



## 4. APN 2013 Financial Regulations

(As of 18<sup>th</sup> June 2013)

By their signatures, the Project Leader and Authorised Representative of the Grantee organisation confirm to fully comply with **APN Regulations**, in particular:

- *APN 2013 Terms of Agreement;*
- *APN 2013 Financial Regulations; and*
- *APN Regulations for Financial Reports of APN funded Projects/Activities in Fiscal Year 2013.*

These regulations will guide the Project Leader and Authorised Representative of the Grantee organisation in:

- i. What costs can/cannot be covered, and to what extent.
- ii. Thorough administration of APN funds by all project members, including those scientists and members of the collaborating institutions as listed in the final version of the Proposal.
- iii. Proper preparation of ONE Financial Report that covers all expenses, made by all collaborating parties, that have been disbursed with funds from the APN grant;

### I. Basic Principle

The Project Leader and the Authorised Representative of the Grantee organisation are responsible for the thorough management of APN funds. Before accepting any APN grant Project Leader and the Authorised Representative of the Grantee organisation must be aware of the responsibilities associated with the APN grant, particularly:

- i. Whether their institution is able to receive and administer remittances from abroad in a different currency than the local currency;
- ii. Whether their institution effectively manages fluctuating exchange rates and other financial market changes through, for example, implementation of a risk management plan/strategy as APN cannot be held responsible for any fluctuations in the financial market; and
- iii. By ensuring proper management of APN funds at the institutions of project Collaborators who must also comply with exactly the same regulations as the Project Leader/Grantee organisation.

As a basic principle, the APN encourages Project Leaders to use existing resources, such as employed staff, office space and equipment to the maximum extent possible, and to have joint financing arrangements.

### II. Remuneration

Regulation on remuneration are outlined in Parts **IIA**, **IIB** and **IIC** below.

- A.** APN funds **cannot** be used for indirect administrative staff payments nor be used to replace or supplement the salary of existing researchers, including Project Leaders and Collaborators, that are receiving full-time salary support. In certain cases, and if agreed upon in advance with the APN Secretariat, the following may be possible:

A-1. Project Leaders/Collaborators (PL/CS)

- i. Generally, the APN provides awards to PL/CS who are receiving full time salaries from their Institution(s). (Recall at the proposal submission stage all PL/CS are asked to clarify their relationship with their respective institutions).
- ii. Part-time fees may be paid to PL/CS if it can be proved by their Institution(s), in writing, that they do not receive full-time salary support from their institutions for time spent on the project/activity.
- iii. Project Leader/Authorized Representative of the Grantee organization must seek APN approval on the amount of the part-time fee allocated to PL/CS.

A-2. Employing Additional Staff (other than Project Leaders/Collaborators)

- i. The hiring of temporary assistants, preferably postgraduate assistants working towards a masters or PhD, if deemed necessary to conduct the project/activity.
- ii. Hiring under (i) would be on a part-time basis preferably and any full-time hiring must be agreed in advance with the APN Secretariat.

The duration of part-time employment should be requested based on the need, and the remuneration should be reasonable in consideration of the standards of the country and subject to compliance with relevant laws of the country in which the part-time position is located.

- B.** APN funds **cannot** be used for the payment of consulting services. It is expected that all activities outlined in the final version of the proposal will be carried out by the Project Leader, listed Collaborators and, if deemed necessary, part-time assistants hired to work on the project/activity. Utilising existing full-time staff in the organisations/ institutions of the Project Leaders/Collaborators is both expected and appreciated by the APN as in-kind support.
- C.** For training workshops, seminars, etc., honoraria payments can be provided to trainers, experts, resource persons, among others, upon prior approval by the APN. Recipients of honoraria **cannot** receive a daily subsistence allowance (DSA) from APN funds.

