

## **REGULATION ON THE EXECUTION OF EXPENDITURES FOR PROJECTS SUPPORTED BY HEALTH INSTITUTES OF TÜRKİYE**

### **CHAPTER ONE**

#### **General Provisions**

##### **Purpose and Scope**

**ARTICLE 1 – (1)** The purpose of this Regulation is to determine the procedures and principles to be applied in the transfer, monitoring, expenditure, recording, accounting, and auditing of the amounts allocated for projects approved for support from TÜSEB resources.

(2) This Regulation covers the tasks and procedures to be applied in the transfer, monitoring, expenditure, recording, accounting, and auditing of the amounts allocated for projects approved for support by TÜSEB.

##### **Basis**

**ARTICLE 2 – (1)** This Regulation has been prepared based on subparagraph (b) of the first paragraph of Article 666 and Article 676 of Presidential Decree No. 4 on the Organization of Ministries and Affiliated, Related, and Associated Institutions and Other Organizations, published in the Official Gazette No. 30479 dated 15/7/2018.

##### **Definitions and Abbreviations**

**ARTICLE 3 – (1)** The terms used in this Regulation are defined as follows:

- a) Researcher: refers to individuals, other than the project coordinator, who hold at least a bachelor's degree, possess the necessary expertise in their field, participate in the design or development of new knowledge, products, processes, methods, and systems, share scientific and technical responsibility for the project, and are mentioned in the final report,
- b) President: refers to the President of TÜSEB,
- c) Unit: refers to the department within the Institution and TÜSEB institutes responsible for maintaining records and carrying out administrative procedures related to research project expenditures or the unit assigned by the Institution to perform these tasks.
- d) Scholarship Recipient: refers to students enrolled in undergraduate and graduate programs at higher education institutions established in Türkiye, as well as postdoctoral researchers, who participate in the project for practical application and contribute to its execution.
- e) Economic Classification Codes: refer to the sections in the project proposal form, approved by TÜSEB, where the planned expenditures are categorized in accordance with the analytical coding system based on their nature within the project budget.

- f) Progress Report: refers to the report prepared to monitor periodic developments, submitted in the format specified by TÜSEB on the dates determined in the contract.
- g) Implementation Officer: refers to a person assigned by the expenditure authority to carry out tasks such as ensuring the execution of work, procuring goods or services, performing receipt-related procedures, documenting, and preparing and verifying the necessary documents for payment in accordance with the instructions of the expenditure authority.
- h) Expert Reviewer: refers to a specialist or group of specialists assigned by TÜSEB to monitor, evaluate, and report on whether the project is being carried out in compliance with the approved proposal form and contract, as well as to participate in meetings organized for this purpose.
- i) Expenditure Expert: in research and development support programs, the expenditure authority refers to the project manager for supported projects. For other projects, it refers to the senior executive of the executing institution who signs the contract on behalf of the institution and/or the person designated by the senior executive as responsible for the project.
- j) Public Institution: refers to the administrations within the scope of Central Administration and social security institutions.
- k) Institution: refers to the legal entities that propose the project and sign the project contract, as well as the institutes and centres affiliated with TÜSEB.
- l) Institutional Share: the amount calculated in accordance with the procedures and principles determined by TÜSEB, based on the project cost, in return for utilizing the resources of the executing institution during the implementation and completion of the project, which is added to the project budget.
- m) Customer: refers to the institution or organization that requires an R&D-based solution and, for this purpose, defines the objective, scope, duration, budget, conditions, and expected outcomes of the R&D project; commits to utilizing the project outputs; jointly signs the project proposal form and project contract with the executing institution/organization; submits a support application to TÜSEB within the framework of the relevant legislation; and, upon acceptance of the application and signing of the contract, is responsible for monitoring, auditing, and ensuring coordination of the project with TÜSEB.
- n) Private Organization: refers to private legal entities established in Türkiye and registered in the trade registry.
- o) Panel/Committee: refers to a body composed of experts in relevant project fields, formed by TÜSEB for the purpose of evaluating project proposals.
- p) Panellist/Jury: refers to Scientists who evaluate project applications submitted to programs conducted by TÜSEB and submit the results to TÜSEB in a written report.
- q) Project: refers to projects as defined in TÜSEB's support regulations.
- r) Project Account/Special Account: refers to the account opened by the Unit for each project, in which the funds transferred for the project are monitored.
- s) Project Final Report: refers to the report submitted to TÜSEB at the end of the project, detailing the project outcomes.

