

Oregon Tech Policy
OIT-40-010
Facilities and Administrative Cost for Grants

1. Policy Statement

Oregon Institute of Technology (Oregon Tech or University) manages all research grant and contract funds at the institutional level. All proposals must follow University and sponsor requirements, obtain necessary approvals, and ensure proper use of funds. Project Directors/Principal Investigators are responsible for compliance with University policies and sponsor terms, including budgeting, reporting, and expenditure of funds. Facilities and Administrative Cost Recovery is distributed according to University policy and may be revised as needed.

2. Reason for Policy/Purpose

Oregon Tech has a commitment to applied research. The by-products of such research programs are extremely important to the University, and benefit it by:

- Providing professional growth in a researchers' academic discipline.
- Improving existing instructional capabilities and techniques.
- Providing students with realistic educational and/or research experience as assistants in sponsored research projects.
- Providing a service to the state and the region.

The annual budget for Oregon Tech contains few uncommitted funds for use in research and instructional projects. Most research funds, therefore, must come from external sources, such as federal, state, local, or private businesses and foundation awards or grants. All funds awarded in support of proposals are awarded to the University, and not to individual Project Directors/Principal Investigators. The procedures and specific responsibilities to be followed to best realize this goal are established in the following sections.

3. Applicability/Scope

This policy applies to all departments, faculty, and staff of the University.

4. Definitions

Facilities and Administration Cost Recovery: Expenses necessary for an organization to operate that are not directly tied to a specific project or program. These include overhead costs

like facilities maintenance, utilities, information technology, and general University support services. These costs are calculated as a percentage of the grant's allowable direct costs. The Department of Health and Human Services approves the Facilities and Administration Rate used on sponsored projects and grants.

Principal Investigator: The individual who holds the ultimate authority and responsibility for a research grant or project, including its design, execution, financial oversight, and reporting.

Project Director: The individual who is responsible for overseeing all aspects of a grant-funded project from proposal development through final reporting. This role involves budget oversight, financial controls, hiring and supervising staff, and ensuring compliance with funding agency rules.

5. Policy

Responsibilities

President – the President establishes research policies for the institution and delegates approval authority for all external funding proposals.

Senior Vice Provost for Research and Graduate Studies, or Similarly Titled Position – approves contract and grant agreements for the University. Specific duties include:

- A. Advising the President and seeking approval when necessary for grants, contracts, and proposals.
- B. Establishing and maintaining communication with all appropriate agencies related to grant and contract matters and negotiating grant and contract terms.
- C. Coordinating campus patent, trademark and copyright activities.

Provost – the Provost is responsible for faculty efforts in instructional research. Specific duties include:

- A. Reviewing and approving all instructional research proposals prior to forwarding them for approval to the **Senior Vice Provost for Research and Graduate Studies**. If matching funds from the University budget must be committed, the Provost makes a recommendation regarding the availability of funds.
- B. Reviewing the faculty release time proposed for each research proposal to determine supportability.

Director of Sponsored Projects and Grants Administration (SPGA) – the Director works directly with the Deans, Chairs and faculty providing staff assistance and coordinating all faculty research. Specific duties include:

- A. Monitoring publications for announcements of upcoming instructional and research projects and funding opportunities on the SPGA website.

- B. Informing department(s) and faculty member(s) of available funding opportunities as advertised on the SPGA website.
- C. Providing Project Directors/Principal Investigators with staff assistance concerning requirements, preparation, and submission of proposals for sponsored projects as required.
- D. Coordinating the necessary activities of grant administration between the Project Director/Principal Investigators, Deans, Chairs, Senior Vice Provost for Research and Graduate Studies, Associate Vice President for Finance and Controller, or Senior Vice President for Finance and Administration, Provost, and other institutional staff as required.
- E. Providing assistance to Project Directors/Principal Investigators in developing proposed project budgets.
- F. Working with the Grants Business Manager, or equivalent, to (1) maintain necessary fiscal records for sponsored projects and grants; (2) approve availability of cost share for projects, if needed; (3) request the establishment of a sponsored project account by the Business Affairs Office for each funded project; (4) approve sponsored programs' fiscal transactions as requested, including purchase requisitions and orders, equipment acquisition, and personnel compensation, (5) review requests for approval of faculty effort supported by grants; (6) monitor documentation of research staff time and effort reporting by grant participants; (7) track grants or contracts expenditures to ensure compliance with terms and conditions of awarded funds; and (8) provide fiscal reports to granting agencies as required by contract provisions.