### **III. Administrative Overheads**

Note that indirect administrative overheads are **not permitted**, as the regulations of a number of APN's sponsors do not allow them. However, other direct and reasonable expenses such as printing, copying, communications, rental of meeting rooms, materials and supplies, etc., are permitted if they are necessary to the implementation of the project/activity and are documented (with relevant receipts, etc.) in the Financial Report.

#### IV. Equipment

APN funding should not be seen as an opportunity to add to normal capital and equipment budgets of organisations/institutions. In some cases the most economical way to achieve a temporary increase in capacity needed for a project/activity would be leasing and/or renting equipment for the duration of the project/activity. Where lease or rentals are not available, and it can be demonstrated that purchasing equipment directly supports the project/activity objectives, the APN Secretariat will consider allowing the Project Leaders to use some of the APN funds for the said equipment purchase. The transfer of ownership of equipment to Project Leaders'/Collaborators' organisations/institutions will be subject to successful completion of the project/activity (refer to **XVI. Ownership of Purchased Equipment** in **3. APN 2013 Terms of Agreement** attached to the present Contract).

#### V. Travel

Where travel is necessary as part of the project/activity, the most **economical means of transport** consistent with effective pursuit of the project/activity should be used. At the end of the funded project/activity, actual travel costs must be reported in the Financial Report and be accompanied with supporting documents such as receipts, invoices, etc.

**To minimize airfare costs, Project Leaders and Collaborators must purchase economy class discount tickets.** Any travel upgrades are to be done at one's own expense. In *certain* cases (as agreed in advance with the APN Secretariat), travel by private automobile may be authorised, in which case a reimbursement rate of US\$ 0.35 per kilometre will be provided. The APN also encourages Project Leaders and Collaborators to travel by rail.

Generally, using rental vehicles is not permitted. If renting an automobile is deemed necessary to conduct the project/activity, the APN Secretariat must be consulted in advance and permission must be sought.

Transportation between airport and the city may be by the most economical means available, with an upper limit of US\$30 each way. If higher transportation costs are not avoidable, exceptions may be made upon prior consultation and approval from the APN Secretariat.

The APN will cover the cost of any airport or other taxes incurred, as well as necessary visas and inoculations, and basic travel insurance. Excess baggage fees will be covered only for items necessary to the project/activity, and agreed upon in advance with the APN Secretariat. The APN will not cover expenses incurred from side trips or other items unnecessary to the project/activity.

#### Other areas that will **not be covered** by the APN

- i. Telephone calls during travel.
- ii. Lump sum payments for transportation.
- iii. Travel cancelation fees without a valid reason.

- iv. Additional premium payments for travel insurance over basic insurance is not covered (refer to **XVII. Liability for Death, Injury or Damage** in **3. APN 2013 Terms of Agreement attached to the present Contract**).

## **V. Per Diems**

Per diems may be provided to project/activity team members when performance of the project/activity requires them to travel away from their home/working place and spend one full night or more.

**A.** The Per Diem consists of two parts:

- An allowance to cover costs of accommodation. Lump sum payments **will not be permitted** by the APN. Rather, accommodation receipts must be submitted based on actual expenditure up to the maximum allowable (see more details below).
- A daily subsistence allowance (DSA). DSA is provided to cover the basic needs of food and beverages during mission trips.

### Per Diem Rates

- i. The per diem rates are tabulated in **B** below. Project Leaders **must** use these rates in producing their proposal budgets, in accordance with the guidance given. These rates represent the **maximum** rates for each country and are re-assessed periodically.

### Period of Per Diem

- ii. The Per Diem rates are separated into accommodation rate and DSA. DSA may be paid for the day on which travel begins at the rate applicable to the destination. The last day on which DSA can be provided is the day of earliest possible departure from the destination of the travel.
- iii. Accommodation is payable for each night at the destination for project-related activities only. Under certain circumstances, extra days of per diem may be issued, for example, when it is necessary for the project/activity team members to stay longer in order to lower their travel costs to save funds.