- t) **Project Manager:** refers to the project executor of the managing institution, who fulfils the duties specified in the contract when the project is carried out in collaboration with multiple executing institutions/organizations. The Project Manager holds administrative and scientific responsibility on behalf of the Project Execution Team (PYE) and conducts correspondence as its representative.
- u) **Project Executor:** refers to the individual appointed by the executing institution to carry out project activities under its responsibility. This person must possess the necessary expertise in the relevant scientific and/or technological field, as well as experience and skills in project preparation and execution. The Project Executor assumes full scientific, technical, administrative, financial, and legal responsibility for the project, signs the project contract with TÜSEB, and has the qualifications to analyse and publish project results using scientific methods and/or translate them into practical applications.
- v) **Project Contract:** refers to the contract/protocol/instruction document signed by the parties in accordance with TÜSEB regulations.
- w) **PYDDB:** refers to TÜSEB Department of Project Management and Support.
- x) **Movable Property Regulation:** refers to the Movable Property Regulation enacted by the Council of Ministers Decision No. 2006/11545, dated 28/12/2006.
- y) **Foundation Higher Education Institution:** refers to universities, institutes of high technology, and vocational schools not affiliated with a university or institute of high technology, which are established by foundations on a non-profit basis.
- z) **Auxiliary Personnel:** refers to specialists, technical staff, technicians, laboratory assistants, workers, and similar personnel employed by the Institution as the employer, who work on the project on a full-time or part-time basis, either permanently or temporarily, for the duration of the project under the supervision of the project executor or researchers, and whose names are not included in the final report.
- aa) **Sworn-in Certified Public Accountant (YMM):** refers to the professionals registered on the employee list of the Chambers of Sworn-in Certified Public Accountants in accordance with the provisions of Law No. 3568 on Certified Public Accountancy and Sworn-in Certified Public Accountancy, dated 1/6/1989, and/or audit firms established by them in compliance with the relevant legislation.
- bb) **Board of Management:** refers to the Board of Management of Health Institutes of Türkiye (TÜSEB).

## **CHAPTER TWO**

### **Provisions Related to Public Institutions**

#### **Evaluation and Approval of Project, and Transfer of Project Funds**

**ARTICLE 4 – (1)** Project application, evaluation, and approval are carried out in accordance with the procedures and principles determined by TÜSEB. A contract is signed for the support of projects that have been evaluated and approved. A copy of the signed project contract and its annexes is sent to the relevant public institution.

(2) The funds allocated for research and development projects, as well as other projects approved for support by TÜSEB, are transferred to special accounts to be opened for the project-executing public institutions and organizations, including TÜSEB institutes, without being recorded as revenue in their budgets. These amounts are recorded as expenditures in the TÜSEB budget and are monitored through these special accounts. The transfer of funds is subject to the approval of the Board of Management or the President.

(3) In the transfer of the designated amounts to the special accounts to be opened, the payment schedule specified in the project contract shall be followed, taking into account TÜSEB's cash position.

### **Advance Payments and Offset Transactions**

**ARTICLE 5 –** (1) Advance payment limits are determined by TÜSEB, provided that they do not exceed the advance payment amounts stipulated for special budget administrations under the Public Financial Management and Control Law No. 5018, dated 10/12/2003, and the legislation enacted pursuant to this Law, as well as the Annual Budget Law. Purchases within these limits shall be made by the project manager/executor or designated authorized officers. Advance payment requests for travel may be made independently of other advance payment requests.

(2) Advance payment requests shall be submitted to the Unit based on the project budget, without specifying an economic classification code, and for the total amount requested. The requested advance payment amount shall be transferred to the relevant individuals' bank accounts by the accounting officer within a maximum of five business days, following the verification of the project appropriation and approval by the expenditure authority.

(3) Advance payments received must be settled within a maximum of three months for domestic purchases and six months for international purchases. Advance payments for travel must be settled in accordance with the Per Diem Law No. 6245, dated 10/2/1954.

