

Action Fund Policies

Revised April 2004

Eligibility

I. External, Open Competitions for University Research

Since the primary purpose of the Action Fund is **to improve the leveraging of external research grants and awards to Ohio universities**, these external research grants must be competitively awarded and it must be demonstrated that an Action Fund grant will make the proposed project more likely to receive the external research award.

A. Action Fund grants will be provided to leverage external research grants. Requests must be primarily for research projects as evidenced by the project description and the external agency's RFP or proposal solicitation document.

B. There should be an external (national), well-defined and open competition.

Gifts from private donors or foundations are ineligible for Action Fund matching since the institutions should be able to receive these without Action Fund support or state level participation.

Invitation-only, solicited projects are also not eligible since these are not open competitions.

II. Timely Submission of Requests

A. Requests must be made in advance of submission to the external competition and must be submitted by the university's designated Research Officer or their designee using the Action Fund electronic submission system.

The Action Fund was designed to increase Ohio universities' external funding through the State's partnership in providing matching funds in the project. In order for the State's participation to positively influence the external funder's decision, Action Fund commitments must be received by the institution prior to the institution's submission of the proposal to the external funding agency by that agency's posted deadline.

All requests for required-match, peer reviewed grants shall be received by the Board of Regents no later than **10 working days before the sponsoring agency's published deadline for receipt of proposals**.

Proposals will be accepted up to **three working days before the agencies' deadlines in extraordinary circumstances**. Requests received after that time shall not be considered. Requests for non-peered reviewed grants or those not requiring a match by the institution shall be received at least three weeks before the sponsoring agency's published deadline."

While "extraordinary circumstances" will be liberally interpreted and the Board of Regents will attempt to facilitate such quick reviews when necessary, the Board cannot guarantee that a proposal received with less than 10 working days review time will make it though the review process to receive a commitment prior to the external agency deadline. The submitting institution must accept the risk that an Action Fund proposal may not be able to be processed with such short notice.

B. There are circumstances in which competitions take place over several levels of review. In such cases, (as for certain major research centers) a request for Action funding can be submitted in a later phase of the competition. However, several conditions must be met:

1. The agency's published guidelines must clarify that the review will be done in defined phases,
2. The proposal must be submitted to allow for a timely review prior to a site visit or other clear competitive phase, and
3. A compelling argument must be made by the university that the Action grant will significantly increase the proposal's chance for funding in the pending competition, and that the Action funds will provide for some additional capital-related component that is integral to the project rather than substitute for currently planned expenditures or simply be an "add-on". In all cases, it is advisable for Action Fund support to be requested prior to the original submission, if possible, as this improves the possibility of making it to further phases of the competition.

C. Resubmissions may receive an abbreviated review but do need to be submitted to the Action Fund for a renewed or extended commitment.

If a proposal is not successful in the original competition for which it has an Action Fund commitment, an abbreviated review may take place for the proposal's resubmission. The new budget (if revised) should be submitted along with the updated information from all parts of the previous Action Fund application form. The re-submitted application can refer to information in the original proposal if it has not changed significantly, with relevant changes briefly noted.

Resubmissions, that are similar to the originally submitted proposals, will receive an expedited staff review.

Since the Board of Regents needs to assure that adequate funding is held in reserve to fulfill all funding commitments for awarded grants, commitments will necessarily be made for a specified period of time, usually to coincide with the external agency's planned date for award of funds. Expired commitments can be easily renewed or extended through this resubmission process.

III. Project Scope/Threshold for Eligibility

D. The Action Fund was designed to encourage major projects of significant magnitude.

1. Action Fund projects must have a minimum proposed total budget, including capital and operational costs, of at least two hundred fifty thousand dollars or more, with a capital expenditure of at least one hundred and twenty thousand dollars.
2. The minimum Action Fund commitment is sixty thousand dollars and the maximum is three million dollars.
3. Threshold limits should not be met by combining numerous small projects or equipment items. All systems must have a minimum of fifty thousand dollars cost per unit. The overall significance and cohesiveness of projects which combine several pieces of instrumentation should be clearly demonstrated; documentation may be necessary to depict the rationale of the integrated system.

