

# TITLE 650. OKLAHOMA CENTER FOR THE ADVANCEMENT OF SCIENCE AND TECHNOLOGY

## CHAPTER 1. ADMINISTRATIVE OPERATIONS

[Authority: 75 O.S., §§ 302 et seq., and 5060.9]

[Source: Codified 12-12-91]

### SUBCHAPTER 1. GENERAL PROVISIONS

#### 650:1-1-1. Purpose

The rules of this Chapter have been adopted for the purpose of complying with the provisions of the Administrative Procedures Act. [75 O.S., Sections 250 et seq.] The Oklahoma Center for the Advancement of Science and Technology (OCAST or the Center) is an instrumentality of the State created pursuant to 74 O.S. (1987 Supplement), Sections 5060.1 et seq., known as The OCAST Act. Amended statute [74 O. S. 2001, Sections 5060.1, 5060.2, 5060.3, 5060.4, 5060.6, 5060.7, 5060.8, 5060.9, 5060.9a and 5060.22] cited as the "Oklahoma Science and Technology Research and Development Act" (the OSTRaD Act) reconstitutes the OCAST Board as the Oklahoma Science and Technology Research and Development Board (the Board) [Section 5060.6], creates the Oklahoma Institute of Technology (OIT or the Institute) *within* OCAST and directs OCAST and the Board to support OIT. [Section 5060.2] New law creates The Oklahoma Institute of Technology Fund with specified members of the Board designated as *trustees*. (74 O.S. 2001, Section 5060.30) The instant rules, regulations, policies and procedures have been adopted for the purpose of implementing and administering the duties and responsibilities of the Oklahoma Science and Technology Research and Development Board, OCAST and OIT as provided by law.

(1) The rules of this Chapter are adopted for the purpose of simplifying procedure, avoiding unnecessary delays, minimizing expenses and facilitating the administration of OCAST, OIT and all associated programs. To that end, these rules shall be given fair and impartial construction. The rules shall be cumulative to the Administrative Procedures Act of the State of Oklahoma as amended now and hereafter.

(2) The rules of this Chapter shall be known as the General Rules for OCAST and shall govern formal proceedings of the Oklahoma Science and Technology Research and Development Board, OCAST and OIT.

(3) Informal proceedings may be held by agreement between the Board, or its agents and any interested party.

(4) The provisions herein contained are severable and the repeal, amendment or invalidity of any provision hereof shall not serve to repeal or invalidate the remaining provisions of the rules of this Chapter.

[Source: Amended at 19 Ok Reg 3074, eff 9-9-02 through 7-14-03 (emergency)<sup>1</sup>; Amended at 20 Ok Reg 2727, eff 8-11-03]

**EDITOR'S NOTE:** <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency amendatory action, the last prior permanent text is reinstated. Therefore, on 7-15-03 (after the 7-14-03 expiration of the emergency action), the text of Section 650:1-1-1 reverted back to the permanent text that was effective prior to enactment of the emergency action on 9-9-02, as was last published in the 2001 Edition of the OAC, and remained as such until amended by permanent action on 8-11-03.

#### 650:1-1-1.1. Mission

The rules of OCAST have been framed to effectuate achievement of the missions of OCAST and OIT as outlined in the law.[ 74 O.S. 2001, 5060.3] The missions are described as follows:

- (1) The mission of the Oklahoma Center for the Advancement and Technology shall be to foster innovation in existing and developing businesses by supporting basic and applied research, by facilitating technology transfer between research laboratories and firms and farms, and by providing seed-capital for new innovative firms and their products. OCAST shall also foster enhanced competitiveness in the national and international markets by small and medium-sized manufacturing firms located in Oklahoma by stimulating productivity and modernization of such firms.
- (2) The mission of the Oklahoma Institute of Technology shall include:
  - (A) attracting, retaining and stimulating the development of information technology, biotechnology, genetics, and emerging technologies;
  - (B) providing leadership development programs to prepare rural residents for leadership in a technologically enhanced economy;
  - (C) upgrading and enhancing rural technology to grow or attract high technology companies;
  - (D) facilitating joint public-private technology research and development projects using resources and facilities of public higher education institutions or private entities; and
  - (E) providing engineering or management assistance to new or existing businesses in bringing improved or innovative products or services to market.

[Source: Added at 19 Ok Reg 3074, eff 9-9-02 through 7-14-03 (emergency)<sup>1</sup>; Added at 20 Ok Reg 2727, eff 8-11-03]

*EDITOR'S NOTE: <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency action enacting a new Section, the Section is no longer effective. Therefore, on 7-15-03 (after the 7-14-03 expiration of the emergency action), the text of Section 650:1-1-1.1 was no longer effective, and remained as such until added by permanent action on 8-11-03.*

### **650:1-1-2. Oklahoma preferences**

OCAST shall require as a condition to any form of financial or other assistance authorized by the Act that any patent; license; copyright; goods; services; other outcomes resulting from activities benefiting from OCAST assistance and appropriate for commercial application; or proprietary processes or other outcomes of research that result in a commercial application shall be developed or produced by an Oklahoma-based firm; or that a legitimate effort shall be made to apply such outcomes in a manner that has a reasonable potential to create or enhance employment or other factors contributing to economic growth within Oklahoma. [74 O.S., Section 5060. 10]

[Source: Amended at 19 Ok Reg 3074, eff 9-9-02 through 7-14-03 (emergency)<sup>1</sup>; Amended at 20 Ok Reg 2727, eff 8-11-03]

*EDITOR'S NOTE: <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency amendatory action, the last prior permanent text is reinstated. Therefore, on 7-15-03 (after the 7-14-03 expiration of the emergency action), the text of Section 650:1-1-2 reverted back to the permanent text that was effective prior to enactment of the emergency action on 9-9-02, as was last published in the 2001 Edition of the OAC, and remained as such until amended by permanent action on 8-11-03.*

### **650:1-1-3. Conflict of interest**

The provisions of 74 O.S. 2001, Section 5060.7 regarding conflict of interest shall apply to all members of the Board, officers, agents and employees of OCAST or OIT. Any member of any advisory committee, panel, or contract review committee of OCAST or OIT shall be deemed, for purposes of these conflict of interest provisions, an agent of OCAST. Any disclosure by a person serving on any committee or panel of OCAST shall be deemed made, when made to the chair or secretary of such committee or panel, but in any event shall promptly thereafter be forwarded to the Secretary of the Board.

[Source: Amended at 19 Ok Reg 3074, eff 9-9-02 through 7-14-03 (emergency)<sup>1</sup>; Amended at 20 Ok Reg 2727, eff 8-11-03]

*EDITOR'S NOTE: <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency amendatory action, the last prior permanent text is reinstated. Therefore, on 7-15-03 (after the 7-14-03 expiration of the emergency action), the text of Section 650:1-1-3 reverted back to the permanent text that was effective prior to enactment of the emergency action on 9-9-02, as was last published in the 2001 Edition of the OAC, and remained as such until amended by permanent action on 8-11-03.*

#### **650:1-1-4. Governance**

(a) Board. OCAST is governed by the Oklahoma Science and Technology Research and Development Board whose membership, terms of appointment, powers and general mode of operation are specified in the law and provided in the bylaws of OCAST [74 O.S. 2001, Section 5060.6 and 5060.7]. The Board and OCAST are directed to support the Oklahoma Institute of Technology (74 O.S. 2001, Section 5060.2). The Board shall:

- (1) employ an Executive Director of the Board who shall be the chief executive officer of OCAST and OIT and shall direct and supervise the administrative affairs and general management of both. The Executive Director shall be selected by the Board and serve at the pleasure of the Board. The procedures for selecting the executive director and the duties of executive director are as specified in law [74 O.S. 2001, Section 5060.7].
- (2) implement policies, procedures and activities as provided by the law and other pertinent laws as now or hereafter amended.
- (3) appoint such advisory committees as may be required or necessary to make recommendations for the adoption, amendment or repeal of policies and procedures. The Board may, on its own motion or by agreement of the parties, waive or suspend for good cause shown, the application of any rule which it is legally authorized to waive or suspend.

(b) **Meetings.** All regular and special meetings of the Board shall be held at the principal business offices of OCAST, or at such other locations within the State of Oklahoma, as may be determined by the Board from time to time. Meetings of the Board and of committees created or overseen by the Board are subject to the Open Meetings Act and the Open Records Act and shall be conducted according to Robert's Rules of Order. Executive Sessions may be held to discuss personnel matters and confidential proprietary information submitted to or compiled by OCAST or the OIT as determined by the Board or its committees. [74 O.S. 2001, Section 5060.7] The Board of Directors shall meet at least once each calendar quarter and at other times upon call by the Board Chair, or the Executive Director or upon written request by a majority of the members of the Board. [74 O.S. 2001, Section 5060.6]

- (1) **Quorum and voting.** A majority of the voting members of the Board shall constitute a quorum. All actions will be taken by a majority vote of the quorum present. Tie votes shall be considered non-majority. Members of the Board shall not vote by proxy; however, a member of the Board may

send a predetermined designee as a representative to board meetings who may vote; provided, the designee may vote at no more than thirty percent (30%) of meetings during a fiscal year . [74 O.S. 2001, Section 5060.6]

(2) **Agenda items.** Items requested to be included on the agenda should be submitted to the Chair of the Board at the business office of OCAST, no later than ten (10) days prior to a regularly scheduled meeting, three (3) days prior to any special meeting, or twenty four (24) hours prior to any emergency meeting of the Board

(3) **Cancellations.** The Chair may cancel any regularly scheduled, special or emergency meeting upon a 650:1-3-3. determination, based on reliable information, that a quorum will not be present. The Secretary of State and the members of the Board shall be notified of the cancellation at least twenty-four (24) hours before the time of the cancelled meeting.

[Source: Amended at 19 Ok Reg 3074, eff 9-9-02 through 7-14-03 (emergency)<sup>1</sup>; Amended at 20 Ok Reg 2727, eff 8-11-03]

*EDITOR'S NOTE: <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency amendatory action, the last prior permanent text is reinstated. Therefore, on 7-15-03 (after the 7-14-03 expiration of the emergency action), the text of Section 650:1-1-4 reverted back to the permanent text that was effective prior to enactment of the emergency action on 9-9-02, as was last published in the 2001 Edition of the OAC, and remained as such until amended by permanent action on 8-11-03.*

#### **650:1-1-5. OCAST Board Meetings [REVOKED]**

[Source: Revoked at 19 Ok Reg 3074, eff 9-9-02 through 7-14-03 (emergency)<sup>1</sup>; Revoked at 20 Ok Reg 2727, eff 8-11-03]

*EDITOR'S NOTE: <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency action revoking a Section, the last permanent text is reinstated. Therefore, on 7-15-03 (after the 7-14-03 expiration of the emergency action), the text of Section 650:1-1-5 reverted back to the text that was effective prior to enactment of the emergency action on 9-9-02, as was last published in the 2001 Edition of the OAC, and remained as such until the Section was revoked by permanent action on 8-11-03.*

#### **650:1-1-6. Reports, audits and reviews**

(a) **Business and policy plans.** The Board shall develop a five-year strategic plan and an annual business plan for OCAST and OIT. [74 O. S. 2001, Section 5060.8] The Executive Director shall prepare the annual business plan including a report on funding levels for comparable programs in other states. [74 O.S. 2001, Section 5060.7] The Board shall adopt annually a threshold funding level for each program that is great enough to carry out the intent of OCAST's and the OIT's authorizing legislation. The Board's findings and recommendations shall be included in the annual report to submitted to the Governor and the Legislature. [74 O.S. 2001, Section 5060.22]

(b) **Annual report.** The Board is authorized and instructed to make an annual report no later than November 1 to the Governor, the President Pro Tempore of the Senate and the Speaker of the House of Representatives that shall include an independent annual audit of its finances and describe the accomplishments and activities of OCAST and OIT for the prior fiscal year. The annual report shall specifically account for the ways in which the need, mission and programs of OCAST have been carried out, including a review of OCAST's operations and transactions according to the objective measures set forth in the business plan. The report shall recommend specific changes in the activities of OCAST which are necessary to better carry out its need and mission. The report shall include elements the Board identifies as hampering the state's economic progress and recommendations for changes. The Board shall distribute the annual report by such

means that will make it widely available to innovative enterprises of special importance to Oklahoma's economy. [74 O.S.2001, Section 5060.22]

(c) **Annual audit.** OCAST including OIT shall be submitted annually to an independent audit in accordance with generally accepted accounting principles which shall examine, among other things, actions governed by OCAST's administrative policies and procedures. [74 O.S. 2001, Section 5060.9]

[Source: Amended at 19 Ok Reg 3074, eff 9-9-02 through 7-14-03 (emergency)<sup>1</sup>; Amended at 20 Ok Reg 2727, eff 8-11-03]

*EDITOR'S NOTE: <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency amendatory action, the last prior permanent text is reinstated. Therefore, on 7-15-03 (after the 7-14-03 expiration of the emergency action), the text of Section 650:1-1-6 reverted back to the permanent text that was effective prior to enactment of the emergency action on 9-9-02, as was last published in the 2001 Edition of the OAC, and remained as such until amended by permanent action on 8-11-03.*

### SUBCHAPTER 3. AGENCY ADMINISTRATION

#### **650:1-3-1. Operation**

(a) **Office location; hours.** The principal office of the Oklahoma Center for the Advancement of Science and Technology is 755 Research Parkway, Suite 110, Oklahoma City, Oklahoma, 73104, unless otherwise designated by the Board. Unless otherwise designated by the Executive Director, office hours shall be from 8:00 a.m. to 5:00 p.m., Monday through Friday inclusive, excepting legal holidays established by statute or by executive order.

(b) **Powers of the Board.** The powers of the Board are enumerated in 74 O.S. 2001, Section 5060.9 and Section 5060.30. The Board may exercise its official powers at any location in the State of Oklahoma.

(c) **Policies of the Board.** All bylaws, procedures or other written Statements of policy or interpretations formulated, adopted or used by the Board shall be available at the principal office during regular business hours.

(d) **Availability of records.** All final orders, decisions and opinions and all forms, applications and instructions related to or necessary for gaining access to OCAST's and the OIT's financial assistance; education services; information included in agency data bases and public files; and other services of the agency shall be made available at the principal office during regular business hours. Copies of all official records not protected from disclosure by law shall be available for inspection in accordance with the Oklahoma Open Records Act, at the principal office during regular business hours. Copies of such records may be made and the expense of such copies shall be paid by the person requesting said copies. Fees for such copies shall be in accordance with a fee schedule established by the Executive Director.

[Source: Amended at 19 Ok Reg 3074, eff 9-9-02 through 7-14-03 (emergency)<sup>1</sup>; Amended at 20 Ok Reg 2727, eff 8-11-03; Amended at 24 Ok Reg 2660, eff 7-12-07]

*EDITOR'S NOTE: <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency amendatory action, the last prior permanent text is reinstated. Therefore, on 7-15-03 (after the 7-14-03 expiration of the emergency action), the text of Section 650:1-3-1 reverted back to the permanent text that was effective prior to enactment of the emergency action on 9-9-02, as was last published in the 2001 Edition of the OAC, and remained as such until amended by permanent action on 8-11-03.*

#### **650:1-3-2. Procedures for adoption, amendment and repeal of rules**

(a) **The Board.** The Board may adopt, amend or repeal a rule of its own initiative, and may adopt, amend or repeal a rule at the request or recommendation of the Executive Director or one of its duly appointed advisory committees. The Board may, of its own motion, conduct hearings on proposed new rules, amendments or

repeal of rules.

(b) **Interested parties.** Any interested person may petition the Board, requesting the adoption, amendment, or repeal of a rule. All such petitions shall be in writing, and be filed with the Chair of the Board at the principal office. The petition shall include the name and address of the petitioning party and shall state clearly and concisely all matters pertaining to the requested action and the reasons for the request.

(c) **Hearings.** The time and location of hearings shall be stated in the notice as required under the Oklahoma Open Meetings Act and shall be conducted in accordance with the Administrative Procedures Act. Any person who is interested or affected by proposed actions may appear at the hearing. An appearance may be made individually, by an attorney, or by an authorized agent.

(d) **Final action(s).** Prior to the adoption, amendment or repeal of a rule, the Board shall afford any interested Person a reasonable opportunity to submit data, views and arguments either oral or written. If the rule under consideration affects the substantive rights of any person, the Board shall grant any person or entity a reasonable opportunity to participate in an oral hearing if requested in writing by the person or entity. The Board shall, in the exercise of its sound discretion, determine whether the proposed action affects any such substantive rights. The Board shall inform the requesting person(s) of its decision in writing. Should the Board find the immediate adoption of a rule is necessary, the Board shall initiate rule promulgation procedures pursuant to the Oklahoma Administrative Procedures Act.

[Source: Amended at 19 Ok Reg 3074, eff 9-9-02 through 7-14-03 (emergency)<sup>1</sup>; Amended at 20 Ok Reg 2727, eff 8-11-03]

*EDITOR'S NOTE: <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency amendatory action, the last prior permanent text is reinstated. Therefore, on 7-15-03 (after the 7-14-03 expiration of the emergency action), the text of Section 650:1-3-2 reverted back to the permanent text that was effective prior to enactment of the emergency action on 9-9-02, as was last published in the 2001 Edition of the OAC, and remained as such until amended by permanent action on 8-11-03.*

### **650:1-3-3. Requests for declaratory rulings**

Any interested person or entity may petition the Board for a declaratory order as to the applicability of any rule of the Board.

(1) **Petition requirements.** The petition shall identify the rule questioned, the date on which such rule became effective, and shall set forth the contents of the rule. The petition shall contain a brief statement of the issue or issues raised, by the rule which cause such a request to be made and a statement of the petitioners personal interest in the ruling of the Board and how a ruling of the Board would affect those interests.