(4) Advance payments received for fieldwork must be offset within a maximum of 30 days after the completion of the fieldwork. It is essential that expenditures made using the advance payment are incurred before the project completion date specified in the contract.

(5) In cases where the procurement of goods necessary for the project from abroad is mandatory and contractors do not accept payments in the form of letters of credit, advance payments may be made, provided that the signed contract includes a provision allowing for advance payment and that the responsibility rests with the project manager/executor.

(6) In domestic purchases, in cases of necessity, procurement may be carried out through cash payment without requiring a guarantee. In international purchases, in cases of necessity, procurement may be carried out not only through cash payment without requiring a guarantee but also via credit card.

(7) The offset process shall be carried out after the expenditures are linked to the economic classification codes in the project budget by the Unit and their compliance is verified. If at least 50% of the advance payment amount remains unspent and is returned at the end of the offset

period, TÜSEB may request justification for the unspent amount. If an evaluation determines that the project executor or the authorized officer has been negligent, at fault, or has engaged in misconduct, the unspent amounts shall be collected from the relevant individuals in accordance with general provisions, along with late payment interest at the rates specified in the Law on the Collection Procedure of Public Receivables No. 6183, dated 21/7/1953, and transferred to the special account.

(8) Regarding advance payment amounts that remain unsettled at the end of the offset period, only expenditures incurred within the offset period shall be accepted. The remaining amounts shall be collected from the relevant individuals in accordance with general provisions, along with late payment interest at the rates specified in Law No. 6183, and transferred to the special account.

(9) No new advance payment shall be made until a previously granted advance payment has been properly settled. The same individual may receive advance payments from multiple projects simultaneously as an authorized officer. More than one authorized officer may be appointed for the same project. Advance payments may be made to each individual appointed as an authorized officer for each project, provided that the amount does not exceed the limit determined by TÜSEB and that these limits are applied separately for each authorized officer.

(10) With the written permission of the expenditure authority, an authorized officer may transfer the advance payment under their responsibility to another authorized officer. In such cases, a record shall be prepared confirming the transfer of funds and expenditure documents to the newly appointed authorized officer. The transferring authorized officer shall submit this record along with the written approval of the expenditure authority to the accounting officer to ensure that the advance payment is recorded under the name of the new authorized officer. A copy of the record shall be provided to both the transferring and receiving authorized officers.

(11) In cases where the work is completed earlier than the specified deadline or it becomes evident that it cannot be completed within the designated period, the advance payment shall be settled without waiting for the time limits specified in this Regulation. All invoices or similar documents included in the settlement documents, along with a summary list of these documents (advance payment/final account form), shall bear the statement: "Market price research has been conducted, and the specified movable goods have been inspected, accepted, and received in full and without defects." This statement shall be signed by the project manager/executor and/or, if applicable, the researcher.

### **Tendering Procedures**

**ARTICLE 6 – (1)** The request for the procurement of goods and services stipulated in the project contract shall be submitted to the relevant unit by the project manager/executor. The procurements shall be carried out in accordance with the Principles Regarding the Tenders to be Conducted by the Ministry of Health under Subparagraph (f) of Article 3 of the Public Procurement Law No. 4734, enacted by the Council of Ministers' Decision No. 2010/646 dated June 23, 2010, as well as in compliance with this Regulation.

(2) In commissions established in accordance with the Principles Regarding the Tenders to be Conducted by the Ministry of Health under Subparagraph (f) of Article 3 of Public Procurement Law No. 4734, if the project manager/executor does not hold expenditure authority, the project executor and, if applicable, a project researcher shall be appointed. In cases where the project executor holds expenditure authority, procurements may also be carried out through tender commissions established by the relevant public institution, upon the request of the project executor, without the involvement of project personnel in the commission.

(3) Except for procurements made through advance payments, the technical specifications for the machinery and equipment to be procured must be prepared by the project personnel assigned within the relevant public institution and/or by individuals designated by the project executor and must be approved by the project executor. The administrative specifications, however, shall be prepared by the unit designated by the relevant public institution for project procurements.

### **Expense Documents, Inspection, and Acceptance Procedures**

**Article 7 –** (1) The forms and documents specified by TÜSEB shall be used for the documentation of expenditures. In addition, the provisions of the Regulation on Central Government Expenditure Documents, published in the Official Gazette No. 26040 (Third Repetition) dated December 31, 2005, shall apply.

