VII. Matters for APPROVAL of the Board

The President endorsed the following:

B. Academic Matters

3. Proposal of UP Diliman to Treat Research Grant Releases of the Office of the Vice-Chancellor for Research and Development (OVCRD) to Program/Project Leaders of Internally Funded Researches as *Outright Grants* and Revisions in the Terms of Reference of the Existing Memorandum of Agreement

Under existing government auditing and accounting rules, funds released as outright grants are recorded as direct expenses in the books of the University.

Such treatment will greatly expedite timely completion of research projects as researchers will have more flexibility in their acquisition of equipment and other research requirements—-noting that funds released as outright grants are not subject to the painstaking procurement process of RA 9184.

Although OVCRD considers its existing research grant releases as "outright research grants", there are observed inconsistencies between OVCRD's real intention of releasing research funds as outright grants and some provisions of its present MOA, which are technically requirements for cash advance liquidation. This being the case, OVCRD's research fund releases are construed as Cash Advance and hence, subject to the multifarious and restrictive requirements and conditions of fund utilization for Cash Advance under existing government auditing and accounting rules and regulations.

For research fund releases to be in essence considered as outright grants, the following revisions in the Terms of Reference (TORs) of OVCRD's existing Memorandum of Agreement (MOA) are likewise proposed:
**UNIVERSITY OF THE PHILIPPINES**
Quezon City

**Excerpt from the Minutes of the 1285th Meeting of the Board of Regents held on 24 January 2013 at the Board of Regents Room, Administration Building, UP Diliman, Quezon City**

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<table>
<thead>
<tr>
<th>From</th>
<th>To</th>
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<tbody>
<tr>
<td>1. Submission of financial report as liquidation requirement;</td>
<td>1. Submission of research project report as the only liquidation requirement;</td>
</tr>
<tr>
<td>2. UPD ownership of research funded equipment;</td>
<td>2. Research grantee's ownership of equipment;</td>
</tr>
<tr>
<td>3. Submission of midterm financial report and full liquidation of earlier release with complete supporting documents as condition for the release of 2nd tranche of the grant;</td>
<td>3. Submission of the required research output for the release of the 2nd tranche of the grant;</td>
</tr>
<tr>
<td>4. Submission of the final output and full liquidation of the 2nd tranche of the grant for the release of the 3rd or last tranche; and</td>
<td>4. Submission of the final output of the research project, and</td>
</tr>
<tr>
<td>5. Submission of original receipts and other proofs of purchase, copies of contracts of personnel whose services were procured for the project, etc.</td>
<td>5. None</td>
</tr>
</tbody>
</table>

The above changes, notwithstanding, OVCRD will devise/adopt certain mechanisms for monitoring and control purposes. This is to ensure timely completion and submission of research output and to make certain that fund utilization is in accordance with the submitted and approved Line Item Budget (LIB).

**Board action: APPROVAL**

**CERTIFIED CORRECT:**

![Signature]

LILIAN A. DE LAS LLAGAS
Secretary of the University
and of the Board of Regents

24 January 2013

cc: The Chancellor, UP Diliman

**Note:** The Chancellor will please see to it that copies of this excerpt are furnished to all units/persons concerned.