Project Directors/Principal Investigators – Project Directors/Principal Investigators are responsible to their respective supervisors or designees, for all aspects of their sponsored projects.

Specific duties include:

- A. Identify the funding opportunity and preparing the proposal for submission.
- B. Prepare a budget for the project.
- C. Spending funds as authorized by sponsor(s), making sure that the terms and conditions of the sponsored project are satisfied.
- D. Monitor that departments are recording all expenditures and commitments in a timely and accurate manner.
- E. Conducting the research/ project work and producing the project deliverables timely and accurately, including publication of the results.
- F. Submitting required reports to the sponsor agency in a timely manner. One copy of all reports shall be provided to the **Senior Vice Provost for Research and Graduate**

Studies. One copy of the final report shall also be provided to the Associate Vice President for Finance and Controller or Senior Vice President for Finance and Administration and the Director of Sponsored Projects and Grants Administration.

G. Monitoring progress of active contracts to ensure contract terms are met timely.

All grant and contract-funded employees are University employees who must follow all University requirements when conducting the research work. The Project Director/Principal Investigator agrees that employees hired as part of the grant must be paid, provided benefits, and given employment conditions according to the University's established policies and procedures.

Proposal Procedures

Proposals may be funded entirely by funds from external sources or a combination of external funds and University cost share. External funding sources may be federal, state, business and industry, or private foundations. Proposals submitted may be either solicited or unsolicited by the funding agency to fill a research or project need as identified by a Project Director/Principal Investigator.

All proposals must be submitted using the completed Proposal Approval Form (PAF) and obtain all required approvals from department, college, and the SPGA Office. If a proposed project requires the use of specific University research or instructional facilities, permission to use the facilities must be attached to the PAF.

Project proposal must follow the sponsoring agency's requirements. Prepare the proposal budget in accordance with the Request for Proposals and obtain all necessary approvals if cost share is required.

If facilities, new instructional programs, or legislative funding are requested, the proposal **may require forwarding to the Senior Vice President for Finance and Administration** or Associate Vice President for Finance and Controller for approval. In some instances, legislative approval may also be required.

Most funding agencies require the University to submit a request for funding proposals. In such cases, the Proposal Investigator(s) must work with the SPGA in advance of the submission deadline to ensure timely submission of proposals. A Project Director/Principal Investigator may submit a proposal to the appropriate funding agency, if required.

Problems related to funding, shifting/transferring of budgeted monies or contract negotiations or re-negotiations will be handled by the SPGA Office and when necessary may include the Associate Vice President for Finance and Controller.

Fiscal Responsibilities

The Project Director/Principal Investigator is responsible for the proper expenditure of the project funds budgeted through a grant/contract. The following guidelines must be followed.

A. Obligation of Funds:

No funds are to be obligated for salaries, supplies or equipment until a grant/contract has been formally awarded to the University. Notification of the effective date of the grant/contract will be provided in writing by the authorized sponsoring agency representative.

B. Required Signatures:

All contracts and proposals must be signed by **Senior Vice Provost for Research and Graduate Studies, or the delegate** or if necessary, the Senior Vice President for Finance and Administration.

C. Use of Funds:

All monies, including external funds received by Oregon Tech become University funds subject to University policies, including purchasing and employee compensation. All supplies and equipment using sponsored project funds must be ordered in accordance with current purchasing regulations.