(2) Invoices and similar documents issued for procurements made through direct procurement shall be signed by the project executive and/or, if applicable, the researcher and/or the official responsible for conducting the procurement process, with the annotation: "A market price survey has been conducted, and the specified movable goods have been inspected, accepted, and received in full and without defects."

(3) Unless otherwise stipulated in the contract, movable properties procured within the scope of the project shall be inspected and accepted in accordance with the relevant legislation and recorded in the inventory of the unit where the project is being carried out, in compliance with the provisions of the Movable Property Regulation. Durable movables that have been recorded shall be assigned for use through a movable property delivery document issued in the name of the project executor or a designated project personnel member deemed appropriate.

### **Execution of Expenditures and Payment Procedures**

**ARTICLE 8 –** (1) The expenditure execution procedures related to payments under the project shall be carried out by the relevant units of the public institution. Following the signature of the project implementation officer, if the project executor holds expenditure authorization, payments shall be made by the project executor. In other cases, payments shall be made based on the instruction of the expenditure authority of the public institution. In both cases, the payment shall be executed by the accounting officer within a maximum of five business days.

(2) It is essential that scholarship payments for project participants be made within the first week of the month following the month in which the work was performed. Project executors are responsible for taking all necessary measures to ensure the timely payment of scholarships. In the event of a delay in scholarship payments due to an unjustified reason, and if this situation is reported to TÜSEB, TÜSEB may request an explanation for the delay. If negligence, fault,

or misconduct in the scholarship payments is determined, the project executor shall be subject to actions in accordance with the contract and the relevant legislation.

(3) In the event that individuals serving as expenditure authorities in projects temporarily leave their positions, their authority may be delegated to another individual employed by the relevant public institution, in accordance with the procedures established by Law No. 5018 and the regulations issued pursuant to this law.

(4) In the event that implementation officers permanently or temporarily leave their positions, a new implementation officer shall be appointed by the expenditure authority.

### **Project Incentive Bonus and Personnel Payments**

**ARTICLE 9** – (1) In projects supported by TÜSEB, a project incentive bonus may be granted to individuals employed in staff or positions within public institutions or organizations, provided that they are engaged in project-related services and activities and that the payment is limited to the project duration. The incentive bonus shall be paid based on the amounts specified in the project contract, not exceeding 75% of the monthly remuneration received in connection with their official staff or position. This payment may be made for a maximum of two projects if the individual is serving as a project executor in multiple projects simultaneously, and for a maximum of four projects if the individual is serving as a researcher or other project personnel. The procedures and principles regarding this matter shall be determined by the Board of Management. Payments to other project personnel involved in these projects, as well as to other individuals whose services are utilized, shall be made based on the amounts specified in the project contract.

(2) Payments to individuals assigned to the project, within the amounts specified in the project budget, as well as other legal financial obligations, shall be made from the project budget by the relevant public institution. The obligations related to statutory deductions from these payments shall be fulfilled by the public institution in its capacity as the employer.

(3) Auxiliary personnel who are not public employees may not receive any payments other than their salary, excluding per diem allowances. Services related to the project and required personnel may also be procured through the service procurement method, provided that sufficient funds are available in the relevant economic classification code of the project budget.

(4) Project incentive bonus payments shall not be considered in the calculation of payments to be made in accordance with the relevant provisions of the Labor Law No. 4857 dated May 22, 2003, such as severance pay, notice pay, and annual leave compensation.

(5) In the contracts to be made with personnel employed based on an employment contract within the scope of the project, it is mandatory to specify the name and duration of the relevant project, provided that the contract duration remains within the project's timeframe. Information regarding the start and end dates of employment for such personnel shall be communicated to the relevant units of the public institution, and the necessary procedures shall be carried out by these units.

(6) Legal deductions related to payments made to project personnel and expenses incurred within the scope of the project shall be submitted to the relevant institutions by the accounting officer within the specified time frame.