(2) **Receipt of petition.** Upon receipt of the petition for declaratory ruling the Board shall consider the petition and within a reasonable time following receipt thereof, either deny the petition in writing, stating its reasons for denial, or issue a declaratory ruling on the matter(s) contained in the petition.

[Source: Amended at 19 Ok Reg 3074, eff 9-9-02 through 7-14-03 (emergency)<sup>1</sup>; Amended at 20 Ok Reg 2727, eff 8-11-03]

*EDITOR'S NOTE: <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency amendatory action, the last prior permanent text is reinstated. Therefore, on 7-15-03 (after the 7-14-03 expiration of the emergency action), the text of Section 650:1-3-3 reverted back to the permanent text that was effective prior to enactment of the emergency action on 9-9-02, as was last published in the 2001 Edition of the OAC, and remained as such until amended by permanent action on 8-11-03.*

#### **650:1-3-4. Appeals**

Persons or entities desiring to petition the Board for administrative review of a final order, award or determination regarding the application of OCAST or OIT rules, policies or procedures, shall submit such petition in writing to the Chair of the Board at the principal offices of OCAST. All petitions shall be filed with the Board within thirty (30) days of the final order, award or determination or as provided by the Administrative Procedures Act.

(1) **Petition requirements.** The petition must include the following:

(A) The name, address and organizational affiliation, if any, of the petitioner and the name and title of any representative or agent filing the petition of appeal.

(B) A clear and concise statement of the grievance(s) or complaint(s), citing the specific rules or procedures at issue causing such an appeal to be requested and a statement of the petitioner's interests in the appeal and how a determination of the Board would affect those interests.

(2) **Receipt of petition.** Upon receipt of such petition, the Chair may designate an administrative employee or officer to review the petition and make recommendations to the Board.

(3) **Oral arguments/hearings.** If the petition is referred to the Board for administrative review, the Board may, in its discretion, review petitions with or without oral argument from the petitioner and render a decision within a reasonable time. Should the Board determine that a hearing is necessary, it shall conduct such hearing in accordance with the Oklahoma Administrative Procedures Act. Hearings shall be open to the public, unless otherwise provided by law or ordered by the Board. Decisions resulting from such hearings shall be issued by the Board in writing to all parties to the petition or their duly authorized agents or representatives within sixty (60) days of the date of the hearing.

[Source: Amended at 19 Ok Reg 3074, eff 9-9-02 through 7-14-03 (emergency)<sup>1</sup>; Amended at 20 Ok Reg 2727, eff 8-11-03]

*EDITOR'S NOTE: <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency amendatory action, the last prior permanent text is reinstated. Therefore, on 7-15-03 (after the 7-14-03 expiration of the emergency action), the text of Section 650:1-3-4 reverted back to the permanent text that was effective prior to enactment of the emergency action on 9-9-02, as was last published in the 2001 Edition of the OAC, and remained as such until amended by permanent action on 8-11-03.*

### **CHAPTER 10. APPLIED RESEARCH PROGRAM**

[Authority: 74 O.S., § 5060.9 and § 5060.19]

[Source: Codified 12-12-91]

#### **650:10-1-1. Purpose**

The rules of this Chapter have been adopted for the purpose of complying with the provisions of the Administrative Procedures Act, 75 O.S., Section 250 et seq. This program, known as the Applied Research Program, shall assist in the accelerated development of technology in the State by supporting applied research activities in existing and emerging technical areas whose results have:

(1) a high probability of leading to commercially successful products, processes or services within a reasonable period of time and

(2) a significant potential for stimulating economic growth within the State of Oklahoma and shall encourage and sustain partnerships among institutions of higher education, non-profit research organizations, and private enterprises by encouraging collaborative projects which are designed to promote increased knowledge and technology transfer.

#### **650:10-1-2. Statutory citations**

Citations to statutes in this Chapter refer to the most recent codification of the statute.

#### **650:10-1-3. Statutory definitions**

The following terms are defined in 74 O.S., Section 5060.4:

- (1) applied research,
- (2) enterprise,
- (3) institutions of higher education,
- (4) investigator,
- (5) new technology,
- (6) nonprofit research institution,
- (7) product,
- (8) professional service contract and
- (9) technology transfer.

#### **650:10-1-4. Additional definitions**

The following words or terms, when used in this Chapter, shall have the following meaning, unless the context clearly indicates otherwise:

**"Applicant organization(s)"** means the employer of the individual(s) preparing the application.

**"Application"** means the proposal for an Applied Research award and all completed required forms from the solicitation as submitted to The Oklahoma Center for the Advancement of Science and Technology (OCAST).

**"Contractor(s)"** means the institution(s) or enterprise(s) that is awarded an OCAST Applied Research contract.

**"Solicitation"** means a request containing the detailed information concerning the specifications of the Applied Research Program.

#### **650:10-1-5. Program administration**

(a) **OSTRaD Board.** OCAST shall administer the Applied Research Program under the governance of the statutorily created Oklahoma Science and Technology Research and Development Board (OSTRaD Board) [74 O.S., Section 5060.6].

- (1) The OSTRaD Board shall approve all specifications of the Applied Research Program and any changes made thereto.
- (2) All information regarding these programs shall be available at the principal offices of OCAST, as referenced in 650:1-3-1.

(b) **Applied Research Committee.** The OSTRaD Board shall establish an Applied Research Committee (ARC). The ARC shall act in an advisory capacity to the OSTRaD Board and staff in the development of program specifications, organization and evaluation of peer reviews, awarding of contracts and on-going evaluation of contract performance. Implementation of ARC recommendations shall require approval of the OSTRaD Board.



***EDITOR'S NOTE:** <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency amendatory action, the last prior permanent text is reinstated. Therefore, on 7-15-03 (after the 7-14-03 expiration of the emergency action), the text of Section 650:10-1-5 reverted back to the permanent text that was effective prior to enactment of the emergency action on 9-9-02, as was last published in the 2001 Edition of the OAC, and remained as such until amended by permanent action on 8-11-03.*

#### **650:10-1-6. Program description**

The Applied Research Program shall provide matching funds for applied research projects recommended by the ARC and approved by the OSTRaD Board and described in the solicitation.

[Source: Amended at 19 Ok Reg 3078, eff 9-9-02 through 7-14-03 (emergency)<sup>1</sup>; Amended at 20 Ok Reg 2732, eff 8-11-03]

***EDITOR'S NOTE:** <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency amendatory action, the last prior permanent text is reinstated. Therefore, on 7-15-03 (after the 7-14-03 expiration of the emergency action), the text of Section 650:10-1-6 reverted back to the permanent text that was effective prior to enactment of the emergency action on 9-9-02, as was last published in the 2001 Edition of the OAC, and remained as such until amended by permanent action on 8-11-03.*

#### **650:10-1-7. Eligibility**

##### **(a) Applicants.**

(1) Eligible applicants for funding under the Applied Research Program shall be:

- (A) institutions of higher education,
- (B) nonprofit research foundations, and
- (C) private enterprises of special importance to the Oklahoma economy [74 O.S., Section 5060.19].

(b) **Preference.** The OSTRaD Board may assign preference to a class(es) of applicants for any funding competition.

(c) **Investigators.** The investigator(s) preparing applications shall be employed by or affiliated with an eligible applicant organization(s).

[Source: Amended at 19 Ok Reg 3078, eff 9-9-02 through 7-14-03 (emergency)<sup>1</sup>; Amended at 20 Ok Reg 2732, eff 8-11-03]

***EDITOR'S NOTE:** <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency amendatory action, the last prior permanent text is reinstated. Therefore, on 7-15-03 (after the 7-14-03 expiration of the emergency action), the text of Section 650:10-1-7 reverted back to the permanent text that was effective prior to enactment of the emergency action on 9-9-02, as was last published in the 2001 Edition of the OAC, and remained as such until amended by permanent action on 8-11-03.*

#### **650:10-1-8. Funding terms**

(a) **Competition dates.** Dates for funding competitions shall be recommended by the ARC, approved by the OSTRaD Board and announced in the solicitation.

##### **(b) Allocations.**

- (1) The ARC shall recommend, and the OSTRaD Board approve, the amount allocated for each funding competition.
- (2) If minimum and maximum levels for Applied Research Projects are established, they shall be recommended by the ARC, approved by the OSTRaD Board and announced in the solicitation.

(c) **Contract periods.** The length of a contract shall not be less than one (1) year. The maximum contract period shall be recommended by the ARC and approved by the OSTRaD Board.

(d) **Additional funding terms.** Any additional funding terms shall be recommended by the ARC, approved by the OSTRaD Board and announced in the Solicitation.

[Source: Amended at 19 Ok Reg 3078, eff 9-9-02 through 7-14-03 (emergency)<sup>1</sup>; Amended at 20 Ok Reg 2732, eff 8-11-03]

*EDITOR'S NOTE: <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency amendatory action, the last prior permanent text is reinstated. Therefore, on 7-15-03 (after the 7-14-03 expiration of the emergency action), the text of Section 650:10-1-8 reverted back to the permanent text that was effective prior to enactment of the emergency action on 9-9-02, as was last published in the 2001 Edition of the OAC, and remained as such until amended by permanent action on 8-11-03.*

#### **650:10-1-9. Application process**

(a) **Solicitations.** The Applied Research Program Solicitation shall be used to apply for funding under this program. Solicitations shall be available at the OCAST principal office. No application fee shall be required.

(1) **Application deadlines.** Application submission date(s) and time(s), as established by the OSTRaD Board, shall be listed in the solicitation. Any application not submitted by the designated submission date and time shall be returned without consideration.

(2) **Completion/submission requirements.** Requirements for application completion and submission shall be included in the solicitation.

(b) **Applications.**

(1) **Challenge funding.** The application shall specify the total amount of funds the organization will provide to meet the requirements of the challenge funding.

(2) **Required information.** The application shall include:

(A) a description of the potential commercial application of the applied research project and the potential to enhance employment opportunities in Oklahoma,

(B) a recommendation from the applicant organization, and

(C) other information that may be required by the OSTRaD Board.

(3) **Documentation.** It shall be the responsibility of the investigator(s) and the applicant organization(s) to ascertain and provide documentation of compliance with state and federal requirements or regulations as specified in the application in order to engage in the proposed research.

(4) **Returned applications.** Incomplete or inappropriately completed applications may be returned without review.

[Source: Amended at 19 Ok Reg 3078, eff 9-9-02 through 7-14-03 (emergency)<sup>1</sup>; Amended at 20 Ok Reg 2732, eff 8-11-03]

*EDITOR'S NOTE: <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency amendatory action, the last prior permanent text is reinstated. Therefore, on 7-15-03 (after the 7-14-03 expiration of the emergency action), the text of Section 650:10-1-9 reverted back to the permanent text that was effective prior to enactment of the emergency action on 9-9-02, as was last published in the 2001 Edition of the OAC, and remained as such until amended by permanent action on 8-11-03.*

#### **650:10-1-10. Review process**

(a) **Peer review.** Applications for funding shall be reviewed by peer reviewers, a majority of whom reside outside of the State of Oklahoma, who are nominated and approved by the ARC.

(b) **Evaluation criteria.** The review panel shall review and rank all applications for funding according to evaluation criteria specified in the solicitation.

#### **650:10-1-11. Award provisions**

(a) **Funding subject to availability.** Funding of applications recommended for approval by the ARC shall be subject to availability of resources and approval of

the OSTRaD Board.

**(b) Matching funds; documentation.**

(1) **Higher education or nonprofit institutions.** Documentation, if the proposal is from an institution of higher education or nonprofit research institutions that not less than fifty percent (50%) of the total direct cost of the proposed project will be provided by sources other than OCAST and other than state-appropriated money. Machinery or equipment may be considered as part of the matching funds [74 O.S., Section 5060.19]. If machinery or equipment serves as part of the matching requirement, the applicant organization(s) shall provide documentation as specified in 74 O.S., Section 5060.19.

(2) **Private enterprises.** Documentation, if the proposal is from a private enterprise, that not less than fifty percent (50%) of the total direct cost of the proposed project will be provided by sources other than OCAST and other state-appropriated money [74 O.S., Section 5060.19]. No portion of the matching funds from a private enterprise may be provided by in-kind services performed by the enterprise. [74 O.S., Section 5060.19]

(3) **Funds from grants or contracts.** Funds received from federal or private grants or contracts, to be used as matching funds, shall be allowed throughout the life of the contract.

**(c) Additional award provisions.** Any additional award provisions shall be recommended by the ARC, approved by the OSTRaD Board and announced in the solicitation.

[Source: Amended at 19 Ok Reg 3078, eff 9-9-02 through 7-14-03 (emergency)<sup>1</sup>; Amended at 20 Ok Reg 2732, eff 8-11-03]

*EDITOR'S NOTE: <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency amendatory action, the last prior permanent text is reinstated. Therefore, on 7-15-03 (after the 7-14-03 expiration of the emergency action), the text of Section 650:10-1-11 reverted back to the permanent text that was effective prior to enactment of the emergency action on 9-9-02, as was last published in the 2001 Edition of the OAC, and remained as such until amended by permanent action on 8-11-03.*

**650:10-1-12. Contract provisions**

**(a) Professional service contract.** The mechanism for funding approved applications shall be a professional service contract between OCAST and the applicant organization(s).

**(b) Verification of matching funds** Professional service contracts shall be awarded contingent upon documentation that the matching funds and/or machinery or equipment to be matched by OCAST has been received by the applicant organization(s). The period of time allowed for verification of receipt of matching funds shall be recommended by the ARC, approved by the OSTRaD Board and announced in the solicitation.

**(c) Fiscal agent.** If more than one applicant organization participates in a contract, one organization shall be designated as the fiscal agent.

**(d) Contractor obligations.**

(1) **Records and accounts.** The contractor, or designated fiscal agent, shall maintain records and accounts that properly document and account for the source and application of all project funds, and all such records and accounts shall be made available on demand by OCAST for inspection and use in carrying out its responsibilities for administration of the funds.

(2) **Access and examination.** The contractor, or designated fiscal agent, shall as OCAST deems necessary, permit authorized representatives of OCAST and the State of Oklahoma full access, and the right to fully

examine, all projects records and accounts.

(3) **Audits.** The contractor, or designated fiscal agent, shall comply with the audit policy of OCAST. The contractor, or designated fiscal agent, shall provide OCAST timely reports on any audits that include funds received from OCAST. In the event an audit results in the determination that the contractor, or designated fiscal agent, has expended contract funds on unallowable costs, the contractor, or designated fiscal agent, shall reimburse OCAST in full for all such costs.

[Source: Amended at 19 Ok Reg 3078, eff 9-9-02 through 7-14-03 (emergency)<sup>1</sup>; Amended at 20 Ok Reg 2732, eff 8-11-03]

*EDITOR'S NOTE: <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency amendatory action, the last prior permanent text is reinstated. Therefore, on 7-15-03 (after the 7-14-03 expiration of the emergency action), the text of Section 650:10-1-12 reverted back to the permanent text that was effective prior to enactment of the emergency action on 9-9-02, as was last published in the 2001 Edition of the OAC, and remained as such until amended by permanent action on 8-11-03.*

### **650:10-1-13. Confidentiality**

(a) **Applications.** There shall be no guarantee that the contents of any application will remain confidential.

(b) **Intent to submit forms; executive summaries.** Unless specifically requested, OCAST may use the contents from Intent to Submit Forms and Executive Summaries from the proposal or subsequent annual progress reports, for the required OCAST Annual Report or other publications without obtaining permission from the investigator(s) or applicant organization(s).

### **650:10-1-14. Notification process**

(a) **Direct mailings.** Announcements of funding competitions for applied research projects shall be made through a direct mailing of solicitations.

(1) **Higher education.** Solicitations shall be mailed to the official designated by the president of each institution listed in the Oklahoma Higher Education Directory.

(2) **Nonprofit research foundations.** Solicitations shall be mailed to nonprofit research foundations who, in an inquiry of all nonprofit research foundations listed in the Directory of Oklahoma Foundations: 1987, that have indicated that they wish to receive OCAST proposal solicitations.

(3) **Requestors.** Solicitations shall be mailed to all persons who contact OCAST and request an application.

(b) **Public announcements posted.** Public announcements of funding competitions shall be posted at the OCAST principal office and the Oklahoma Department of Commerce at least thirty (30) days prior to application submission dates.

(c) **Newspaper announcements.** Announcements of funding competitions will be published in newspapers as determined by the OSTRaD Board.

[Source: Amended at 19 Ok Reg 3078, eff 9-9-02 through 7-14-03 (emergency)<sup>1</sup>; Amended at 20 Ok Reg 2732, eff 8-11-03]

*EDITOR'S NOTE: <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency amendatory action, the last prior permanent text is reinstated. Therefore, on 7-15-03 (after the 7-14-03 expiration of the emergency action), the text of Section 650:10-1-14 reverted back to the permanent text that was effective prior to enactment of the emergency action on 9-9-02, as was last published in the 2001 Edition of the OAC, and remained as such until amended by permanent action on 8-11-03.*

### **650:10-1-15. Appeals process**

Appeals related to this Chapter shall be processed in accordance with the procedures referenced in OAC 650:1-3-4.

## CHAPTER 11. INTERNSHIP PARTNERSHIP PROGRAM

[Source: Codified 9-11-23]

### 650:11-1-1. Purpose

The rules of this Chapter have been adopted for the purpose of assisting the Oklahoma Center for the Advancement of Science and Technology (OCAST) in the operation and management of Oklahoma's Intern Partnership Science Technology Engineering and Mathematics (STEM) Workforce Pipeline Program. This program, known as the Intern Partnership Program, shall provide undergraduate and graduate student interns a hands-on, on-the-job experience that leads to employment opportunities in Oklahoma-based private enterprise, while gaining value-added knowledge of real-world business culture and directly supporting the enterprise. This program shall support activities in existing and emerging private enterprises whose results have:

- (1) a significant potential for stimulating economic growth within the State of Oklahoma, and
- (2) encourage and sustain partnerships among institutions of higher education, non-profit research organizations, and private enterprises by encouraging collaborative projects to create highly qualified pool of STEM employees to meet Oklahoma's science and technology workforce demands.

