policy #....., Indirect Cost of Research Policy
- Policy #....., Overspending and Overdraft policy

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**VIV. CONTACT INFORMATION**

Director, Grants and Contracts Office  
 Department Head, Finance Department

<b>Triggered by:</b>	Name	Date	Sig.
<b>Created by:</b>	Name	Date	Sig.
<b>Revised by:</b>	Name	Date	Sig.
<b>Approved by:</b>	Name	Date	Sig.