(7) For scientists not included in the team specified in the project proposal form approved under the Regulation on Supporting Strategic Research and Development Projects published in the Official Gazette No. 30359 dated March 13, 2018, but who will be invited to provide services for specific periods during the implementation phase of the project, either from within or outside the country, with the decision of the Board of Management, the amounts to be paid from the service procurement item shall be determined by the Board of Management.

### **Use of Economic Classification Codes**

**ARTICLE 10** – (1) The economic classification codes to be used in the budgeting and implementation of projects shall be determined by TÜSEB. The limits determined by the Annual Budget Law for goods and services procurement and capital expenditures shall not be applied to projects supported by TÜSEB.

### **Accounting Procedures**

**ARTICLE 11** – (1) The accounting procedures related to the special account shall be carried out in accordance with the provisions of the Regulation on Accounting Transactions of Special Accounts Belonging to Public Administrations, published in the Official Gazette No. 30213 dated October 17, 2017.

(2) In order to ensure detailed tracking of appropriations and expenditures, accounting records based on the project and economic classification codes are maintained separately within the system created by TÜSEB.

### **Audit**

**ARTICLE 12** – (1) Expenditures made by the relevant public institutions under this Regulation shall be audited by the Court of Accounts in accordance with the legislation applicable to the projects. Additionally, the expenditures may also be audited by TÜSEB and/or internal auditors, as appropriate.

(2) In the event that a violation of this Regulation is detected as a result of the internal audit of the public institution, the audit report shall be forwarded to TÜSEB. If actions constituting a crime are identified under the Turkish Penal Code No. 5237, dated 26/9/2004, the relevant public institution shall take action against the individuals involved in accordance with the general provisions, and the outcome shall be reported to TÜSEB.

(3) In the event that irregular expenditures, unjust or improper payments are identified during the audits, the relevant amounts shall be collected from the public institution and/or the individuals involved, along with delay interest at the rates specified in Law No. 6183, in accordance with the general provisions.

## **CHAPTER THREE**

### **Provisions Concerning Foundation Higher Education Institutions and Private Organizations**

#### **Evaluation and Approval of Project, and Transfer of Project Funds**

**ARTICLE 13** – (1) The procedures and principles regarding project applications, evaluation, and acceptance for foundation higher education institutions and private organizations are determined by TÜSEB. A contract is signed for the support of projects that are evaluated and accepted. A copy of the signed project contract and its annexes is sent to the relevant institution.

(2) The amounts related to the research and development projects and other projects that are decided to be supported by TÜSEB, and the resources allocated for them, are transferred to special accounts to be opened without being recorded as income in the budgets of the foundation higher education institutions and/or private organizations that are the project executors. These amounts are recorded as expenditures in the TÜSEB budget and monitored in these accounts, as deemed appropriate by the Board of Management or the President.

(3) The transfer of the specified amounts to the special accounts to be opened shall be carried out in accordance with the payment plan set out in the project contract, taking into account the cash position of TÜSEB.

(4) In the event that private institutions/foundation higher education institutions request the transfer of the appropriation before expenditure is made, they shall provide a guarantee, in one of the forms specified in the Public Procurement Law No. 4734 dated 4/1/2002, equivalent to the highest periodic appropriation in the project budget, prior to the transfer process.

(5) During the monitoring process, upon the request of the project coordinator, the guarantee amount may be modified once, provided that it is not less than the highest periodic appropriation among the remaining period appropriations.

(6) If a letter of guarantee is provided as collateral, its validity period must extend at least six months beyond the project completion date.

(7) Private institutions/foundation higher education institutions may carry out the relevant period expenditures themselves without providing a guarantee. These expenditures shall be transferred to the project account following the acceptance of the sworn financial advisor's audit report and the progress report, prepared in accordance with the format determined by TÜSEB.

(8) If a private institution/foundation higher education institution that initially carried out expenditures without providing a guarantee subsequently provides a guarantee in the required form, the appropriations for the relevant periods shall be transferred to the project account starting from the period in which the guarantee is provided.

## **Project Incentive Bonus and Personnel Payments**

**ARTICLE 14** – (1) A project incentive bonus shall be paid to project personnel employed in contractual positions at foundation higher education institutions for at least six months as of the project application date, in accordance with the rate specified in the project contract, provided that it does not exceed 75% of the monthly amount paid for their position. This payment may be made for a maximum of two projects if the individual serves as a project coordinator simultaneously and for a maximum of four projects if the individual serves as a researcher or other personnel. The procedures and principles regarding this matter shall be determined by the Board of Management.