[Source: Added at 40 Ok Reg 749, eff 7-1-22 (emergency); Added at 40 Ok Reg 2351, eff 9-11-23]

### 650:11-1-2. Statutory citations

Citations to statutes in this Chapter refer to the most recent codification of the statute.

[Source: Added at 40 Ok Reg 749, eff 7-1-22 (emergency); Added at 40 Ok Reg 2351, eff 9-11-23]

### 650:11-1-3. Definitions

The following words or terms, when used in this Chapter, shall have the following meaning, unless the context clearly indicates otherwise:

**"Applicant organization(s)"** means an Oklahoma-based entity that is a nonprofit research foundation or private enterprise of special importance to the Oklahoma economy and the employer of the individual(s) preparing the application.

**"Application"** means the proposal for an Intern Partnership award and all completed required forms from the Funding Opportunity Announcement as submitted to The Oklahoma Center for the Advancement of Science and Technology (OCAST).

**"Contractor(s)"** means the institution(s) or private enterprise(s) that is awarded an OCAST Intern Partnership Program contract.

**"Eligible student"** means an individual currently enrolled in an undergraduate or graduate program at an institution of higher education who is majoring in a science, technology, engineering, and mathematics (STEM) based discipline including, but not limited to, natural sciences, computer science, materials science, engineering, biomedical, biotechnical, data analytics, finance, mathematics, or a support area related to building successful Oklahoma high tech

companies.

**"Funding Opportunity Announcement"** or **"FOA"** means a request containing the detailed information concerning the Intern Partnership Program application instructions, requirements.

**"Intern Partnership"** means a formal paid relationship between a graduate or undergraduate student and an Oklahoma-based private enterprise for a period of work experience offered by the enterprise for a limited period during which the student gains relevant skills and experience in a particular field.

**"Mentor"** means a professional with expertise and educational and/or professional background in the field of the intern learning experience who supports and advises someone with less experience to help them develop in their work.

**"Project Manager"** means the person in overall charge of the planning and execution of a particular project.

**"STEM Workforce Pipeline"** means to use science, technology, engineering and mathematics (STEM) student intern partnerships as a way to provide new workers for STEM related jobs in Oklahoma.

[Source: Added at 40 Ok Reg 749, eff 7-1-22 (emergency); Added at 40 Ok Reg 2351, eff 9-11-23]

#### **650:11-1-4. Program administration**

(a) **OSTRaD Board.** OCAST shall administer the Intern Partnership Program under the governance of the statutorily created Oklahoma Science and Technology Research and Development Board (OSTRaD Board) [74 O.S., Section 5060.6].

(1) The OSTRaD Board shall approve all specifications of the Intern Partnership Program and any changes made thereto.

(2) All information regarding these programs shall be available at the principal offices of OCAST, as referenced in 650:1-3-1.

(b) **Intern Partnership Committee.** The OSTRaD Board shall establish an Intern Partnership Committee (IPC). The IPC shall act in an advisory capacity to the OSTRaD Board and staff in the development of program specifications, organization, and evaluation of peer reviews, awarding of contracts and on-going evaluation of contract performance. Implementation of IPC recommendations shall require approval of the OSTRaD Board.

[Source: Added at 40 Ok Reg 749, eff 7-1-22 (emergency); Added at 40 Ok Reg 2351, eff 9-11-23]

#### **650:11-1-5. Program description**

The Intern Partnership Program shall provide matching funds for Intern Partnership projects recommended by the IPC and approved by the OSTRaD Board and described in the FOA.

[Source: Added at 40 Ok Reg 749, eff 7-1-22 (emergency); Added at 40 Ok Reg 2351, eff 9-11-23]

#### **650:11-1-6. Eligibility**

(a) **Applicants.**

(1) Eligible organizational applicants for funding under the Intern Partnership Program shall be:

(A) private enterprises of special importance to the Oklahoma economy [74 O.S., Section 5060.44].

(B) nonprofit organizations (e.g., private foundations)

(2) Eligible intern applicants for funding under the Intern Partnership Program shall be students:

(A) currently enrolled in a two- or four-year college or university undergraduate or graduate program (Career Tech students concurrently enrolled in college programs are also eligible),  
(B) majoring in STEM-based disciplines, including natural sciences, computer science, materials science, engineering, biomedical/biotechnical, data analytics, finance/mathematics, or a support area related to building successful Oklahoma high- tech companies.

(b) **Preference.** The OSTRaD Board may assign preference to a class(es) of applicants for any funding competition. Such preference shall be stated in the annual FOA.

(c) **Investigators.** The investigator(s) preparing applications shall be employed by or affiliated with an eligible applicant organization(s).

[Source: Added at 40 Ok Reg 749, eff 7-1-22 (emergency); Added at 40 Ok Reg 2351, eff 9-11-23]

#### **650:11-1-7. Funding terms**

(a) **Competition dates.** Dates for funding competitions shall be recommended by the IPC, approved by the OSTRaD Board and announced in the Funding Opportunity Announcement.

(b) **Allocations.**

(1) The IPC shall recommend, and the OSTRaD Board approve, the amount allocated for each funding competition.

(2) If minimum and maximum levels for Intern Partnership Projects are established, they shall be recommended by the IPC, approved by the OSTRaD Board and announced in the Funding Opportunity Announcement.

(c) **Contract periods.** The length of a contract shall not be less than three (3) months. The maximum contract period shall be recommended by the IPC and approved by the OSTRaD Board.

(d) **Additional funding terms.** Any additional funding terms shall be recommended by the IPC, approved by the OSTRaD Board and announced in the Funding Opportunity Announcement.

[Source: Added at 40 Ok Reg 749, eff 7-1-22 (emergency); Added at 40 Ok Reg 2351, eff 9-11-23]

#### **650:11-1-8. Application process**

(a) **Funding Opportunity Announcements.** The Intern Partnership Program Funding Opportunity Announcement shall be used to apply for funding under this program. Funding Opportunity Announcements shall be made by OCAST on the OCAST website, and copies of said announcement shall be made available at the main office of OCAST upon request. No application fee shall be required.

(1) **Application deadlines.** Application submission date(s) and time(s), as established by the OSTRaD Board, shall be listed in the Funding Opportunity Announcement. Any application not submitted by the designated submission date and time shall be returned without consideration.

(2) **Completion/submission requirements.** Requirements for application completion and submission shall be included in the Funding Opportunity Announcement.

(b) **Applications.**

(1) **Challenge funding.** The application shall specify the total amount of funds the organization will provide to meet the requirements of the

challenge funding.

(2) **Required information as indicated in the FOA.** The application shall include:

(A) a description of the Intern Partnership project with a focus on providing a beneficial and positive learning experience for the intern, and its potential to enhance employment opportunities in Oklahoma,

(B) biographical information for the project manager,

(C) budget justification for all budget years, and

(D) other information that may be required by the OSTRaD Board.

(3) **Documentation.** It shall be the responsibility of the investigator(s) and the applicant organization(s) to ascertain and provide documentation of compliance with state and federal requirements or regulations as specified in the application in order to engage in the proposed Intern Partnership project.

(4) **Returned applications.** Incomplete or inappropriately completed applications may be returned without review.

[Source: Added at 40 Ok Reg 749, eff 7-1-22 (emergency); Added at 40 Ok Reg 2351, eff 9-11-23]

#### **650:11-1-9. Review process**

(a) **Peer review.** Applications for funding shall be reviewed by peer reviewers, a majority of whom reside outside of the State of Oklahoma, who are nominated and approved by the IPC.

(b) **Evaluation criteria.** The review panel shall review and rank all applications for funding according to evaluation criteria specified in the Funding Opportunity Announcement.

[Source: Added at 40 Ok Reg 749, eff 7-1-22 (emergency); Added at 40 Ok Reg 2351, eff 9-11-23]

#### **650:11-1-10. Award provisions**

(a) **Funding subject to availability.** Funding of applications recommended for approval by the IPC shall be subject to availability of resources and approval of the OSTRaD Board.

(b) **Matching funds; documentation.**

(1) Private enterprises, nonprofit organizations (e.g., private foundations). Documentation that not less than fifty percent (50%) of the total direct cost of the proposed project will be provided by sources other than OCAST and other state-appropriated money [74 O.S., Section 5060.44]. Such sources may be in the form of salary, cash, nonstate grant funds, and other sources of funding as defined by OCAST. No portion of the matching funds from a private enterprise or nonprofit organization may be provided by in-kind services performed by the enterprise. [74 O.S., Section 5060.44]

(2) Funds from grants or contracts. Funds received from federal or private grants or contracts, to be used as matching funds, shall be allowed throughout the life of the contract.

(c) **Additional award provisions.** Any additional award provisions shall be recommended by the IPC, approved by the OSTRaD Board, and announced in the Funding Opportunity Announcement.

[Source: Added at 40 Ok Reg 749, eff 7-1-22 (emergency); Added at 40 Ok Reg 2351, eff 9-11-23]

#### **650:11-1-11. Contract provisions**



- (a) **Professional service contract.** The mechanism for funding approved applications shall be a professional service contract between OCAST and the applicant organization(s).
- (b) **Verification of matching funds.** Professional service contracts shall be awarded contingent upon documentation that the matching funds and/or machinery or equipment to be matched by OCAST has been received by the applicant organization(s). The period of time allowed for verification of receipt of matching funds shall be recommended by the IPC, approved by the OSTRaD Board and announced in the Funding Opportunity Announcement.
- (c) **Fiscal agent.** If more than one applicant organization participates in a contract, one organization shall be designated as the fiscal agent.
- (d) **Contractor obligations.**
- (1) **Records and accounts.** The contractor, or designated fiscal agent, shall maintain records and accounts that properly document and account for the source and application of all project funds, and all such records and accounts shall be made available on demand by OCAST for inspection and use in carrying out its responsibilities for administration of the funds.
  - (2) **Access and examination.** The contractor, or designated fiscal agent, shall as OCAST deems necessary, permit authorized representatives of OCAST and the State of Oklahoma full access, and the right to fully examine, all projects, records and accounts.
  - (3) **Audits.** The contractor, or designated fiscal agent, shall comply with the audit policy of OCAST. The contractor, or designated fiscal agent, shall provide OCAST timely reports on any audits that include funds received from OCAST. In the event an audit results in the determination that the contractor, or designated fiscal agent, has expended contract funds on unallowable costs, the contractor, or designated fiscal agent, shall reimburse OCAST in full for all such costs.

[Source: Added at 40 Ok Reg 749, eff 7-1-22 (emergency); Added at 40 Ok Reg 2351, eff 9-11-23]

#### **650:11-1-12. Confidentiality**

- (a) **Applications.** There shall be no guarantee that the contents of any application will remain confidential.
- (b) **Intent to submit forms, executive summaries.** Unless specifically requested, OCAST may use the contents from Intent to Submit Forms and Executive Summaries from the proposal or subsequent annual progress reports for the required OCAST Annual Report or other publications without obtaining permission from the investigator(s) or applicant organization(s).

[Source: Added at 40 Ok Reg 749, eff 7-1-22 (emergency); Added at 40 Ok Reg 2351, eff 9-11-23]

#### **650:11-1-13. Notification process**

Announcements of funding competitions for Intern Partnership projects shall be made through email notification of availability of Funding Opportunity Announcements and on the OCAST website.

- (1) **Private enterprises, nonprofit organizations** (e.g., private foundations). Notification of availability of Funding Opportunity Announcements shall be emailed to private enterprises and nonprofit organizations that have indicated they wish to receive OCAST proposal Funding Opportunity Announcements.
- (2) **Requestors.** Notification of availability of Funding Opportunity Announcements shall be emailed to all individuals who contact OCAST

and request an application.

[Source: Added at 40 Ok Reg 749, eff 7-1-22 (emergency); Added at 40 Ok Reg 2351, eff 9-11-23]

#### **650:11-1-14. Appeals process**

Appeals related to this Chapter shall be processed in accordance with the procedures referenced in O.A.C. 650:1-3-4.

[Source: Added at 40 Ok Reg 749, eff 7-1-22 (emergency); Added at 40 Ok Reg 2351, eff 9-11-23]

## **CHAPTER 12. OKLAHOMA PLANT SCIENCE RESEARCH PROGRAM**

[Authority: 74 O.S. §5060.9]

[Source: Codified 7-12-07]

#### **650:12-1-1. Purpose**

The rules of this Chapter have been adopted for the purpose of complying with the provisions of the Administrative Procedures Act, 75 O.S., Section 250 et seq. This program, known as the Oklahoma Plant Science Research Program, shall develop the basis of a new, high technology plant science/agriculture industry for the State by supporting basic and applied plant science research activities that concern plant productivity, renewable bio-mass, plant-based environmental applications and chemical platforms, plant-based solutions to improve nutrition, human and/or animal health or performance, process applications and seed management and the development of new products and services that shall form the basis of new, high-technology plant science/agriculture industry for the State, with results that have:

- (1) a significant potential for stimulating economic growth within the State of Oklahoma and shall encourage and sustain partnerships among institutions of higher education, non-profit research organizations, and private enterprises by encouraging collaborative projects which are designed to promote increased knowledge and technology transfer.
- (2) and, for applied plant science research projects, a high probability of leading to commercially successful products, processes or services within a reasonable period of time.

[Source: Added at 24 Ok Reg 429, eff 11-29-06 (emergency); Added at 24 Ok Reg 2661, eff 7-12-07]

#### **650:12-1-2. Statutory citations**

Citations to statutes in this Chapter refer to the most recent codification of the statute.

[Source: Added at 24 Ok Reg 429, eff 11-29-06 (emergency); Added at 24 Ok Reg 2661, eff 7-12-07]

#### **650:12-1-3. Statutory definitions**

The following terms are defined in 74 O.S., Section 5060.4:

- (1) applied research,
- (2) basic research,
- (3) board,
- (4) center,
- (5) enterprise,
- (6) health research project,
- (7) industrial extension system,
- (8) institute,

- (9) institutional review board,
- (10) institutions of higher education,
- (11) investigator,
- (12) nanotechnology,
- (13) new technology,
- (14) nonprofit research institution,
- (15) OAME,
- (16) ONAP,
- (17) OSTRaD,
- (18) person,
- (19) plant science research,
- (20) product,
- (21) professional service contract,
- (22) qualified security,
- (23) seed-capital,
- (24) technology transfer.

[Source: Added at 24 Ok Reg 429, eff 11-29-06 (emergency); Added at 24 Ok Reg 2661, eff 7-12-07]

#### **650:12-1-4. Additional definitions**

The following words or terms, when used in this Chapter, shall have the following meaning, unless the context clearly indicates otherwise:

**"Applicant organization(s)"** means the employer of the individual(s) preparing the application.

**"Application"** means the proposal for an Oklahoma Plant Science Research award and all completed required forms from the solicitation as submitted to The Oklahoma Center for the Advancement of Science and Technology (OCAST).

**"Contractor(s)"** means the institution(s) or enterprise(s) that is awarded an OCAST Applied Plant Science Research contract.

**"Solicitation"** means a request containing the detailed information concerning the specifications of the Applied Plant Science Research Program.

[Source: Added at 24 Ok Reg 429, eff 11-29-06 (emergency); Added at 24 Ok Reg 2661, eff 7-12-07]

#### **650:12-1-5. Program administration**

(a) **OSTRaD Board.** OCAST shall administer the Oklahoma Plant Science Research Program under the governance of the statutorily created Oklahoma Science and Technology Research and Development Board (OSTRaD Board) [74 O.S., Section 5060.6].

(1) The OSTRaD Board shall approve all specifications of the Oklahoma Plant Science Research Program and any changes made thereto.

(2) All information regarding this program shall be available at the principal offices of OCAST, as referenced in 650:1-3-1.

(b) **Plant Science Research Committee.** The OSTRaD Board shall establish a Plant Science Research Committee (PSRC). The PSRC shall act in an advisory capacity to the OSTRaD Board and staff in the development of program specifications, organization and evaluation of peer reviews, awarding of contracts and on-going evaluation of contract performance. Implementation of PSRC recommendations shall require approval of the OSTRaD Board.

[Source: Added at 24 Ok Reg 429, eff 11-29-06 (emergency); Added at 24 Ok Reg 2661, eff 7-12-07]

#### **650:12-1-6. Program description**

(a) The Oklahoma Plant Science Research Program shall provide matching funds for applied research projects recommended by the PSRC and approved by the OSTRaD Board and described in the solicitation.

(b) The Oklahoma Plant Science Research Program shall fund basic plant science research projects recommended by the PSRC and approved by the OSTRaD Board and described in the solicitation.

[Source: Added at 24 Ok Reg 429, eff 11-29-06 (emergency); Added at 24 Ok Reg 2661, eff 7-12-07]

#### **650:12-1-7. Eligibility**

(a) **Applicants.** Eligible applicants for funding under the Oklahoma Plant Science Research Program shall be:

- (1) institutions of higher education,
- (2) nonprofit research institution(s), and
- (3) private enterprises of special importance to the Oklahoma economy [74 O.S., Section 5060.19].

(b) **Preference.** The OSTRaD Board may assign preference to a class(es) of applicants for any funding competition.

(c) **Investigators.** The investigator(s) preparing applications shall be:

- (1) employed by or affiliated with an eligible applicant organization(s),
- (2) residents of Oklahoma, or become residents, before the ninetieth (90) day after the award of contract [74 O.S., 5060.17].