Budgets

I. Multiple Year Projects

A. Action Funds' commitments should match the time period for the external agency's award of funds.

If the external agency indicates that projects will be continually funded for multiple years pending availability of funds, and the project is reviewed on the basis of this total multi-year budget, the Action grant request may consider the total costs over the multiple years. If the external agency states that multiple years are possible but the project must compete for these funds and the project is reviewed primarily on the basis of the first year's budget, the Action grant may only consider the first year's project costs. However, such a competing-renewal project is eligible to request Action matching funds as the proposal is submitted in subsequent years.

II. Matching

A. Action grants must be matched by the institution on a cash for capital basis.

The Action Rules state that Action funds "are not a substitute for institutional commitment... Action funds shall be used only for capital expenditures and only to match institutional capital expenditures of an equal or greater amount."

B. Allowable industry contributions to institutional match must be on a cash for capital basis.

Funding from business and industry may be viewed as part of the institution's match since it is provided to the institutions and becomes that institution's resources.

Manufacturers discounts or donated equipment may not be included as industry support. Industry contributions must be cash for capital expenditures, to be counted as an institutional match.

C. External Matching for Capital and Non-Capital Expenditures

1. The funding proposal for the project must include a request for one or more capital expenditures. If the proposal has a non-capital component, the proposal should be clearly integrated, including a description of why the ultimate success of the overall project is dependent upon the requested capital item(s).

2. The requested capital expenditure(s) must be a significant portion of the project budget in order to insure that the need for the capital item(s) is reviewed along with the scientific merits of the project. For a project to be considered for funding under the Action Fund, the minimum total budget submitted to the external agency must be at least \$250,000 (excluding any in-kind contributions), with a capital budget of at least \$120,000.
3. Since the Action Fund is designed to leverage external funding for research, the funding from the external agency must be at least 50% of the total proposed expenditures for the project (see C.5 below for an exception to this requirement).
4. Although there is no specific minimum that the external funding agency must contribute toward the requested capital acquisition, the requested Action Fund award must be matched dollar for dollar by the institution, along with meeting the requirements as delineated in the above sections.
5. If the project includes capital costs in excess of \$1,000,000, the sharing of capital costs may be a minimum of a 1:1:1 ratio, or one-third of the capital costs contributed by each of the three parties (external agency, institution, and Action Fund).

D. Maintenance Costs

Maintenance costs should not be included in the Action grant or the institutional match. These can be included in the external funding (if allowed by them). This is stated in the Rule part (F)(2)(e) and is strongly implied in the spirit of capital funding. While it is recognized that maintenance is a critical need in the ongoing use of instrumentation, the Action fund was designed to assist in the initial acquisition of research infrastructure. Institutions should believe that the acquisition is significantly critical so as to warrant the investment of institutional funds for operation including maintenance.

If it is known that specific materials or parts will need to be replaced in order to carry out the proposed research over the time frame for which funding is being requested, those expenditures may be included. But these costs must be itemized and included as part of the instrumentation package being purchased. Costs to the university for personnel to maintain equipment cannot be included.

III. Awards

Part (F)(2)(d) states that "Action fund commitments are conditional and pledged in support of a specific project and for a limited period of time. If the designated sponsor does not support the proposal within the stipulated period of time, the pledge of support is canceled". If the external funding

agency reduces the awarded funds from those requested, an Action fund grant may still be awarded but in certain cases may be reduced. The Action grant may not exceed the institutional match and both of these, as the State share, may not exceed 50% of total costs. (Except as provided for under Section, Budgets, II. C.5.) This policy encourages institutions to attempt to maximize the external agency share, and provides them some ability to negotiate with external agencies while also assuring that the State share is not excessive.