(2) Project personnel employed by private institutions shall not be entitled to a project incentive bonus. These individuals shall be paid a salary based on the amounts specified in the project contract.

(3) Payments to personnel to be employed in the project, within the amounts foreseen in the project budget, as well as other legal financial obligations, shall be made by the private institution/foundation higher education institution from the project budget. The obligations related to legal deductions from these amounts shall be fulfilled by the private institution/foundation higher education institution in its capacity as the employer and shall be submitted to the relevant institutions within the prescribed time.

(4) In the contracts to be made with the personnel employed under an employment contract within the scope of the project, it is mandatory to specify the duration of the contract, provided that it remains within the duration of the relevant project, and the name of the project. Information regarding the commencement and termination of employment for these personnel shall be communicated to the relevant units of the private institution/foundation higher education institution, and the necessary procedures shall be carried out by these units.

(5) Under the project, no payments other than per diem allowances and salary payments may be made to the project personnel employed within the scope of the project. Provided that it is included in the relevant economic classification code of the project budget, the personnel required for the project may also be procured through service procurement.

(6) The amounts to be paid from the service procurement item for scientists who are not included in the team specified in the approved project proposal form under the Regulation on Supporting Strategic Research and Development Projects of Health Institutes of Türkiye but are invited, by decision of the Board of Management, to contribute to the project for specific periods from within the country and/or abroad during the implementation phase of the project shall be determined by the Board of Management.

## **Procurement, Inspection, and Acceptance Procedures**

**ARTICLE 15** – (1) Procurement, inspection, and acceptance procedures to be carried out within the scope of the project shall be conducted in accordance with the relevant legislation and practices of the foundation higher education institution/private entity. If applicable, the

participation of the project coordinator in procurement, inspection, and acceptance commissions is mandatory.

### **Accounting and Payment Procedures**

**ARTICLE 16** – (1) The foundation higher education institution/private entity shall carry out the accounting and payment procedures related to the expenditures made within the scope of the project in compliance with the applicable legislation to which they are subject.

(2) In order to ensure the detailed tracking of allocations and expenditures, accounting records shall also be maintained on a project basis and based on economic classification codes within the system established by TÜSEB.

(3) It is essential that scholarship payments within the project be made during the first week of the month following the month in which the activities are carried out. Project coordinators are responsible for taking all necessary measures to ensure the timely payment of scholarships. In the event of a delay in scholarship payments due to an invalid reason and notification of this situation to TÜSEB, TÜSEB shall request justification for the delay. If negligence, fault, or misconduct in the scholarship payments is determined on the part of the project coordinator, necessary actions shall be taken in accordance with the contract and relevant legislative provisions.

### **Retention of Documents**

**ARTICLE 17** – (1) All documents related to the revenues, expenditures, and other matters concerning the projects shall be retained by the foundation higher education institution/private entity in accordance with general provisions from the date of project completion. These documents shall be made available for TÜSEB's inspection when required.

### **Financial Audit**

**ARTICLE 18** – (1) The financial audit of expenditures included in the progress and/or final reports submitted at the periods specified in the project contract, along with the related documents, for projects conducted by the foundation higher education institution/private entity shall be carried out by a sworn-in certified public accountant in accordance with the relevant legislative provisions and the report format determined by TÜSEB. The audit and certification report prepared by the sworn-in certified public accountant shall be submitted to TÜSEB together with the progress and/or final report.

## **CHAPTER FOUR**

### **General Provisions Regarding the Project Process**

#### **Project Budget**

**ARTICLE 19** – (1) During the implementation of the project, it is essential that expenditures be made in accordance with the proposal form, which is an annex to the project contract and has been approved by TÜSEB.

(2) The amount determined for transfer, in accordance with the contract provisions and TÜSEB's cash flow status, shall be deposited into the special account/project account opened by the Institution.

(3) Provided that the type and quantity of the materials or services specified in the projects remain unchanged, if the allocated funds under the economic classification codes in the project budget are insufficient, budget transfers between sections may be carried out by TÜSEB upon the request of the project manager/executor.