[Source: Added at 24 Ok Reg 429, eff 11-29-06 (emergency); Added at 24 Ok Reg 2661, eff 7-12-07]

#### **650:12-1-8. Funding terms**

(a) **Competition dates.** Dates for funding competitions shall be recommended by the PSRC and announced in the solicitation.

(b) **Allocations.**

- (1) The PSRC shall recommend, and the OSTRaD Board approve, the amount allocated for each funding competition.
- (2) If minimum and maximum levels for Oklahoma Plant Science Research Projects are established, they shall be recommended by the PSRC, approved by the OSTRaD Board and announced in the solicitation.

(c) **Contract periods.** The length of a contract shall not be less than one (1) year. The maximum contract period shall be recommended by the PSRC and approved by the OSTRaD Board.

(d) **Additional funding terms.** Any additional funding terms shall be recommended by the PSRC, approved by the OSTRaD Board and announced in the Solicitation.

[Source: Added at 24 Ok Reg 429, eff 11-29-06 (emergency); Added at 24 Ok Reg 2661, eff 7-12-07]

#### **650:12-1-9. Application process**

(a) **Solicitations.** The Oklahoma Plant Science Research Program Solicitation shall be used to apply for funding under this program. Solicitations shall be available at the OCAST principal office. No application fee shall be required.

- (1) **Application deadlines.** Application submission date(s) and time(s) shall be listed in the solicitation. Any application not submitted by the designated submission date and time shall be returned without consideration.

(2) **Completion/submission requirements.** Requirements for application completion and submission shall be included in the solicitation.

(b) **Applications.**

(1) **Match funding.** The application shall specify the total amount of funds the organization will provide to meet the requirements of the match funding under the Oklahoma Plant Science Research Program applied research project.

(2) **Required information.** The application shall include:

(A) for applied research projects a description of the potential commercial application of the Oklahoma Plant Science Research project and the potential to enhance employment opportunities in Oklahoma,

(B) a recommendation from the applicant organization, and

(C) other information that may be required by the OSTRaD Board.

(3) **Documentation.** It shall be the responsibility of the investigator(s) and the applicant organization(s) to ascertain and provide documentation of compliance with state and federal requirements or regulations as specified in the application in order to engage in the proposed research.

(4) **Returned applications.** Incomplete or inappropriately completed applications may be returned without review.

[Source: Added at 24 Ok Reg 429, eff 11-29-06 (emergency); Added at 24 Ok Reg 2661, eff 7-12-07]

**650:12-1-10. Review process**

Establish and operate a state program designed to secure and impartially distribute funds credited to the Research Support Revolving Fund to support professional service contracts for basic and applied plant science research projects to be awarded only on the basis of scientific and technical merit.

(1) **Peer review.** Applications for funding shall be reviewed by peer reviewers, a majority of whom reside outside of the State of Oklahoma, who are nominated and approved by the PSRC.

(2) **Evaluation criteria.** The review panel shall review and rank all applications for funding according to evaluation criteria specified in the solicitation.

[Source: Added at 24 Ok Reg 429, eff 11-29-06 (emergency); Added at 24 Ok Reg 2661, eff 7-12-07]

**650:12-1-11. Award provisions**

(a) **Funding subject to availability.** Funding of applications recommended for approval by the PSRC shall be subject to availability of resources and approval of the OSTRaD Board.

(b) **Oklahoma Plant Science Research Program applied research project matching funds;**

(1) Higher education or nonprofit institutions. Documentation, if the proposal is from an institution of higher education or nonprofit research institutions that not less than fifty percent (50%) of the total direct cost of the proposed project will be provided by sources other than OCAST and other than state-appropriated money. Machinery or equipment may be considered as part of the matching funds [74 O.S., Section 5060.19]. If machinery or equipment serves as part of the matching requirement, the applicant organization(s) shall provide documentation as specified in 74 O.S., Section 5060.19.

(2) Private enterprises. Documentation, if the proposal is from a private enterprise, that not less than fifty percent (50%) of the total direct cost of the proposed project will be provided by sources other than OCAST and other state-appropriated money [74 O.S., Section 5060.19]. No portion of the matching funds from a private enterprise may be provided by in-kind services performed by the enterprise. [74 O.S., Section 5060.19].

(3) a description of the potential commercial application of and the industrial sectors that will likely benefit from the applied research project and the potential to enhance employment opportunities in Oklahoma.

(4) an itemized research budget, timeline and research methodology.

(5) a recommendation from the sponsoring institution of higher education, nonprofit research institution or business enterprise, and

(6) other information that may be required by the Board.

**(c) Oklahoma Plant Science Research basic research projects require no matching funds.**

**(d) Additional award provisions.** Any additional award provisions shall be recommended by the PSRC, approved by the OSTRaD Board and announced in the solicitation.

[Source: Added at 24 Ok Reg 429, eff 11-29-06 (emergency); Added at 24 Ok Reg 2661, eff 7-12-07]

#### **650:12-1-12. Contract provisions**

**(a) Professional service contract.** The mechanism for funding approved applications shall be a professional service contract between OCAST and the applicant organization(s).

**(b) Verification of matching funds (for applied plant science research projects only):** Professional service contracts shall be awarded to applied Oklahoma Plant Science Research projects contingent upon documentation that the matching funds and/or machinery or equipment to be matched by OCAST has been received by the applicant organization(s). The period of time allowed for verification of receipt of matching funds shall be recommended by the PSRC, approved by the OSTRaD Board and announced in the solicitation.

**(c) Fiscal agent.** If more than one applicant organization participates in a contract, one organization shall be designated as the fiscal agent.

**(d) Contractor obligations.**

**(1) Records and accounts.** The contractor, or designated fiscal agent, shall maintain records and accounts that properly document and account for the source and application of all project funds, and all such records and accounts shall be made available on demand by OCAST for inspection and use in carrying out its responsibilities for administration of the funds.

**(2) Access and examination.** The contractor, or designated fiscal agent, shall as OCAST deems necessary, permit authorized representatives of OCAST and the State of Oklahoma full access, and the right to fully examine, all projects records and accounts.

**(3) Audits.** The contractor, or designated fiscal agent, shall comply with the audit policy of OCAST. The contractor, or designated fiscal agent, shall provide OCAST timely reports on any audits that include funds received from OCAST. In the event an audit results in the determination that the contractor, or designated fiscal agent, has expended contract funds on unallowable costs, the contractor, or designated fiscal agent, shall reimburse OCAST in full for all such costs.

(e) **Award provisions.** Funding of approved professional service contracts shall be subject to availability of resources and approval of OCAST. Failure to submit an annual progress report could result in the termination of funding.

[Source: Added at 24 Ok Reg 429, eff 11-29-06 (emergency); Added at 24 Ok Reg 2661, eff 7-12-07]

#### **650:12-1-13. Confidentiality**

(a) **Applications.** There shall be no guarantee that the contents of any application will remain confidential.

(b) **Intent to submit forms; executive summaries.** Unless specifically requested, OCAST may use the contents from Intent to Submit Forms and Executive Summaries from the proposal or subsequent annual progress reports, for the required OCAST Annual Report or other publications without obtaining permission from the investigator(s) or applicant organization(s).

[Source: Added at 24 Ok Reg 429, eff 11-29-06 (emergency); Added at 24 Ok Reg 2661, eff 7-12-07]

#### **650:12-1-14. Notification process**

(a) **Direct mailings.** Announcements of funding competitions for applied research projects shall be made through:

(1) **Higher education.** Solicitations shall be mailed and/or e-mailed to the official designated by the president of each institution listed in the Oklahoma Higher Education Directory.

(2) **Nonprofit research foundations.** Solicitations shall be mailed and/or e-mailed to nonprofit research foundations who, in an inquiry of all nonprofit research foundations, have indicated that they wish to receive OCAST proposal solicitations.

(3) **Requestors.** Solicitations shall be mailed and/or e-mailed to all persons who contact OCAST and request an application.

(b) **Public announcements posted.** Public announcements of funding competitions shall be posted at the OCAST principal office and on the OCAST web site at least thirty (30) days prior to application submission dates.

[Source: Added at 24 Ok Reg 429, eff 11-29-06 (emergency); Added at 24 Ok Reg 2661, eff 7-12-07]

#### **650:12-1-15. Appeals process**

Appeals related to this Chapter shall be processed in accordance with the procedures referenced in OAC 650:1-3-4.

[Source: Added at 24 Ok Reg 429, eff 11-29-06 (emergency); Added at 24 Ok Reg 2661, eff 7-12-07]

## **CHAPTER 13. RESEARCH AND DEVELOPMENT ATTRACTION PROGRAM**

[Source: Codified 9-11-23]

#### **650:13-1-1. Purpose**

The rules of this Chapter have been adopted for the purpose of complying with the provisions of the Administrative Procedures Act, 75 O.S. Section 250 et seq. and for assisting the Oklahoma Center for the Advancement of Science and Technology (OCAST) in the operation and management of the Oklahoma Research and Development Attraction Program [74 O.S., Section 5003.10f, et seq.]

(Program), for the purpose of fostering research and development in key industry clusters, leading to the creation of new products and services that are brought to

market by Oklahoma-based companies, or brought to market by relocating companies financially sponsored by an Oklahoma-based capital provider and which conduct at least 51% of total business activity in the State of Oklahoma.

[Source: Added at 40 Ok Reg 2354, eff 9-11-23]

#### **650:13-1-2. Statutory citations**

Citations to statutes in this Chapter refer to the most recent codification of the statute.

[Source: Added at 40 Ok Reg 2354, eff 9-11-23]

#### **650:13-1-3. Definitions**

The following words or terms, when used in this Chapter, shall have the following meaning, unless the context clearly indicates otherwise:

**"Application"** means a document attesting to the total cost of the project and demonstrating available and unrestricted private capital to meet at least fifty percent (50%) of the total project cost.

**"Contractor(s)"** means the private enterprise(s) that is awarded an OCAST Partnership Program contract.

**"Funding Opportunity Announcement"** or **"FOA"** means a request containing the detailed information concerning the Oklahoma Research and Development Attraction Program application instructions, requirements.

**"Oklahoma-based"** means a business that has its principal place of business in this state or a business that has, in the preceding twelve (12) months, raised an equity round not less than Five Hundred Thousand Dollars (\$500,000.00) with an Oklahoma-based capital provider investing not less than ten percent (10%) of such equity round, that commits to spend all eligible Program funds in the State of Oklahoma, and that has filed a certificate of qualification with the Oklahoma Secretary of State.

**"Oklahoma-based research entity"** means an institution of higher education or another nonprofit organization that primarily provides research services, and which has its main physical campus in Oklahoma.

**"Project Manager"** means the person in overall charge of the planning and execution of a particular project.

**"Research services"** means research and development, technology exploration, technical development, product development, and commercialization intended to foster innovation in eligible small businesses.

**"Small Business"** means a business entity that employs not more than one hundred (100) persons.

[Source: Added at 40 Ok Reg 2354, eff 9-11-23]

#### **650:13-1-4. Program administration**

OCAST shall administer the Program under the governance of the statutorily created Oklahoma Science and Technology Research and Development Board (OSTRaD Board) [74 O.S., Section 5060.6].

(1) The OSTRaD Board shall approve all specifications of the Program and any changes made thereto.

(2) All information regarding the Program shall be available at the principal offices of OCAST, as referenced in O.A.C. 650:1-3-1.

[Source: Added at 40 Ok Reg 2354, eff 9-11-23]



### **650:13-1-5. Program description**

Through the Program OCAST may award matching funds to eligible businesses to offset a portion of expenses incurred through a collaborative research and development project engagement with an Oklahoma institution of higher education or nonprofit research institution as approved by the OSTRaD Board and described in the FOA.

[Source: Added at 40 Ok Reg 2354, eff 9-11-23]

### **650:13-1-6. Eligibility**

#### **(a) Applicants.**

(1) Eligible applicants for funding under the Program shall be Oklahoma-based small businesses; A operating in one of the state's three strategic industry clusters, including aerospace and autonomous systems, life sciences, and energy.

(2) Eligible applicants If applying to receive matching funds under the Program, an that files an application with OCAST attesting to the total cost of the project and demonstrating available and unrestricted private capital to meet at least fifty percent (50%) of the total project cost. Matching funds may be used only to purchase research services, as defined in this section, from an Oklahoma-based research entity.

**(b) Research and Development Partner.** A research and development service provider which partners with the business must be an Oklahoma-based research entity.

**(c) Research and Development Project.** The research and development project for which matching funds are provided must be conducted physically within the State of Oklahoma for the duration of the engagement with the Oklahoma-based research entity.

[Source: Added at 40 Ok Reg 2354, eff 9-11-23]

### **650:13-1-7. Funding terms**

**(a) Competition dates.** The FOA for this Program will be made available to the public upon receipt of a notice of appropriation for the program by OCAST and the program FOA will open to begin receiving applications 30 days hence. The FOA will close when all funds appropriated for the Program have been exhausted.

**(b) Allocations.** The Oklahoma Research and Development Attraction Act stipulates that OCAST may award matching funds, from non-state appropriations, up to fifty percent (50%) of the cost of the research and development project, not to exceed One Hundred Thousand Dollars (\$100,000.00). An Oklahoma-based business may receive only one matching award under the Program per state fiscal year.

**(c) Contract periods.** The length of a contract shall not be less than one (1) month. The maximum contract period shall be recommended by OCAST and approved by the OSTRaD Board.

**(d) Additional funding terms.** Any additional funding terms shall be recommended by OCAST, approved by the OSTRaD Board, and announced in the FOA.

[Source: Added at 40 Ok Reg 2354, eff 9-11-23]

### **650:13-1-8. Application process**

(a) **Funding Opportunity Announcements.** The Research and development Attraction Program FOA shall be used to apply for funding under this program. The FOA shall be announced by OCAST on the agency website, and copies of the FOA shall be made available at the main office of OCAST upon request. No application fee shall be required.

(1) **Application deadlines.** Application submission date(s) and time(s), as established by the OSTRaD Board, shall be listed in the FOA. Any application not submitted to the OCAST online application portal (OGX) by the designated and published submission date and time shall not be accepted by OGX.

(2) **Completion/submission requirements.** Requirements for application completion and submission shall be included in the FOA.

(b) **Applications.**

(1) The application submitted to OCAST shall attest to the total cost of the project and demonstrating available and unrestricted private capital to meet at least fifty percent (50%) of the total project cost. Matching funds may be used only to purchase research services, as defined in this section, from an Oklahoma-based research entity.

(2) **Required information as indicated in the FOA.** The application shall include:

(A) a description of the Research and Development Program project with a focus on providing,

(B) biographical information for the project manager,

(C) budget justification for all budget years, and

(D) other information that may be required by the OSTRaD Board.

(3) **Documentation.** It shall be the responsibility of the investigator(s) and the applicant organization(s) to ascertain and provide documentation of compliance with state and federal requirements or regulations as specified in the application in order to engage in the proposed Program partnership project.

(4) **Returned applications.** Incomplete or inappropriately completed applications may be returned without review.

[Source: Added at 40 Ok Reg 2354, eff 9-11-23]

**650:13-1-9. Review process**

(a) **Program Administration.** When administering the Program under this section, OCAST shall select eligible projects to qualify for matching funds within the Oklahoma Research and Development Attraction Program based on factors including, but not limited to:

(1) The amount of private capital the matching funds will induce to be spent in Oklahoma;

(2) The total market size of the Oklahoma-based small businesses' product or service offering;

(3) Third-party validation of the Oklahoma-based small businesses' intellectual assets, including but not limited to equity raised from venture capital or private equity firms, federal commercialization grants through the Small Business Innovation Research or Small Business Technology Transfer Programs, or competitive federal research awards through National Institutes of Health, National Science Foundation, Department of Defense, Department of Energy, and others;

- (4) The projected future job creation impact of the Oklahoma-based small business for the state;
- (5) Other economic benefits to the state, including through increased state and local revenues and growth in private investment.
- (6) The need of the Oklahoma-based small business to acquire specialized services and resources in Oklahoma;
- (7) The alignment of the project within Oklahoma's identified cluster strategies; and
- (8) The impact on Oklahoma-based research entities, including through increased revenue, exposure to new technologies, and increased attraction opportunities for students, researchers, and professional staff.

(b) **Application review.** Applications for funding shall be reviewed by peer reviewers, some of whom may reside outside of the State of Oklahoma.

(c) **Evaluation criteria.** The reviewers shall evaluate and rank all applications for funding according to criteria specified in the Funding Opportunity Announcement for this program.

[Source: Added at 40 Ok Reg 2354, eff 9-11-23]

#### **650:13-1-10. Award provisions**

(a) **Funding subject to availability.** Funding of applications recommended for approval shall be subject to availability of resources and approval of the OSTRaD Board.

(b) **Matching funds documentation.**

(1) Private enterprises, nonprofit organizations (e.g., private foundations). Documentation that not less than fifty percent (50%) of the total direct cost of the proposed project will be provided by sources other than OCAST and other state-appropriated money [74 O.S., Section 5003.10h]. Such sources may be in the form of salary, cash, nonstate grant funds, and other sources of funding as defined by OCAST. No portion of the matching funds from a private enterprise or nonprofit organization may be provided by in-kind services performed by the enterprise.

(2) Funds from grants or contracts. Funds received from federal or private grants or contracts, to be used as matching funds, shall be allowed throughout the life of the contract.

(c) **Additional award provisions.** Any additional award provisions shall be recommended by OCAST, approved by the OSTRaD Board, and announced in the Funding Opportunity Announcement.

[Source: Added at 40 Ok Reg 2354, eff 9-11-23]

#### **650:13-1-11. Contract provisions**

(a) **Professional service contract.** The mechanism for funding approved applications shall be a professional service contract between OCAST and the applicant organization(s).