## **B. APN Per Diem Rates 2013**

- i. The accommodation rates are **maximum** allowable rates for each country and are sufficient for a 3 star hotel. Note the accommodation rate will be paid based on the actual costs as given in the receipts attached in the Financial Report (up to the maximum rate for each country);
- ii. In exceptional cases, and if good reasons are given, a Project Leader may request from the APN more than the stated rate;

- iii. **When breakfast and/or lunch are included in the accommodation rate and/or meeting package, the Project Leader must reduce the amount of the Daily Subsistence Allowance (DSA) accordingly.** This general rule should also be applied when fixing a DSA for participants of workshops, training courses, etc.
- iv. Rates for travel to countries not listed below should be decided in consultation with the APN Secretariat.

The rates are outlined in the following table:

	<b>Accommodation (US\$)</b>	<b>Daily Subsistence Allowance (US\$)</b>	<b>Total (US\$)</b>
Australia	165	50	<b>215</b>
Bangladesh	75	30	<b>105</b>
Bhutan	150	40	<b>190</b>
Cambodia	70	40	<b>110</b>
China	135	50	<b>185</b>
Fiji	110	35	<b>145</b>
India	120	40	<b>160</b>
Indonesia	120	40	<b>160</b>
Japan	120	55	<b>175</b>
Lao PDR	70	40	<b>110</b>
Malaysia	100	40	<b>140</b>
Mongolia	110	40	<b>150</b>
Nepal	80	30	<b>110</b>
New Zealand	135	45	<b>180</b>
Pakistan	90	40	<b>130</b>
Philippines	90	30	<b>120</b>
Republic of Korea	115	50	<b>165</b>
Russian Federation	110	50	<b>160</b>
Sri Lanka	120	40	<b>160</b>
Thailand	100	40	<b>140</b>
USA	175	50	<b>225</b>
Viet Nam	90	35	<b>125</b>

## **VII. Meals and Beverages**

While APN funds can be used for meals and beverages during mission trips and workshops, etc., funds from the APN Grant **cannot be used for alcoholic beverages**. Funds can be used for dinners where business is transacted but, in general, not for reception (entertainment) dinners.

The maximum claims for food supplies for one person during field work/mission trips MUST NOT exceed the maximum DSA, respectively.

#### VIII. Fellowships

When a young professional is considered necessary to execute the project/activity the Project Leaders may use APN funds for an award fellowship. The duration of the fellowship should be based on the need. The amount of remuneration for a fellowship award must be reasonable in consideration of the standards of the country, with variations justified by the particular circumstances of cases, and subject to compliance with relevant laws of the country in which the fellowship is located.

#### IX. Other Expenses

Any costs for tokens, souvenirs, etc. to project members, participants of any events, resources persons, among others, **cannot be charged to APN**.

#### X. Invoice and Remittance

- i. The Project Leaders and the Authorized Representatives of the Grantee Organizations (who are co-signatories of APN Contracts) **must confirm and inform the APN Secretariat in writing that their bank accounts are able to receive funds in US Dollars for scientific research or capacity development activities by international remittance (for banks outside Japan) and for domestic remittance (for banks inside Japan).**
- ii. The APN will not make split remittances of the grant to bank accounts of the Project Collaborators organizations.
- iii. Invoices must be submitted in the format specified by the APN Secretariat before any remittance can be made. Please also refer to **III. Remittance of APN Grant** and **IV. APN Grant Instalments** in **3. APN 2013 Terms of Agreement**.
- iv. The APN Secretariat will remit funds in US Dollars only.

#### XI. Grants from the National Science Foundation (NSF), USA

Project Leaders who are informed that their APN grant is from the U.S. National Science Foundation (NSF) must follow both APN and NSF regulations. Project Leaders and collaborators **must familiarize** themselves with the NSF Proposal & Award Policies and Procedures Guide, January 2013, which can be accessed at the following URL:

<http://www.nsf.gov/pubs/policydocs/pappguide/nsf13001/aagprint.pdf>