(4) Although it is essential to maintain the type and quantity of the materials or services specified in the projects, if it becomes necessary to modify them, a justified request must be submitted, which shall be decided upon by TÜSEB and communicated in writing to the relevant parties.

(5) A justified request for additional funding related to the project shall be decided by the Board of Management/President in accordance with the authority granted by the legislation regarding the total project budget, including the additional funding. The decision shall be communicated in writing to the relevant parties.

### **Changes in Project Status**

**ARTICLE 20** – (1) In matters related to the suspension, revocation, and cancellation of projects, procedures shall be conducted in accordance with the legislation to which the project is subject.

(2) In projects that have been revoked or cancelled, the remaining amounts in the account shall be refunded by the Institution to TÜSEB upon receipt of a request letter sent by TÜSEB. Legal interest shall be accrued on amounts not transferred within the stipulated timeframe.

### **Ownership**

**ARTICLE 21** – (1) Ownership of the materials purchased within the scope of the project shall belong to the Institution, provided that the successful completion of the project is approved by TÜSEB, unless otherwise specified in the applicable legislation and the project contract.

(2) Materials and devices purchased under the supported project, which are to be transferred to TÜSEB in accordance with the provisions of the project contract, shall be recorded in the TÜSEB inventory in accordance with the provisions of the Regulation on Movable Property. The aforementioned durable movable assets shall be made available for use by the project executor until the project is completed, by issuing a movable delivery receipt. In this case, all responsibility shall rest with the project executor.

(3) Materials and devices purchased under projects involving a customer, which are intended for use in the implementation of project results and are to be transferred to the Customer in accordance with the contract provisions, shall be recorded in the inventory of the Customer organization. The aforementioned movable assets shall be temporarily allocated to the Institution and entrusted to the project executor until the project is completed.

(4) TÜSEB is authorized to make arrangements regarding project products that have economic value and are acquired and/or arise during the execution of the project.

### **Responsibilities**

**ARTICLE 22** – (1) The project manager/executor is responsible for conducting the project in a manner consistent with scientific, technical, administrative, legal, and financial aspects, in accordance with general provisions, this Regulation, and other relevant legislation of TÜSEB. This includes ensuring the necessary flow of information to TÜSEB, compensating for any damages arising from the ineffective and inefficient use of project funds for purposes other than those intended, and being accountable for any negligence or fault that may occur during these processes. In cases where the project executor is a group of executors, the provisions related to this responsibility shall apply jointly and severally to all executors. If the project manager/executor is not designated as the expenditure authority, the individuals designated as the expenditure authority shall be responsible for ensuring that the project funds are used effectively and efficiently for purposes consistent with the project objectives.

(2) The Institution is responsible, within the scope of the tasks assigned to it under this Regulation, for ensuring that the project is effectively carried out in accordance with the contract and that the necessary flow of information is provided to TÜSEB.

(3) TÜSEB is responsible for taking the necessary measures to ensure the effective and efficient use of resources in the execution of projects.

(4) Expenditure experts are responsible for using the resources allocated to them under this Regulation in a manner that is compliant with applicable legislation, effective, economical, and efficient, as well as for reporting to authorized bodies. Implementation officers are responsible for ensuring that the actions and transactions they perform within the scope of their duties are in compliance with legislation and that the documents they prepare are accurate. The responsibility of the accounting officer is limited to the responsibilities specified in Law No. 5018.

(5) The sworn-in certified public accountant is responsible, in addition to the responsibilities assigned to them by the relevant legislation, for ensuring that expenditures and expense documents related to the project are in compliance with the contract and financial legislation, and for verifying the accuracy of costs.

(6) The customer is responsible for monitoring the execution of the project in accordance with the protocol and/or contract signed with the Institution and the applicable legislation, as well as for fulfilling the obligations specified in the project contract.

### **Institutional Share and Project Completion Procedures**

**ARTICLE 23** – (1) The institutional share included in the project budget for use in the Institution's R&D activities is paid by TÜSEB in the rates determined by TÜSEB as the project progress reports are accepted.

(2) The institutional share shall be spent within the framework of this Regulation for use in R&D activities (including the costs of sworn-in certified public accountant and bank guarantee letters) upon the request of the authorized official of the institution where the project is conducted. The institution shall be responsible for ensuring that the expenditures comply with the applicable legislation.