(b) **Verification of matching funds.** Professional service contracts shall be awarded contingent upon documentation that the funds to be matched by OCAST are in the position of the applicant organization and not encumbered in any other project or for any other purpose. The period allowed for verification of receipt of matching funds shall be recommended by OCAST and approved by the OSTRaD Board and announced in the FOA.

(c) **Fiscal agent.** The Contractor shall be designated as the fiscal agent.

(d) **Contractor obligations.**

(1) **Records and accounts.** The Contractor shall maintain records and accounts that properly document and account for the source and application of all project funds. All such records and accounts shall be made available on demand to OCAST for inspection and use in carrying out its responsibilities for administration of the funds.

(2) **Access and examination.** The Contractor shall, as OCAST deems necessary, permit authorized representatives of OCAST and the State of Oklahoma full access, and the right to fully examine, all projects, records and accounts.

(3) **Audits.** The Contractor shall comply with the audit policy of OCAST. The Contractor shall provide OCAST timely reports on any audits that include funds received from OCAST in a format mutually agreed to by both parties. In the event an audit results in the determination that the Contractor has expended contract funds on unallowable costs, the Contractor shall reimburse OCAST in full for all such costs.

[Source: Added at 40 Ok Reg 2354, eff 9-11-23]

#### **650:13-1-12. Confidentiality**

(a) **Applications.** OCAST shall, to the extent possible, take precautions to maintain the confidentiality of applications submitted to this Program. However, there shall be no guarantee that the contents of any application will remain confidential.

(b) **Intent to submit forms, executive summaries.** Unless specifically requested, OCAST may use the contents from Executive Summaries and abstracts from the application or subsequent annual progress reports for the required OCAST Annual Report or other publications without obtaining permission from the investigator(s) or applicant organization(s).

[Source: Added at 40 Ok Reg 2354, eff 9-11-23]

#### **650:13-1-13. Notification process**

Announcements of funding competitions for this Program shall be made through email notifications, newsletters and by way of social media of the availability of a Funding Opportunity Announcement and on the OCAST website.

(1) **Private enterprises, nonprofit organizations** (e.g., private foundations). Notification of the availability of an FOA shall be emailed to private enterprises and nonprofit organizations that have indicated they wish to receive OCAST FOAs.

(2) **Requestors.** Notification of availability of FOAs shall be emailed to all individuals who contact OCAST and request an application or register for notifications on the OCAST website.

[Source: Added at 40 Ok Reg 2354, eff 9-11-23]

#### **650:13-1-14. Appeals process**

Appeals related to this Chapter shall be processed in accordance with the procedures referenced in O.A.C. 650:1-3-4.

[Source: Added at 40 Ok Reg 2354, eff 9-11-23]

### **CHAPTER 15. OKLAHOMA CENTERS OF EXCELLENCE PROGRAM**

[Authority: 74 O.S., § 5060.9 and § 5060.12]

[Source: Codified 12-12-91]

### **650:15-1-1. Purpose**

The rules of this Chapter have been adopted for the purpose of complying with the provisions of the Administrative Procedures Act, 75 O.S., Sections 250 et seq. This program, known as the Oklahoma Centers of Excellence Program, funds two types of centers of excellence at institutions of higher education or nonprofit research institutions. The centers for basic research and/or applied research, development and technology transfer have potential for long-range value to the state's economic development [74 O.S., Section 5060.12].

[Source: Amended at 24 Ok Reg 2664, eff 7-12-07]

### **650:15-1-2. Statutory citations**

Citations to statutes in this Chapter refer to the most recent codification of the statute.

### **650:15-1-3. Statutory definitions**

The following terms are defined in 74 O.S., Section 5060.4:

- (1) applied research,
- (2) basic research,
- (3) board,
- (4) CASQ,
- (5) center
- (6) COEAT,
- (7) enterprise,
- (8) health research project,
- (9) industrial extension system,
- (10) institute,
- (11) institutional review board,
- (12) institutions of higher education,
- (13) investigator,
- (14) nanotechnology,
- (15) new technology,
- (16) nonprofit research institution,
- (17) OAI,
- (18) OAME,
- (19) ONAP,
- (20) OSTRaD,
- (21) person,
- (22) plant science research
- (23) product,
- (24) professional service contract
- (25) qualified security,
- (26) seed-capital,
- (27) technology transfer.

[Source: Amended at 24 Ok Reg 2664, eff 7-12-07]

### **650:15-1-4. Additional definitions**

The following words or terms, when used in this Chapter, shall have the following meaning, unless the context clearly indicates otherwise:

"**Applicant**" means a consortium involving more than one institution of higher education and business/industry partners.

"**Application**" means the proposal to operate a Center of Excellence and all completed required forms from the solicitation as submitted to The Oklahoma Center for the Advancement of Science and Technology (OCAST).

"**Contractor**" means the organizations executing the contract, and accepting responsibilities in dealing with the Centers of Excellence Committee (COEC), the OCAST staff and The Oklahoma Science and Technology Research and Development Board (OSTRaD Board).

"**Solicitation**" means a request containing the detailed information concerning the specifications of the Centers of Excellence Program, the application forms and the instructions for completion.

[Source: Amended at 19 Ok Reg 3080, eff 9-9-02 through 7-14-03 (emergency)<sup>1</sup>; Amended at 20 Ok Reg 2734, eff 8-11-03]

*EDITOR'S NOTE: <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency amendatory action, the last prior permanent text is reinstated. Therefore, on 7-15-03 (after the 7-14-03 expiration of the emergency action), the text of Section 650:15-1-4 reverted back to the permanent text that was effective prior to enactment of the emergency action on 9-9-02, as was last published in the 2001 Edition of the OAC, and remained as such until amended by permanent action on 8-11-03.*

#### **650:15-1-5. Program administration**

(a) **OSTRaD Board.** OCAST shall administer the Oklahoma Centers of Excellence Program under the governance of the statutorily created OSTRaD Board.

(1) The OSTRaD Board shall approve all specifications of the Oklahoma Centers of Excellence Program and any changes made thereto.

(2) All information regarding this program shall be available at the principal offices of OCAST, as referenced in 650: 1-3-1.

(b) **Centers of Excellence Committee.** The OSTRaD Board shall establish a Centers of Excellence Committee (COEC) composed of representatives of the business, higher education, non-profit research institutions and research communities as specified in 74 O.S., Section 5060.9a. The Committee shall act in an advisory capacity to the OSTRaD Board and staff in the development of program specifications, organization and implementation of peer reviews, award of contracts and on-going evaluation of contract performance. Implementation of Committee recommendations shall require approval by the OSTRaD Board.

[Source: Amended at 19 Ok Reg 3080, eff 9-9-02 through 7-14-03 (emergency)<sup>1</sup>; Amended at 20 Ok Reg 2734, eff 8-11-03; Amended at 24 Ok Reg 2664, eff 7-12-07]

*EDITOR'S NOTE: <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency amendatory action, the last prior permanent text is reinstated. Therefore, on 7-15-03 (after the 7-14-03 expiration of the emergency action), the text of Section 650:15-1-5 reverted back to the permanent text that was effective prior to enactment of the emergency action on 9-9-02, as was last published in the 2001 Edition of the OAC, and remained as such until amended by permanent action on 8-11-03.*

#### **650:15-1-6. Program description**

(a) The Oklahoma Centers of Excellence Program shall fund two types of Centers of Excellence which will primarily undertake basic research that has potential for long-range value to the state's economic development and/or applied research, development and technology transfer that has long-range potential for commercial development. [74 O.S., Section 5060.12].

(b) Each Center of Excellence shall build on the strengths of participating organizations and conduct activity in areas of research in which the participating higher education institutions or nonprofit research institutions have achieved or

have true promise of attaining a standard of excellence as recognized by national and international peers. [74 O.S., Section 5060.12].

(c) Each Center of Excellence shall have a director, whose name and qualifications shall be specified in the application.

(d) Each Center of Excellence shall have an advisory, governing or managing board, for which the names of at least six (6) members shall be specified in the application. At least one-half of this board shall be non-academic, private sector members.

[Source: Amended at 24 Ok Reg 2664, eff 7-12-07]

#### **650:15-1-7. Applicant eligibility**

Eligible applicants for funding under the Oklahoma Centers of Excellence Program shall involve higher education institution(s), nonprofit research institution(s), and private enterprise [74 O.S., Section 5060. 12]. The involvement of institutions of higher education shall include regular, appointed full-time faculty and student research assistants. The participation of visiting professors and/or post doctoral associates shall be allowed. The involvement of business/industry partners may include participation in collaborative research projects, membership on the Center's advisory or governing board, assistance with proposal reviews or performance evaluations of Center projects and/or donation of matching funds.

[Source: Amended at 24 Ok Reg 2664, eff 7-12-07]

#### **650:15-1-8. Funding terms**

(a) **Competition dates.** Dates for funding competitions shall be recommended by the COEC, approved by the OSTRaD Board and listed in the solicitation.

(b) **Allocations.** Each proposed Center of Excellence is funded at Nine Hundred Thousand Dollars (\$900,000.00), or so much as is needed, per year for five (5) years, above the annual appropriation for OCAST.

(c) **Contract periods.** Individual Centers shall be approved for funding for a maximum of five (5) years in the original contract. Individual Centers shall, after three years of satisfactory performance evaluations (see 650:15-1-12(c)), be eligible to apply for increased funding.

(d) **Additional funding terms.** An individual Center may, at the completion of the original contract period, compete in the next scheduled funding competition for an additional five (5) years (or less) of funding. An individual Center shall not receive more than two (2) five-year funding awards.

[Source: Amended at 19 Ok Reg 3080, eff 9-9-02 through 7-14-03 (emergency)<sup>1</sup>; Amended at 20 Ok Reg 2734, eff 8-11-03; Amended at 24 Ok Reg 2664, eff 7-12-07]

*EDITOR'S NOTE: <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency amendatory action, the last prior permanent text is reinstated. Therefore, on 7-15-03 (after the 7-14-03 expiration of the emergency action), the text of Section 650:15-1-8 reverted back to the permanent text that was effective prior to enactment of the emergency action on 9-9-02, as was last published in the 2001 Edition of the OAC, and remained as such until amended by permanent action on 8-11-03.*

#### **650:15-1-9. Application process**

(a) **Solicitations.** The Oklahoma Centers of Excellence Program Solicitation shall be used to apply for funding under this program. Solicitations shall be available at the OCAST principal office. No application fee shall be required.

(b) **Applications.** Application submission date(s), as established by the OSTRaD Board, shall be listed in the solicitation.

(1) **Application deadlines.** Requirements for application completion and submission shall be included in the solicitation. Any application not received by the designated submission date shall be returned without consideration.

(2) **Completion requirements.** Incomplete or inappropriately completed applications may be returned without review.

[Source: Amended at 19 Ok Reg 3080, eff 9-9-02 through 7-14-03 (emergency)<sup>1</sup>; Amended at 20 Ok Reg 2734, eff 8-11-03; Amended at 24 Ok Reg 2664, eff 7-12-07]

*EDITOR'S NOTE: <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency amendatory action, the last prior permanent text is reinstated. Therefore, on 7-15-03 (after the 7-14-03 expiration of the emergency action), the text of Section 650:15-1-9 reverted back to the permanent text that was effective prior to enactment of the emergency action on 9-9-02, as was last published in the 2001 Edition of the OAC, and remained as such until amended by permanent action on 8-11-03.*

### **650:15-1-10. Review process**

(a) **Peer review.** Applications for funding shall be reviewed and ranked by a panel (COE Review Panel) of out-of-state reviewers recommended by the COEC and approved by the OSTRaD Board.

(1) The COE Review Panel will assist the COEC and the OCAST staff in selecting and obtaining appropriate peer reviewers to review each submitted application for scientific merit.

(2) The COE Review Panel will assist the COEC and the OCAST staff in selecting and obtaining appropriate peer reviewers to review each submitted application for potential economic impact.

(3) The COE Review Panel shall make site visits to the Center facilities of each of the finalist applicants and rank those applications approved for funding.

(b) **Evaluation criteria.** All applications shall be reviewed and ranked according to evaluation criteria listed in the solicitation.

[Source: Amended at 19 Ok Reg 3080, eff 9-9-02 through 7-14-03 (emergency)<sup>1</sup>; Amended at 20 Ok Reg 2734, eff 8-11-03]

*EDITOR'S NOTE: <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency amendatory action, the last prior permanent text is reinstated. Therefore, on 7-15-03 (after the 7-14-03 expiration of the emergency action), the text of Section 650:15-1-10 reverted back to the permanent text that was effective prior to enactment of the emergency action on 9-9-02, as was last published in the 2001 Edition of the OAC, and remained as such until amended by permanent action on 8-11-03.*

### **650:15-1-11. Award provisions**

(a) **Funding subject to availability.** Funding of applications recommended for approval by the COE Review Panel shall be subject to availability of resources and approval of the OSTRaD Board.

(b) **Matching funds; documentation.** Documentation shall be provided that the required matching funds, as specified in the statute, are provided by sources other than OCAST and other than state-appropriated money [74 O.S., Section 5060.12].

(1) If equipment serves as part of the matching requirement, documentation shall verify:

(A) that the Center has received the donated machinery,

(B) that it has been used for nothing more than testing to ensure quality control or for demonstration purposes by a wholesaler or retailer and

(C) the amount of its fair market value [74 O.S., Section 5060.12].



(2) An approved Center shall have ninety (90) days to submit a final verification of receipt of matching funds.

(3) Funds received from federal or private grants or contracts, to be used as matching funds, shall be allowed throughout the life of the contract.

(c) **Additional award provision.** Execution of a contract shall be contingent upon submission of a statement of patent policy to which all of the Center's participants have agreed.

[Source: Amended at 19 Ok Reg 3080, eff 9-9-02 through 7-14-03 (emergency)<sup>1</sup>; Amended at 20 Ok Reg 2734, eff 8-11-03]

*EDITOR'S NOTE: <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency amendatory action, the last prior permanent text is reinstated. Therefore, on 7-15-03 (after the 7-14-03 expiration of the emergency action), the text of Section 650:15-1-11 reverted back to the permanent text that was effective prior to enactment of the emergency action on 9-9-02, as was last published in the 2001 Edition of the OAC, and remained as such until amended by permanent action on 8-11-03.*

### **650:15-1-12. Contract provisions**

(a) **Professional service contract.** The mechanism for funding approved applications shall be a professional service contract between OCAST and the principal organizations which will be providing research services or facilities in the funded Center. The obligations of each party to a Center contract shall be limited to that portion of the contract which it has committed to perform.

(b) **Fiscal agent.** Each contract shall designate one of the parties to the contract as the fiscal agent to receive and account for all funds.

(c) **Contractor obligations.**

(1) **Performance evaluations.** Each funded Center shall be required to submit annual reports to OCAST verifying the Center is achieving its objectives and performing its contractual obligations in a timely manner. Continued funding shall be contingent upon satisfactory annual performance evaluations. During the third year of a contract, OCAST shall organize and implement an in-depth review which will incorporate an on-site visit to the Center's facilities by a review team.

(2) **Continuation of funding.** Funding for the remainder of the contract shall continue if the Board determines the Center's performance to be satisfactory and in accordance with the terms of the contract. In the event the Board deems a Center's performance unsatisfactory but correctable, a probation recommended by the review team, shall be authorized. If a Center's performance is deemed by the Board to be unsatisfactory and not correctable, funding shall be phased out over a one year period and the contract shall be terminated.

(3) **Documentation and records.** The contractor shall be responsible for assuring and documenting compliance with state and federal requirements pertaining to human subjects, vertebrate animals, recombinant DNA, radioactive substances, narcotics and dangerous drugs which require special approval or license before issuance of a subcontract for any project funded through the Center. The contractor shall maintain records and accounts that properly document and account for the source and application of all project funds, and all such records and accounts shall be made available on demand by OCAST for inspection and use in carrying out its responsibilities for administration of the funds.

(4) **Audits.** The contractor shall, as OCAST deems necessary, permit authorized representatives of OCAST and the State of Oklahoma full access, and the right to fully examine, all records and accounts. The

contractor shall comply with the audit policy of OCAST. The contractor shall provide OCAST timely copies of reports on any audits that include funds received from OCAST. In the event an audit results in the determination that the contractor has expended contract funds on unallowable costs, the contractor shall reimburse OCAST in full for all such costs.

#### **650:15-1-13. Confidentiality**

There shall be no guarantee that the contents of any application will remain confidential. Unless specifically requested, OCAST may use portions of the original application, and any subsequent reports, without obtaining permission from the applicant.

#### **650:15-1-14. Notification process**

(a) **Direct mailings.** Announcements of funding competitions for Oklahoma Centers of Excellence projects shall be made through a direct mailing of solicitations.

(1) **Higher education.** Solicitations shall be mailed to the official designated by the president of each institution listed in the Oklahoma Higher Education Directory.

(2) **Requestors.** Solicitations shall be mailed to all persons who contact OCAST and request an application.

(b) **Public announcements posted.** Public announcements of funding competitions shall be posted on the OCAST website and at the OCAST principal office at least thirty (30) days prior to application processed in accordance with the procedures referenced in submission dates.

(c) **Newspaper announcements.** Announcements of funding competitions will be published in newspapers as determined by the OSTRaD Board.

[Source: Amended at 19 Ok Reg 3080, eff 9-9-02 through 7-14-03 (emergency)<sup>1</sup>; Amended at 20 Ok Reg 2734, eff 8-11-03; Amended at 24 Ok Reg 2664, eff 7-12-07]

*EDITOR'S NOTE: <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency amendatory action, the last prior permanent text is reinstated. Therefore, on 7-15-03 (after the 7-14-03 expiration of the emergency action), the text of Section 650:15-1-14 reverted back to the permanent text that was effective prior to enactment of the emergency action on 9-9-02, as was last published in the 2001 Edition of the OAC, and remained as such until amended by permanent action on 8-11-03.*

#### **650:15-1-15. Appeals process**

Appeals related to the rules of this chapter shall be processed in accordance with the procedures referenced in 650:1-3-4.