D. Travel Requirements:

Requests for sponsored travel will be prepared by the appropriate project or departmental/college staff and approved by the project director's immediate supervisor prior to travel. Travel taken must be in support of the project, authorized in the project's approved budget, and in accordance with travel regulations of the grant/contract agency, state, and Oregon Tech travel policy. Travel expenses are reimbursed according to the University travel policy or grant-stipulated rates.

E. Compensation and Release Time Rules:

When a University employee or other research/project staff is eligible to receive compensation and/or release time from a grant or contract, the compensation and/or release time must be approved by the Chair, Dean and Provost. The Provost's Office will determine and approve the compensation, as appropriate, and forward to the Office of Human Resources. Any additional compensation cannot be paid until the Office of Human Resources receives the employment contract.

Project Directors/Principal Investigators must certify, on a monthly basis, the percentage and hourly total effort expended on a project using effort reporting forms. If the percentage of effort by a participant on a grant changes, then an index change form, reflecting the new percentages, must be forwarded to the Payroll Office in the month of the change. The total effort must equal or be less than the sponsor-approved contracted amount.

F. Matching Funds/In-Kind Funds:

Whenever the sponsoring agency requires the University to provide cost share and/or in-kind funds, the amount and source of the matching funds must be clearly identified in the PAF. The signed approval of the PAF documents by the requisite administrator/dean/department chair approving the required cost share is required.

G. Budget Limit:

When the budget limit for the project has been reached for a funding period, no funding from the project can be spent. For multi-year projects, funded work must cease when monies allocated for that period have been used. Work can commence again when the University receives the next period's funding. Should a no-cost extension of time, an extension of funding beyond the budgeted period, or an increase in funding be required, the SPGA Office should be contacted to negotiate revision of the awarded contract's terms and conditions.

In the administration of grants and contracts, transferring funds from one budget category to another is normally not allowed unless it is explicitly permitted by the granting agency or the terms of the award contract. Should the Project Director/Principal Investigator require such a transfer of funds, they should contact the SPGA Office with the necessary documentation or explanation for a budget revision. The final authorization for reallocation of awarded funds is made by the sponsoring agency according to the terms of the contract.

Facilities and Administration Cost Recovery

The distribution of Facilities and Administration Cost Recovery (formerly known as Indirect Cost) has been agreed upon as shown below:

Unit	Facilities & Administration (F&A)
Principal Investigator	10%
Department	10%
College	10%
Provost	10%
Sponsored Projects and Grants Administration	10%
Finance and Administration	50%
Total	100%

This allocation of Facilities and Administration Cost Recovery is effective for new research grants/contracts/agreements beginning with the date of approval of this policy. The University President, at their discretion, may change the above distribution rates at any time based on institutional needs. The Facilities and Administrative costs for research grants/contracts/agreements in effect before the date this policy is revised and approved by the President will be determined by the Office of Finance and Administration.

6. Links to Related Procedures, Forms, or Information

[Sponsored Grants and Administration Public Website](#)
[SPGA Internal Website](#)

7. Policy Review/Consultation

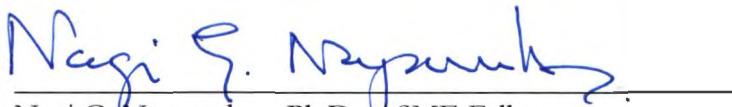
This policy was reviewed and open to consultation by the following Oregon Tech committees and/or advisory groups:

- Faculty Senate
- Administrative Council
- President's Council

This policy was adopted pursuant to Oregon Tech's policy review and making process.

8. Policy Approval

Approved by the President on April 14, 2026.

A handwritten signature in blue ink, reading "Nagi G. Naganathan", is written over a horizontal line.

Nagi G. Naganathan, Ph.D., ASME Fellow
President

Supersedes and Renames

OIT-40-010 Research Grants and Research Contracts dated 10/31/2001

Revision Dates

11/27/2025