(3) The institution shall be responsible for ensuring that the expenditures fall within the scope of R&D activities.

(4) It is possible to collectively utilize the institutional shares allocated to projects conducted within the same institution. If the institutional shares from multiple projects are used for a single procurement, the original expenditure document shall be attached to one project, while copies of the expenditure document, indicating the project number to which the original document is assigned, shall be included as supporting documents for the other projects.

(5) The institutional share cannot be transferred to any account other than the project account. In the event that additional funding is allocated to a project, no institutional share shall be granted for the additional funding.

(6) Following the acceptance of the project's final report, the remaining balance in the special account/project account, excluding the institutional share, shall be refunded to TÜSEB by the Institution upon TÜSEB's written request, based on the approved expenditures as of the project completion date specified in the project contract. Amounts not refunded within the specified period shall be subject to late payment interest at the rates stipulated in Law No. 6183.

(7) The unspent portion of the institutional share shall be refunded to TÜSEB at the end of a three-month period following the project completion date specified in the project contract, and the special account shall be closed. Amounts not refunded within the specified period shall be subject to late payment interest at the rates stipulated in Law No. 6183.

### **Domestic and International Travel Expenses**

**ARTICLE 24** – (1) Administrative procedures related to domestic and international travels required by the project shall be carried out within the framework of the Institution's practices.

(2) The provisions of the Law No. 6245 on Travel Allowances shall apply to domestic and international travels.

(3) Within the scope of the Regulation on Supporting Strategic Research and Development Projects of Health Institutes of Türkiye, any domestic and/or international training, study visits, and related expenses that are not included in the approved project proposal form but are deemed necessary during the project implementation process, may be approved by the Board of Management upon the reasoned request of the project manager/executor, and, when necessary, with the opinion of the referee and the relevant institute head.

### **Preparation of Expenditure Documents**

**ARTICLE 25** – (1) Invoices and documents substituting invoices related to purchased goods and services shall be issued in the name of the Institution, with the project number specified.

(2) For expenditures made abroad, the foreign currency amounts stated on the invoices and documents substituting invoices issued by foreign individuals or companies shall be converted into Turkish Lira at the exchange rate determined by the Central Bank of the Republic of Türkiye on the date the documents are issued.

(3) Invoices to be submitted for goods and services purchased domestically shall be issued in Turkish currency. However, they may also be issued in a foreign currency, provided that the equivalent amount in Turkish Lira is indicated.

(4) If the exchange rate is determined by the parties in the contract related to foreign currency-indexed purchases, the sales invoices to be issued (including advance payments) shall indicate the amount in Turkish Lira based on the exchange rate specified in the contract.

(5) If the exchange rate is not determined by the parties in the contract related to foreign currency-indexed purchases, the amount in the sales invoice shall be indicated in Turkish Lira based on the exchange rate of the Central Bank of the Republic of Türkiye.

### **Suspension of Transfer**

**ARTICLE 26** – (1) If deemed necessary, the transfer of funds to the project shall be suspended until the completion of the review and evaluation process based on the project's progress reports, referee reports, and/or notifications and complaints submitted to TÜSEB.

## **CHAPTER FIVE**

### **Miscellaneous and Final Provisions**

#### **Penal Provisions**

**ARTICLE 27** – (1) If it is determined that fraudulent or misleading documents and information have been provided in connection with the project, resulting in improper expenditures or unjust and undue payments, the amounts paid shall be recovered from the responsible individuals and institutions in accordance with the general provisions, along with late payment interest at the rates specified in Law No. 6183. Additionally, if the act constitutes a criminal offense under the Turkish Penal Code, legal proceedings shall be initiated against the relevant parties in accordance with the general provisions.

#### **Confidentiality**

**ARTICLE 28** – (1) Confidentiality is fundamental concerning the information and documents related to the project, and individuals involved in this process are responsible for any breaches of confidentiality.

#### **Entry into Force**

**ARTICLE 29** – (1) This Regulation shall enter into force on the date of its publication.

#### **Execution**

**ARTICLE 30** – (1) The provisions of this Regulation shall be executed by the President of TÜSEB.