## **CHAPTER 18. OKLAHOMA NANOTECHNOLOGY APPLICATIONS PROJECT**

[Authority: 74 O.S., § 5060.9]

[Source: Codified 7-25-09]

#### **650:18-1-1. Purpose**

The rules of this Chapter have been adopted for the purpose of complying with the provisions of the Administrative Procedures Act, 75 O.S., Section 250 et seq. This project, known as the Oklahoma Nanotechnology Applications Project, shall assist in the accelerated development of technology in the State by supporting nanotechnology research activities in new and existing applications in

nanotechnology whose results:

- (1) are technically sound and will produce a measurable result
- (2) lead to innovation, new knowledge or technology and have a high probability of leading to commercially successful products, processes or services within a reasonable period of time
- (3) have reasonable probability to enhance employment opportunities within Oklahoma
- (4) enhance services to Oklahoma manufacturers or Oklahoma for-profit companies that are in the process of applying nanotechnology.

[Source: Added at 26 Ok Reg 122, eff 10-7-08 through 7-14-09 (emergency)<sup>1</sup>; Added at 26 Ok Reg 2799, eff 7-25-09]

*EDITOR'S NOTE: <sup>1</sup>This emergency action expired without being superseded by a permanent action. Upon expiration of an emergency action enacting a new Section, the Section is no longer effective. Therefore, on 7-15-09 (after the 7-14-09 expiration of this emergency action), Section 650:18-1-8 was no longer effective, and remained as such until added by permanent action on 7-25-09. For the official text of the emergency rule that was in effect from 10-7-08 through 7-14-09, see 26 Ok Reg 122.*

### **650:18-1-2. Statutory citations**

Citations to statutes in this Chapter refer to the most recent codification of the statute.

[Source: Added at 26 Ok Reg 122, eff 10-7-08 through 7-14-09 (emergency)<sup>1</sup>; Added at 26 Ok Reg 2799, eff 7-25-09]

*EDITOR'S NOTE: <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency action enacting a new Section, the Section is no longer effective. Therefore, on 7-15-09 (after the 7-14-09 expiration of this emergency action), Section 650:18-1-8 was no longer effective, and remained as such until added by permanent action on 7-25-09. For the official text of the emergency rule that was in effect from 10-7-08 through 7-14-09, see 26 Ok Reg 122.*

### **650:18-1-3. Statutory definitions**

The following terms are defined in 74 O.S., Section 5060.43:

- (1) applied research,
- (2) enterprise,
- (3) institutions of higher education,
- (4) investigator,
- (5) nanotechnology,
- (6) new technology,
- (7) nonprofit research institution,
- (8) product,
- (9) professional service contract and
- (10) technology transfer.

[Source: Added at 26 Ok Reg 122, eff 10-7-08 through 7-14-09 (emergency)<sup>1</sup>; Added at 26 Ok Reg 2799, eff 7-25-09]

*EDITOR'S NOTE: <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency action enacting a new Section, the Section is no longer effective. Therefore, on 7-15-09 (after the 7-14-09 expiration of this emergency action), Section 650:18-1-8 was no longer effective, and remained as such until added by permanent action on 7-25-09. For the official text of the emergency rule that was in effect from 10-7-08 through 7-14-09, see 26 Ok Reg 122.*

### **650:18-1-4. Additional definitions**

The following words or terms, when used in this Chapter, shall have the following meaning, unless the context clearly indicates otherwise:

**"Applicant organization(s)"** means the employer of the investigator(s) preparing the application.

**"Application"** means the proposal for an Oklahoma Nanotechnology Applications Project award and all completed required forms from the solicitation

as submitted to The Oklahoma Center for the Advancement of Science and Technology (OCAST).

**"Contractor(s)"** means the institution(s) or enterprise(s) that is awarded an OCAST Nanotechnology Applications Project contract.

**"Solicitation"** means a request containing the detailed information concerning the specifications of the Oklahoma Nanotechnology Applications Project.

[Source: Added at 26 Ok Reg 122, eff 10-7-08 through 7-14-09 (emergency)<sup>1</sup>; Added at 26 Ok Reg 2799, eff 7-25-09]

*EDITOR'S NOTE: <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency action enacting a new Section, the Section is no longer effective. Therefore, on 7-15-09 (after the 7-14-09 expiration of this emergency action), Section 650:18-1-8 was no longer effective, and remained as such until added by permanent action on 7-25-09. For the official text of the emergency rule that was in effect from 10-7-08 through 7-14-09, see 26 Ok Reg 122.*

### **650:18-1-5. Project administration**

(a) **OSTRaD Board.** OCAST shall administer the Oklahoma Nanotechnology Applications Project under the governance of the statutorily created Oklahoma Science and Technology Research and Development Board (OSTRaD Board) [74 O.S., Section 5060.6]. OSTRaD will approve all funding awards.

(1) The OSTRaD Board shall approve all specifications of the Oklahoma Nanotechnology Applications Project and any changes made thereto.

(2) All information regarding these projects shall be available at the principal offices of OCAST, as referenced in 650:1-3-1.

(b) **Oklahoma Nanotechnology Applications Committee.** The OSTRaD Board shall establish an Oklahoma Nanotechnology Applications Committee (ONAC). The ONAC shall act in an advisory capacity to the OSTRaD Board and OCAST staff in the development of project specifications, organization and evaluation of peer reviews, awarding of contracts and on-going evaluation of contract performance.

[Source: Added at 26 Ok Reg 122, eff 10-7-08 through 7-14-09 (emergency)<sup>1</sup>; Added at 26 Ok Reg 2799, eff 7-25-09]

*EDITOR'S NOTE: <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency action enacting a new Section, the Section is no longer effective. Therefore, on 7-15-09 (after the 7-14-09 expiration of this emergency action), Section 650:18-1-8 was no longer effective, and remained as such until added by permanent action on 7-25-09. For the official text of the emergency rule that was in effect from 10-7-08 through 7-14-09, see 26 Ok Reg 122.*

### **650:18-1-6. Project description**

The Oklahoma Nanotechnology Applications Project shall provide funds for nanotechnology applications projects recommended by the ONAC and approved by the OSTRaD Board and described in the solicitation.

[Source: Added at 26 Ok Reg 122, eff 10-7-08 through 7-14-09 (emergency)<sup>1</sup>; Added at 26 Ok Reg 2799, eff 7-25-09]

*EDITOR'S NOTE: <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency action enacting a new Section, the Section is no longer effective. Therefore, on 7-15-09 (after the 7-14-09 expiration of this emergency action), Section 650:18-1-8 was no longer effective, and remained as such until added by permanent action on 7-25-09. For the official text of the emergency rule that was in effect from 10-7-08 through 7-14-09, see 26 Ok Reg 122.*

### **650:18-1-7. Eligibility**

(a) **Applicants.** Eligible applicants for funding under the Oklahoma Nanotechnology Applications Project shall be:

(1) Oklahoma public or private colleges and universities, when the project involves an Oklahoma for-profit business or manufacturer,

- (2) Oklahoma nonprofit research organizations, when the project involves an Oklahoma for-profit business or manufacturer or,
- (3) Oklahoma for-profit businesses or manufacturers [74 O.S., Section 5060.19].

(b) **Preference.** The OSTRaD Board may assign preference to a class(es) of applicants for any funding competition.

(c) **Investigators.** The investigator(s) submitting applications shall be employed by or affiliated with an eligible applicant organization(s) and must be a resident of the State of Oklahoma.

[Source: Added at 26 Ok Reg 122, eff 10-7-08 through 7-14-09 (emergency)<sup>1</sup>; Added at 26 Ok Reg 2799, eff 7-25-09]

*EDITOR'S NOTE: <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency action enacting a new Section, the Section is no longer effective. Therefore, on 7-15-09 (after the 7-14-09 expiration of this emergency action), Section 650:18-1-8 was no longer effective, and remained as such until added by permanent action on 7-25-09. For the official text of the emergency rule that was in effect from 10-7-08 through 7-14-09, see 26 Ok Reg 122.*

### **650:18-1-8. Funding terms**

(a) **Competition dates.** Dates for funding competitions shall be announced in the solicitation.

(b) **Allocations.**

(1) The ONAC shall recommend, and the OSTRaD Board approve, the amount allocated for each funding competition.

(2) If minimum and maximum levels for Oklahoma Nanotechnology Applications Projects are established, they shall be approved by the OSTRaD Board and announced in the solicitation.

(c) **Contract periods.** The length of a contract shall not be less than one (1) year. The maximum contract period shall be recommended by the ONAC and approved by the OSTRaD Board.

[Source: Added at 26 Ok Reg 122, eff 10-7-08 through 7-14-09 (emergency)<sup>1</sup>; Added at 26 Ok Reg 2799, eff 7-25-09]

*EDITOR'S NOTE: <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency action enacting a new Section, the Section is no longer effective. Therefore, on 7-15-09 (after the 7-14-09 expiration of this emergency action), Section 650:18-1-8 was no longer effective, and remained as such until added by permanent action on 7-25-09. For the official text of the emergency rule that was in effect from 10-7-08 through 7-14-09, see 26 Ok Reg 122.*

### **650:18-1-9. Application process**

(a) **Solicitations.** The Oklahoma Nanotechnology Applications Project solicitation shall be used to apply for funding under this project. Solicitations shall be available at the OCAST principal office. No application fee shall be required.

(1) **Application deadlines.** Application submission date(s) and time(s), shall be listed in the solicitation. Any application not submitted by the designated submission date and time shall be returned without consideration.

(2) **Completion/submission requirements.** Requirements for application completion and submission shall be included in the solicitation.

(b) **Applications.**

(1) **Matching funding.** The application shall specify the total amount of matching funds the organization will provide to meet the requirements of the matching funding.

(2) **Required information.** The application shall include:

(A) a description of the potential commercial application of the Oklahoma Nanotechnology Applications Project and plan for

- commercialization strategy,
  - (B) a recommendation from the applicant organization, and
  - (C) other information that may be required by the OSTRaD Board.
- (3) **Documentation.** It shall be the responsibility of the investigator(s) and the applicant organization(s) to ascertain and certify compliance with all applicable state and federal requirements or regulations as specified in the application in order to engage in the proposed research.
- (4) **Returned applications.** Incomplete or inappropriately completed applications may be returned without review.

[Source: Added at 26 Ok Reg 122, eff 10-7-08 through 7-14-09 (emergency)<sup>1</sup>; Added at 26 Ok Reg 2799, eff 7-25-09]

*EDITOR'S NOTE: <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency action enacting a new Section, the Section is no longer effective. Therefore, on 7-15-09 (after the 7-14-09 expiration of this emergency action), Section 650:18-1-8 was no longer effective, and remained as such until added by permanent action on 7-25-09. For the official text of the emergency rule that was in effect from 10-7-08 through 7-14-09, see 26 Ok Reg 122.*

#### **650:18-1-10. Review process**

- (a) **Peer review.** Applications for funding shall be reviewed by peer reviewers, a majority of whom reside outside of the State of Oklahoma, who are nominated and approved by the ONAC.
- (b) **Evaluation criteria.** The peer review panel shall review and rank all applications for funding according to evaluation criteria specified in the solicitation.

[Source: Added at 26 Ok Reg 122, eff 10-7-08 through 7-14-09 (emergency)<sup>1</sup>; Added at 26 Ok Reg 2799, eff 7-25-09]

*EDITOR'S NOTE: <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency action enacting a new Section, the Section is no longer effective. Therefore, on 7-15-09 (after the 7-14-09 expiration of this emergency action), Section 650:18-1-8 was no longer effective, and remained as such until added by permanent action on 7-25-09. For the official text of the emergency rule that was in effect from 10-7-08 through 7-14-09, see 26 Ok Reg 122.*

#### **650:18-1-11. Award provisions**

- (a) **Funding subject to availability.** Funding of applications recommended for approval by the ONAC shall be subject to availability of resources and approval of the OSTRaD Board.
- (b) **Matching funds; documentation.** All applications shall include:
- (1) **Higher education or nonprofit institutions.** Documentation, if the proposal is from an institution of higher education or nonprofit research institutions that not less than fifty percent (50%) of the total direct cost of the proposed project will be provided by sources other than OCAST and other than state-appropriated money. Machinery or equipment may be considered as part of the matching funds [74 O.S., Section 5060.19]. If machinery or equipment serves as part of the matching requirement, the applicant organization(s) shall provide documentation as specified in 74 O.S., Section 5060.19.
  - (2) **Private enterprises.** Documentation, if the proposal is from a private enterprise, that not less than fifty percent (50%) of the total direct cost of the proposed project will be provided by sources other than OCAST and other than state-appropriated money [74 O.S., Section 5060.19]. No portion of the matching funds from a private enterprise may be provided by in-kind services performed by the enterprise. [74 O.S., Section 5060.19]
  - (3) **Funds from grants or contracts.** Funds received from federal or private grants or contracts, to be used as matching funds, shall be allowed

throughout the life of the contract.

(c) **Additional award provisions.** Any additional award provisions shall be approved by the OSTRaD Board and announced in the solicitation.

[Source: Added at 26 Ok Reg 122, eff 10-7-08 through 7-14-09 (emergency)<sup>1</sup>; Added at 26 Ok Reg 2799, eff 7-25-09]

*EDITOR'S NOTE: <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency action enacting a new Section, the Section is no longer effective. Therefore, on 7-15-09 (after the 7-14-09 expiration of this emergency action), Section 650:18-1-8 was no longer effective, and remained as such until added by permanent action on 7-25-09. For the official text of the emergency rule that was in effect from 10-7-08 through 7-14-09, see 26 Ok Reg 122.*

### **650:18-1-12. Contract provisions**

(a) **Professional service contract.** The mechanism for funding approved applications shall be a professional service contract between OCAST and the applicant organization(s).

(b) **Verification of matching funds.** Professional service contracts shall be awarded contingent upon documentation that the matching funds and/or machinery or equipment to be matched by OCAST has been received by the applicant organization(s). The period of time allowed for verification of receipt of matching funds shall be approved by the OSTRaD Board and announced in the solicitation.

(c) **Fiscal agent.** If more than one applicant organization participates in a contract, one organization shall be designated as the fiscal agent.

(d) **Contractor obligations.**

(1) **Records and accounts.** The contractor, or designated fiscal agent, shall maintain records and accounts that properly document and account for the source and application of all project funds, and all such records and accounts shall be made available on demand by OCAST for inspection and use in carrying out its responsibilities for administration of the funds.

(2) **Access and examination.** The contractor, or designated fiscal agent, shall as OCAST deems necessary, permit authorized representatives of OCAST and the State of Oklahoma full access, and the right to fully examine, all projects records and accounts.

(3) **Audits.** The contractor, or designated fiscal agent, shall comply with the audit policy of OCAST. The contractor, or designated fiscal agent, shall provide OCAST timely reports on any audits that include funds received from OCAST. In the event an audit results in the determination that the contractor, or designated fiscal agent, has expended contract funds on unallowable costs, the contractor, or designated fiscal agent, shall reimburse OCAST in full for all such costs.

[Source: Added at 26 Ok Reg 122, eff 10-7-08 through 7-14-09 (emergency)<sup>1</sup>; Added at 26 Ok Reg 2799, eff 7-25-09]

*EDITOR'S NOTE: <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency action enacting a new Section, the Section is no longer effective. Therefore, on 7-15-09 (after the 7-14-09 expiration of this emergency action), Section 650:18-1-8 was no longer effective, and remained as such until added by permanent action on 7-25-09. For the official text of the emergency rule that was in effect from 10-7-08 through 7-14-09, see 26 Ok Reg 122.*

### **650:18-1-13. Confidentiality**

(a) **Applications.** OCAST will treat all records in accordance with applicable OCAST statutes. There shall be no guarantee that the contents of any application will remain confidential.

(b) **Intent to Submit Forms; Abstracts.** Unless specifically requested otherwise by the applicant organization, OCAST may use the contents from Intent to Submit Forms and Abstracts from the proposal or subsequent annual progress reports, for

the required OCAST Annual Report or other publications without obtaining permission from the investigator(s) or applicant organization(s).

[Source: Added at 26 Ok Reg 122, eff 10-7-08 through 7-14-09 (emergency)<sup>1</sup>; Added at 26 Ok Reg 2799, eff 7-25-09]

*EDITOR'S NOTE: <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency action enacting a new Section, the Section is no longer effective. Therefore, on 7-15-09 (after the 7-14-09 expiration of this emergency action), Section 650:18-1-8 was no longer effective, and remained as such until added by permanent action on 7-25-09. For the official text of the emergency rule that was in effect from 10-7-08 through 7-14-09, see 26 Ok Reg 122.*

#### **650:18-1-14. Notification process**

OCAST may announce funding solicitations through various means to disseminate notice to possible funding applicants.

[Source: Added at 26 Ok Reg 122, eff 10-7-08 through 7-14-09 (emergency)<sup>1</sup>; Added at 26 Ok Reg 2799, eff 7-25-09]

*EDITOR'S NOTE: <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency action enacting a new Section, the Section is no longer effective. Therefore, on 7-15-09 (after the 7-14-09 expiration of this emergency action), Section 650:18-1-8 was no longer effective, and remained as such until added by permanent action on 7-25-09. For the official text of the emergency rule that was in effect from 10-7-08 through 7-14-09, see 26 Ok Reg 122.*

#### **650:18-1-15. Appeals process**

Appeals related to this Chapter shall be processed in accordance with the procedures referenced in OAC 650:1-3-4.

[Source: Added at 26 Ok Reg 122, eff 10-7-08 through 7-14-09 (emergency)<sup>1</sup>; Added at 26 Ok Reg 2799, eff 7-25-09]

*EDITOR'S NOTE: <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency action enacting a new Section, the Section is no longer effective. Therefore, on 7-15-09 (after the 7-14-09 expiration of this emergency action), Section 650:18-1-8 was no longer effective, and remained as such until added by permanent action on 7-25-09. For the official text of the emergency rule that was in effect from 10-7-08 through 7-14-09, see 26 Ok Reg 122.*

## **CHAPTER 20. OKLAHOMA HEALTH RESEARCH PROGRAM**

[Authority: 74 O.S., § 5060.9, § 5060.14, § 5060.15, § 5060.16, § 5060.17 and § 5060.18]

[Source: Codified 12-12-91]

#### **650:20-1-1. Purpose**

The rules of this Chapter have been adopted for the purpose of complying with the provisions of the Administrative Procedures Act, 75 O.S., Sections 250 et seq. This program, known as the Oklahoma Health Research Program, shall fund health research projects defined as specific examination, experimentation or investigation oriented principally toward basic, applied and developmental scientific inquiry related to health research. This includes the following:

- (1) the causes, diagnosis, prevention and treatment of human diseases and disabilities and mental health and emotional disorders, and the rehabilitation of persons afflicted with such diseases, disabilities, and disorders;
- (2) new knowledge, better understanding, and innovative methods to improve the processes by which health care services are made available and how they may be provided more efficiently, more effectively and at a lower cost, for all the citizens of this state;
- (3) the development of new products and services which shall form the basis of new high-technology health research and care industry for this state [74 O.S., Section 5060.4].



### **650:20-1-2. Statutory citations**

Citations to statutes in this Chapter refer to the most recent codification of the statute.

### **650:20-1-3. Statutory definitions**

The following terms are defined in 74 O.S., Section 5060.4:

- (1) enterprise,
- (2) health research project,
- (3) institutions of higher education,
- (4) investigator,
- (5) nonprofit research institution and
- (6) professional service contract.

### **650:20-1-4. Additional definitions**

The following words or terms, when used in this Chapter, shall have the following meaning, unless the context clearly indicates otherwise:

**"Applicant organization"** means the employer of, or organization affiliated with, the investigator preparing the application.

**"Application"** means the proposal for a health research project and all completed required forms from the solicitation as submitted to The Oklahoma Center for the Advancement of Science and Technology (OCAST).

**"Solicitation"** means a request containing detailed information concerning the specifications of the Oklahoma Health Research Programs, the application forms, and the instructions for completion.

### **650:20-1-5. Program administration**

(a) **OSTRaD Board.** OCAST shall administer the Oklahoma Health Research Programs under the governance of the statutorily created Oklahoma Science and Technology Research and Development Board (OSTRaD Board). [74 O.S., Section 5060.6]

- (1) The OSTRaD Board shall approve all specifications of the Oklahoma Health Research Programs and any changes made thereto.
- (2) All information regarding these programs shall be available at the principal offices of OCAST, as referenced in 650:1-3-1.

(b) **Oklahoma Health Research Committee.** The statutorily created Oklahoma Health Research Committee (OHRC) shall act in an advisory capacity to the OSTRaD Board and staff in the development of program specifications, organization and implementation of peer review, award of contracts and ongoing evaluation of contract performance. Implementation of recommendations of the OHRC shall require approval of the OSTRaD Board.

- (1) The Governor shall appoint the nine (9) member OHRC. The requirements of membership, terms of appointments, duties and operating standards of this committee are specified in 74 O.S., Section 5060.14.
- (2) The OHRC shall evaluate the merits of proposed health research projects, the qualifications of investigators, and the facilities in which proposed health research projects will be performed, and shall advise OCAST of its findings [74 O.S., Section 5060.17].

*EDITOR'S NOTE: <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency amendatory action, the last prior permanent text is reinstated. Therefore, on 7-15-03 (after the 7-14-03 expiration of the emergency action), the text of Section 650:20-1-5 reverted back to the permanent text that was effective prior to enactment of the emergency action on 9-9-02, as was last published in the 2001 Edition of the OAC, and remained as such until amended by permanent action on 8-11-03.*

#### **650:20-1-6. Program description**

The Oklahoma Health Research Programs fund health research projects recommended by the OHRC; approved by the OSTRaD Board and described in the solicitation. The Oklahoma Health Research Program may also fund research in a specific research area, as determined by the OHRC and approved by the OSTRaD Board. Description of such a designated area(s) will be provided in the solicitation.

[Source: Amended at 19 Ok Reg 3082, eff 9-9-02 through 7-14-03 (emergency)<sup>1</sup>; Amended at 20 Ok Reg 2736, eff 8-11-03]

*EDITOR'S NOTE: <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency amendatory action, the last prior permanent text is reinstated. Therefore, on 7-15-03 (after the 7-14-03 expiration of the emergency action), the text of Section 650:20-1-6 reverted back to the permanent text that was effective prior to enactment of the emergency action on 9-9-02, as was last published in the 2001 Edition of the OAC, and remained as such until amended by permanent action on 8-11-03.*

#### **650:20-1-7. Annual Conference**

OCAST shall sponsor an annual conference of health research investigators, representatives of institutions of higher education, non-profit research institutions and representatives of industry to accelerate and facilitate the commercial development of new products and services conceived [74 O.S., Section 5060.18].

#### **650:20-1-8. Eligibility**

(a) **Applicants.** Eligible applicants for funding under the Health Research Program may be the following organizations:

- (1) private or public Oklahoma institutions of higher education,
- (2) non-profit research foundations and
- (3) private enterprises of special importance to the Oklahoma economy. [74 O.S., Sections 5060.4 and 5060.14]

(b) **Investigators.** Investigators preparing applications shall be:

- (1) employed by or affiliated with an eligible applicant organization.
- (2) residents of Oklahoma, or become residents, before the ninetieth (90) day after the award of a contract. [74 O.S., 5060.17]

#### **650:20-1-9. Funding terms**

(a) **Competition dates.** Dates for funding competitions shall be established by the OHRC, approved by the OSTRaD Board and listed in the solicitation.

(b) **Allocations.** The maximum funding for individual research projects in each program shall be recommended by the OHRC, approved by the OSTRaD Board and announced in the solicitation.

(c) **Contract periods.** The length of a contract will not be less than one (1) year. The maximum length of a contract in each program shall be recommended by the OHRC, approved by the OSTRaD Board and announced in the solicitation.

[Source: Amended at 19 Ok Reg 3082, eff 9-9-02 through 7-14-03 (emergency)<sup>1</sup>; Amended at 20 Ok Reg 2736, eff 8-11-03]

*EDITOR'S NOTE: <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency amendatory action, the last prior permanent text is reinstated. Therefore, on 7-15-03 (after the 7-14-03 expiration of the emergency action), the text of Section 650:20-1-9 reverted back to the permanent text that was effective*

*prior to enactment of the emergency action on 9-9-02, as was last published in the 2001 Edition of the OAC, and remained as such until amended by permanent action on 8-11-03.*

#### **650:20-1-10. Application process**

The Oklahoma Health Research Program Solicitation shall be used to apply for funding under these programs. Solicitations shall be available at the OCAST principal office. No application fee shall be required.

(1) **Application deadlines.** Application submission date(s), as established by the OSTRaD Board, shall be listed in the solicitation. Any application not received by the designated submission date shall be returned without consideration.

(2) **Completion/submission requirements.** Requirements for application completion and submission shall be included in the solicitation.

(3) **Documentation.** It shall be the responsibility of the investigator and the applicant organization to ascertain and provide documentation of compliance with state and federal requirements pertaining to human subjects, vertebrate animals, recombinant DNA, radioactive substances, narcotics and dangerous drugs which require special approval or license as specified in the application, in order to engage in the proposed research.

(4) **Returned applications.** Incomplete or inappropriately completed applications may be returned without review.

[Source: Amended at 19 Ok Reg 3082, eff 9-9-02 through 7-14-03 (emergency)<sup>1</sup>; Amended at 20 Ok Reg 2736, eff 8-11-03]

***EDITOR'S NOTE:** <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency amendatory action, the last prior permanent text is reinstated. Therefore, on 7-15-03 (after the 7-14-03 expiration of the emergency action), the text of Section 650:20-1-10 reverted back to the permanent text that was effective prior to enactment of the emergency action on 9-9-02, as was last published in the 2001 Edition of the OAC, and remained as such until amended by permanent action on 8-11-03.*

#### **650:20-1-11. Review process**

(a) **Peer review.** Health Research projects described in the completed applications for funding shall be reviewed by research scientists residing outside the State of Oklahoma who are nominated and approved by the OHRC. Submitted health research proposals shall be ranked on the basis of their scientific merit as ascertained by the reviewers. [74 O.S., Section 5060.14] Reviewers shall evaluate applications according to the criteria stated in the solicitation.

(b) **Evaluation criteria.** Evaluation criteria shall include:

- (1) creativity and originality of the proposed research and its potential contribution to scientific knowledge,
- (2) the qualifications of the investigator,
- (3) the appropriateness of the research facilities and
- (4) the appropriateness of the budget.

#### **650:20-1-12. Contract provisions**

(a) **Professional service contract.** The mechanism for funding approved applications shall be a professional service contract between OCAST and the applicant organization. The applicant organization shall inform OCAST of any change in status concerning the investigator as defined in the professional service contract.

(b) **Concurrent funding.** Investigators shall not receive concurrent funding from other sources which duplicates support for any portion of the research described in the contract. No investigator shall conduct research funded by more than one

Oklahoma Health Research contract at one time. A contractor may terminate a current contract to allow an investigator to conduct research funded by a new contract.

(c) **Contractor obligations.** Acceptance of a professional service contract obligates the investigator and a representative of the applicant organization to attend the statutorily established annual conference hosted by OCAST unless excused by OCAST for health, professional or other reasons deemed appropriate. [74 O.S., Section 5060.18] Acceptance of a professional service contract also obligates the investigator to submit an annual progress report sixty (60) days prior to the ending date of each contract funding period, except at the end of the final contract period when a final report shall be submitted thirty (30) days after the end of the contract.

(1) **Records and accounts.** The contractor shall maintain records and accounts that properly document and account for the source and application of all project funds, and all such records and accounts shall be made available on demand by OCAST for inspection and use in carrying out its responsibilities for administration of the funds.

(2) **Access and examination.** The contractor shall, as OCAST deems necessary, permit authorized representatives of OCAST and the State of Oklahoma full access, and the right to fully examine, all project records and accounts.

(3) **Audits.** The contractor shall comply with the audit policy of OCAST. The contractor shall provide OCAST timely copies of reports on any audits that include funds received from OCAST. In the event an audit results in the determination that the contractor has expended contract funds on unallowable costs, the contractor shall reimburse OCAST in full for all such costs.

(d) **Award provisions.** Funding of approved professional service contracts shall be subject to availability of resources and approval of OCAST. Failure to submit an annual progress report could result in the termination of funding.

[Source: Amended at 9 Ok Reg 881, eff 1-6-92 (emergency); Amended at 9 Ok Reg 1875, eff 6-1-92]

#### **650:20-1-13. Confidentiality**

(a) **Proposals.** There shall be no guarantee that the contents of any proposal for a health research project will remain confidential.

(b) **Application contents.** Unless specifically requested, OCAST may use the contents of the Abstract and Purpose from the original application, and any subsequent reports, without obtaining permission from the applicant organization.

#### **650:20-1-14. Notification process**

(a) **Direct mailings.** Announcements of funding competitions for health research projects shall be made through a direct mailing of solicitations.

(1) **Higher education.** Solicitations shall be mailed to the institutional official(s) as designated by the president of each institution listed in the Oklahoma Higher Education Directory.

(2) **Nonprofit research foundations.** Solicitations shall be mailed to officials designated by the heads of non-profit research organizations.

(3) **Previous applicants.** Solicitations shall be mailed to all persons who have applied to the program in the previous three (3) years.

(4) **Requestors.** Solicitations shall be mailed to all persons who contact OCAST and request a solicitation.

(b) **Public announcements posted.** Public announcements of funding competitions shall be posted at the OCAST principal office and the Oklahoma Department of Commerce at least thirty (30) days prior to the application submission date.

(c) **Newspaper announcements.** Announcements of funding competitions will be published in newspapers as determined by the OSTRaD Board.

[Source: Amended at 19 Ok Reg 3082, eff 9-9-02 through 7-14-03 (emergency)<sup>1</sup>; Amended at 20 Ok Reg 2736, eff 8-11-03]

*EDITOR'S NOTE: <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency amendatory action, the last prior permanent text is reinstated. Therefore, on 7-15-03 (after the 7-14-03 expiration of the emergency action), the text of Section 650:20-1-14 reverted back to the permanent text that was effective prior to enactment of the emergency action on 9-9-02, as was last published in the 2001 Edition of the OAC, and remained as such until amended by permanent action on 8-11-03.*

### **650:20-1-15. Appeals process**

Appeals related to the rules of this Chapter shall be processed in accordance with the procedures referenced in 650:1-3-4.

## **CHAPTER 25. MOST RESEARCH EQUIPMENT PROGRAM**

[Authority: 74 O.S., § 5060.9 and § 5060.13]

[Source: Codified 12-12-91]

### **650:25-1-1. Purpose**

The rules of this Chapter have been adopted for the purpose of complying with the provisions of the Administrative Procedures Act, 75 O.S., Section 250 et seq. The primary purpose of the MOST Research Equipment Programs is to help build a research base in Oklahoma, which can support a level of technological development considered essential for economic growth, by assisting institutions in the purchase of research equipment in research areas where they have achieved or have true promise of attaining a standard of excellence as recognized by national and international peers [74 O.S., Section 5060.13].

### **650:25-1-2. Statutory citations**

Citations to statutes in this Chapter refer to the most recent codification of the statute.

### **650:25-1-3. Statutory definitions**

The following terms are defined in 74 O.S., Section 5060.4:

- (1) enterprise,
- (2) institutions of higher education,
- (3) investigator,
- (4) nonprofit research institution and
- (5) professional service contract.

### **650:25-1-4. Additional definitions**

The following words or terms, when used in this Chapter, shall have the following meaning, unless the context clearly indicates otherwise:

**"Applicant organization(s)"** means the employer of or organization affiliated with the investigator(s) preparing the application.

**"Application"** means the proposal for a MOST Research Equipment award and all completed required forms from the solicitation as submitted to The Oklahoma Center for the Advancement of Science and Technology (OCAST).

**"Contractor(s)"** means the organization that is awarded a MOST Research Equipment contract.

**"Solicitation"** means a request containing the detailed information concerning the specifications of the MOST Research Equipment Program, the application forms and the instructions for completion.

#### **650:25-1-5. Program administration**

(a) **OSTRaD Board.** OCAST shall administer the MOST Research Equipment Program under the governance of the statutorily created Oklahoma Science and Technology Research and Development Board (OSTRaD Board) [74 O.S., Section 5060.6].

(1) The OSTRaD Board shall approve all specifications of the MOST Research Equipment Program and any changes made thereto.

(2) All information regarding these programs shall be available at the principal offices of OCAST, as referenced in 650:1-3-1.

(b) **MOST Eminent Scholars and Research Equipment Committee.** The OSTRaD Board shall establish a MOST Eminent Scholars and Research Equipment Committee (MOST Committee) composed of representatives of the business, higher education and research communities [74 O.S., Section 5060.9a]. The MOST Committee shall act in an advisory capacity to the OSTRaD Board and staff in the development of program specifications, organization and implementation of peer reviews, award of contracts and ongoing evaluation of contract performance. Implementation of MOST Committee recommendations shall require approval of the OSTRaD Board.

[Source: Amended at 19 Ok Reg 3083, eff 9-9-02 through 7-14-03 (emergency)<sup>1</sup>; Amended at 20 Ok Reg 2737, eff 8-11-03]

*EDITOR'S NOTE: <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency amendatory action, the last prior permanent text is reinstated. Therefore, on 7-15-03 (after the 7-14-03 expiration of the emergency action), the text of Section 650:25-1-5 reverted back to the permanent text that was effective prior to enactment of the emergency action on 9-9-02, as was last published in the 2001 Edition of the OAC, and remained as such until amended by permanent action on 8-11-03.*

#### **650:25-1-6. Program description**

The MOST Research Equipment Program shall provide challenge funding for the purchase of research equipment.

#### **650:25-1-7. Eligibility**

(a) **Applicants.** Eligible applicants for funding under the MOST Research Equipment Program shall be:

(1) institutions of higher education,

(2) non-profit research foundations, and

(3) private enterprises of special importance to the Oklahoma economy [74 O.S., Section 5060.13].

(b) **Preference.** The OSTRaD Board may assign preference to classes of applicants for any funding competition.

(c) **Investigators.** The investigators preparing applications shall be employed by, or affiliated with an eligible applicant organization.

[Source: Amended at 19 Ok Reg 3083, eff 9-9-02 through 7-14-03 (emergency)<sup>1</sup>; Amended at 20 Ok Reg 2737, eff 8-11-03]

*EDITOR'S NOTE: <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency amendatory action, the last prior permanent text is reinstated. Therefore, on 7-15-03 (after the 7-14-03 expiration of the emergency action), the text of Section 650:25-1-7 reverted back to the permanent text that was effective*

prior to enactment of the emergency action on 9-9-02, as was last published in the 2001 Edition of the OAC, and remained as such until amended by permanent action on 8-11-03.

#### **650:25-1-8. Funding terms**

(a) **Competition dates.** Dates for funding competitions shall be recommended by the MOST Committee, approved by the OSTRaD Board and listed in the solicitation.

(b) **Allocations.**

(1) The MOST Committee shall recommend, and the OSTRaD Board approve, the amount allocated for each funding competition.

(2) The minimum amount of a state professional service contract shall not be less than Ten Thousand Dollars (\$10,000) [74 O.S., Section 5060.13]. If a maximum funding level is established, it shall be recommended by the MOST Committee, approved by the OSTRaD Board and announced in the solicitation.

[Source: Amended at 19 Ok Reg 3083, eff 9-9-02 through 7-14-03 (emergency)<sup>1</sup>; Amended at 20 Ok Reg 2737, eff 8-11-03]

*EDITOR'S NOTE: <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency amendatory action, the last prior permanent text is reinstated. Therefore, on 7-15-03 (after the 7-14-03 expiration of the emergency action), the text of Section 650:25-1-8 reverted back to the permanent text that was effective prior to enactment of the emergency action on 9-9-02, as was last published in the 2001 Edition of the OAC, and remained as such until amended by permanent action on 8-11-03.*

#### **650:25-1-9. Application process**

(a) **Solicitations.** The MOST Research Equipment Program Solicitation shall be used to apply for funding under this program. Solicitations shall be available at the OCAST principal office. No application fee shall be required.

(1) **Application deadlines.** Application submission date(s) as established by the OSTRaD Board, shall be listed in the solicitation. Any application not received by the designated submission date shall be returned without consideration.

(2) **Completion/submission requirements.** Requirements for application and submission shall be included in the solicitation.

(b) **Applications.**

(1) **Required information.** The application shall specify the total amount of funds the institution will provide to meet the requirements of the challenge funding and the research merits and economic benefits of the proposals as well as any other information which OCAST may deem necessary in order to evaluate the application. [74 O.S., Section 5060.13]

(2) **Returned applications.** Incomplete or inappropriately completed applications may be returned without review.

[Source: Amended at 19 Ok Reg 3083, eff 9-9-02 through 7-14-03 (emergency)<sup>1</sup>; Amended at 20 Ok Reg 2737, eff 8-11-03]

*EDITOR'S NOTE: <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency amendatory action, the last prior permanent text is reinstated. Therefore, on 7-15-03 (after the 7-14-03 expiration of the emergency action), the text of Section 650:25-1-9 reverted back to the permanent text that was effective prior to enactment of the emergency action on 9-9-02, as was last published in the 2001 Edition of the OAC, and remained as such until amended by permanent action on 8-11-03.*

#### **650:25-1-10. Review process**

(a) **Peer review.** Applications for funding shall be reviewed by peer reviewers, a majority of whom shall reside outside the State of Oklahoma who are nominated and approved by the MOST Committee.

(b) **Evaluation criteria.** The review panel shall review and rank all applications for funding according to the evaluation criteria specified in the solicitation.

**650:25-1-11. Award provisions**

(a) **Funding subject to availability.** Funding of applications recommended for approval by the MOST Committee shall be subject to availability of resources and approval of the OSTRaD Board.

(b) **Matching funds.** Criteria for matching funds:

(1) For research professional service contracts, OCAST shall match One Dollar (\$1.00) from the MOST Eminent Scholars and Research Equipment Account for every One Dollar (\$1.00) of monies that will be raised by such institution for matching purposes. [74 O.S., Section 5060.13] Any additional matching requirements shall be recommended by the MOST Committee, approved by the OSTRaD Board and specified in the solicitation. Documentation shall be provided that the required matching funds are provided by sources other than OCAST and other than state-appropriated funds. [74 O.S., Section 5060.13]

(2) Documentation of the matching amount must be received by OCAST within the time period specified in the solicitation. Should the documentation of matching funds not be received within the specified time period, the funds awarded by OCAST will revert to the MOST Eminent Scholars and Research Equipment Account.

[Source: Amended at 19 Ok Reg 3083, eff 9-9-02 through 7-14-03 (emergency)<sup>1</sup>; Amended at 20 Ok Reg 2737, eff 8-11-03]

*EDITOR'S NOTE: <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency amendatory action, the last prior permanent text is reinstated. Therefore, on 7-15-03 (after the 7-14-03 expiration of the emergency action), the text of Section 650:25-1-11 reverted back to the permanent text that was effective prior to enactment of the emergency action on 9-9-02, as was last published in the 2001 Edition of the OAC, and remained as such until amended by permanent action on 8-11-03.*

**650:25-1-12. Contract provisions**

(a) **Professional service contract.** The mechanism for funding approved applications shall be a professional service contract between OCAST and the applicant organization.

(b) **Verification of matching funds.** Professional service contracts shall be awarded for one (1) year, contingent upon documentation that the required matching amount has been received by the contractor.

(c) **Contractor obligations.**

(1) **Records and accounts.** The applicant and/or contractor shall provide information required by OCAST for the purpose of performance evaluation of a MOST Research Equipment Contract. The contractor shall maintain records and accounts that properly document and account for the source and application of all project funds, and all such records and accounts shall be made available on demand by OCAST for inspection and use in carrying out its responsibilities for administration of the funds.

(2) **Access and examination.** The contractor shall, as OCAST deems necessary, permit authorized representatives of OCAST and the State of Oklahoma full access, and the right to fully examine, all project records and accounts.

(3) **Audits.** The contractor shall comply with the audit policy of OCAST. The contractor shall provide OCAST timely copies of reports on any audits that include funds received from OCAST. In the event an audit results in



the determination that the contractor has expended contract funds on unallowable costs, the contractor shall reimburse OCAST in full for all such costs.

#### **650:25-1-13. Confidentiality**

There shall be no guarantee that the contents of any application will remain confidential. Unless specifically requested, OCAST may use portions of the original application, and any subsequent reports, without obtaining permission from the applicant.

#### **650:25-1-14. Notification process**

(a) Direct mailings. Announcements of funding competitions for MOST research equipment projects shall be made through a direct mailing of solicitations.

(1) **Higher education.** Solicitations shall be mailed to the official designated by the president of each institution listed in the Oklahoma Higher Education Directory.

(2) **Requestors.** Solicitations shall be mailed to all persons who contact OCAST and request an application.

(b) **Public announcements posted.** Public announcements of funding competitions shall be posted at the OCAST principal office and the Oklahoma Department of Commerce at least thirty (30) days prior to application submission dates.

(c) **Newspaper announcements.** Announcements of funding competitions will be published in newspapers as determined by the OSTRaD Board.

[Source: Amended at 19 Ok Reg 3083, eff 9-9-02 through 7-14-03 (emergency)<sup>1</sup>; Amended at 20 Ok Reg 2737, eff 8-11-03]

*EDITOR'S NOTE: <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency amendatory action, the last prior permanent text is reinstated. Therefore, on 7-15-03 (after the 7-14-03 expiration of the emergency action), the text of Section 650:25-1-14 reverted back to the permanent text that was effective prior to enactment of the emergency action on 9-9-02, as was last published in the 2001 Edition of the OAC, and remained as such until amended by permanent action on 8-11-03.*

#### **650:25-1-15. Appeals process**

Appeals related to this Chapter shall be processed in accordance with the procedures referenced in OAC 650:1-3-4.

### **CHAPTER 30. SBIR PHASE I INCENTIVE FUNDING PROGRAM**

[Authority: 74 O.S., § 5060.9 and § 5060.19]

[Source: Codified 12-12-91]

#### **650:30-1-1. Purpose**

The rules of this Chapter have been adopted for the purpose of complying with the provisions of the Administrative Procedures Act, 75 O.S., Sections 250 et seq. The OCAST SBIR Phase I Incentive Program has been created to financially support the preparation of Small Business Innovation Research (SBIR) grant proposals by Oklahoma entities, and thereby help increase Oklahoma's share of SBIR funding, 74 O.S., Section 5060.19(D). The three-phased federal SBIR program was initiated in the Small Business Innovation Development Act of 1982, PL 97-219 and PL 99-443, to stimulate technological innovation; to require certain federal agencies to contract with small firms for a portion of their external research requirements; to encourage small, innovative firms to participate in government research; and to facilitate commercialization of research results.

### **650:30-1-2. Statutory citations**

Citations to statutes in the rules of this Chapter refer to the most recent codification of the statute.

### **650:30-1-3. Statutory definitions**

(a) "**For-profit entity**" is defined in the federal Small Business Innovation Research Act of 1982. [PL 97-219 and PL 99-443]

(b) "**Professional service contract**" is defined in 74 O.S., Section 5060.4.

### **650:30-1-4. Additional definitions**

The following words or terms, when used in this Chapter, shall have the following meaning, unless the context clearly indicates otherwise:

"**Applicant**" means the individual or firm submitting the application under the SBIR Phase I Incentive Funding Program.

"**Application**" means all completed required forms from the solicitation as submitted to OCAST.

"**Solicitation**" means a request containing detailed information concerning the specifications of the OCAST SBIR Phase I Incentive Funding Program, the application forms and the instructions for completing the application.

### **650:30-1-5. Program administration**

(a) **OSTRaD Board.** OCAST shall administer the OCAST SBIR Phase I Incentive Funding Program under the governance of the statutorily created OSTRaD Board. [74 O.S., Section 5060.6]

(1) The OSTRaD Board shall approve all specifications of the OCAST SBIR Phase I Incentive Funding Program, and any changes made thereto.

(2) All information regarding this program shall be available at the principal offices of OCAST, as referenced in 650:1-3-1.

(b) **SBRA Advisory Committee.** The OSTRaD Board shall establish a Small Business Research Assistance (SBRA) Advisory Committee to assist in the design and implementation of the SBIR Phase I Incentive Funding Program. The Committee shall act in an advisory capacity to the OSTRaD Board and staff, and implementation of committee recommendations shall require approval of the OSTRaD Board. The SBRA Advisory Committee shall be composed of representatives of the business, higher education and research communities.

[Source: Amended at 19 Ok Reg 3085, eff 9-9-02 through 7-14-03 (emergency)<sup>1</sup>; Amended at 20 Ok Reg 2739, eff 8-11-03]

*EDITOR'S NOTE: <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency amendatory action, the last prior permanent text is reinstated. Therefore, on 7-15-03 (after the 7-14-03 expiration of the emergency action), the text of Section 650:30-1-5 reverted back to the permanent text that was effective prior to enactment of the emergency action on 9-9-02, as was last published in the 2001 Edition of the OAC, and remained as such until amended by permanent action on 8-11-03.*

### **650:30-1-6. Program description**

The OCAST SBIR Phase I Incentive Program will defray a portion of the costs incurred in the preparation of SBIR Phase grant proposals by Oklahoma entities. [74 O.S., Section 5060.19(D)]

### **650:30-1-7. Eligibility**

Eligible applicants shall:

- (1) be for-profit entities with employment not exceeding 500 workers including the parent company and all subsidiaries.
- (2) apply for Phase I SBIR funding from a federal agency prior to making application to the OCAST SBIR Phase I Incentive Funding Program.

#### **650:30-1-8. Funding terms**

- (a) **Allocations.** The OSTRaD Board shall establish the amount of funding allocated to the SBIR Phase I Incentive Funding Program for each fiscal year.
- (b) **Submission periods.** The OSTRaD Board shall establish the dates of the application submission period for each fiscal year, based on the federal SBIR solicitation schedule.
- (c) **Funding awards.** Funding awards shall be made on a first-come, first-served basis during the State's fiscal year (July 1 through June 30). OCAST shall not be obligated to make awards in excess of the amount of funds appropriated for this program during any fiscal year. The OSTRaD Board may set limitations on the funding awards and those limitations shall be included in the OCAST SBIR Phase I Incentive Funding Specifications and published in the OCAST SBIR Phase I Incentive Funding Program Solicitation. No eligible applicant shall receive more than three (3) OCAST SBIR Phase Incentive Funding awards during any one fiscal year, nor receive funding which exceeds the limitations as set by the OSTRaD Board.

[Source: Amended at 10 Ok Reg 3817, eff 7-12-93; Amended at 19 Ok Reg 3085, eff 9-9-02 through 7-14-03 (emergency)<sup>1</sup>; Amended at 20 Ok Reg 2739, eff 8-11-03]

***EDITOR'S NOTE:** <sup>1</sup>This emergency action expired before being immediately superseded by a permanent action. Upon expiration of an emergency amendatory action, the last prior permanent text is reinstated. Therefore, on 7-15-03 (after the 7-14-03 expiration of the emergency action), the text of Section 650:30-1-8 reverted back to the permanent text that became effective 7-12-93, as was last published in the 2001 Edition of the OAC, and remained as such until amended by permanent action on 8-11-03.*

#### **650:30-1-9. Application Process**

The OCAST SBIR Phase I Incentive Funding Program Solicitation shall be used to apply for funding under this program. Solicitations shall be available at the OCAST principal office. No application fee shall be required.

- (1) **Application deadlines.** Application submission date(s) will be listed in the solicitation. Any application not received by the designated submission date(s) shall be returned without consideration.
- (2) **Completion/submission requirements.** Requirements for application completion and submission will be specified in the solicitation. Applications in which required documentation is incomplete or inappropriately completed may be considered ineligible for funding and returned to the applicant.

#### **650:30-1-10. Review process**

Applications shall be reviewed by OCAST staff to determine compliance with all requirements as they are listed in the solicitation. Applications will be recommended for approval by the OCAST staff without regard to scientific merit on the basis of satisfactory compliance with all requirements as stated in the solicitation. Applications recommended by the OCAST staff for funding will be subject to final approval by the OSTRaD Board of Directors.

[Source: Amended at 19 Ok Reg 3085, eff 9-9-02 through 7-14-03 (emergency)<sup>1</sup>; Amended at 20 Ok Reg 2739, eff 8-11-03]

*EDITOR'S NOTE: <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency amendatory action, the last prior permanent text is reinstated. Therefore, on 7-15-03 (after the 7-14-03 expiration of the emergency action), the text of Section 650:30-1-10 reverted back to the permanent text that was effective prior to enactment of the emergency action on 9-9-02, as was last published in the 2001 Edition of the OAC, and remained as such until amended by permanent action on 8-11-03.*

### **650:30-1-11. Contract provisions**

(a) **Professional service contract.** The mechanism for funding an SBIR Phase I Incentive Funding Program winner shall be a professional service contract between OCAST and the applicant.

- (1) The professional service contract may be used to reimburse costs incurred in the preparation of an SBIR Phase I proposal.
- (2) The contractor shall not receive concurrent funding support from other sources which duplicates the purpose of the funds to be provided by OCAST.
- (3) Applicant must conduct more than 50% of the research described in the federal SBIR proposal in Oklahoma and must maintain Oklahoma residency for the duration of the federal grant.
- (4) Funding of professional service contracts shall be subject to the availability of resources and approval of OCAST
- (5) OCAST is not obligated to enter into any funding contracts in the event of a determination of ineligibility.

(b) **Contractor obligations.**

- (1) **Records and accounts.** The contractor shall maintain records and accounts that properly document and account for the source and application of all project funds and all such records and accounts shall be made available on demand by OCAST for inspection and use in carrying out its responsibilities for administration of the funds.
- (2) **Access and examination.** The contractor shall, as OCAST deems necessary, permit authorized representatives of OCAST and the State of Oklahoma to have full access to and the right to fully examine all records and accounts.
- (3) **Audits.** The contractor shall comply with the audit policy of OCAST.

[Source: Amended at 19 Ok Reg 3085, eff 9-9-02 through 7-14-03 (emergency)<sup>1</sup>; Amended at 20 Ok Reg 2739, eff 8-11-03]

*EDITOR'S NOTE: <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency amendatory action, the last prior permanent text is reinstated. Therefore, on 7-15-03 (after the 7-14-03 expiration of the emergency action), the text of Section 650:30-1-11 reverted back to the permanent text that was effective prior to enactment of the emergency action on 9-9-02, as was last published in the 2001 Edition of the OAC, and remained as such until amended by permanent action on 8-11-03.*

### **650:30-1-12. Confidentiality**

OCAST will make every reasonable effort to maintain the confidentiality of information contained in applications; however, there shall be no guarantee that the contents of any application will remain confidential. Upon request of the applicant, any technical material provided to OCAST will be returned to the applicant uncopied once it has been used solely for the purpose of establishing eligibility under this program.

### **650:30-1-13. Notification process**

(a) **Direct mailings.** Solicitations shall be mailed to:

- (1) all applicants to this program in the previous three years; and

(2) all persons who contact OCAST and request that a solicitation be mailed to them.

(b) **Public announcements posted.** Public announcement of the application submission period and process shall be posted at the OCAST principal office and the Oklahoma Department of Commerce at least 30 days prior to the first submission date in each fiscal year.

[Source: Amended at 19 Ok Reg 3085, eff 9-9-02 through 7-14-03 (emergency)<sup>1</sup>; Amended at 20 Ok Reg 2739, eff 8-11-03]

*EDITOR'S NOTE: <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency amendatory action, the last prior permanent text is reinstated. Therefore, on 7-15-03 (after the 7-14-03 expiration of the emergency action), the text of Section 650:30-1-13 reverted back to the permanent text that was effective prior to enactment of the emergency action on 9-9-02, as was last published in the 2001 Edition of the OAC, and remained as such until amended by permanent action on 8-11-03.*

### **650:30-1-14. Appeals process**

Appeals related to the rules of this Chapter shall be processed in accordance with the procedures referenced in 650:1-3-4.

## **CHAPTER 35. SBIR MATCHING FUNDS PROGRAM**

[Authority: 74 O.S., § 5060.9 and § 5060.19]

[Source: Codified 12-12-91]

### **650:35-1-1. Purpose**

(a) The rules of this Chapter have been adopted for the purpose of complying with the provisions of the Administrative Procedures Act, 75 O.S., Sections 250 et seq. The OCAST SBIR Matching Funds Program has been created as a matching support program which meets the highest current standards for state matching support to federal SBIR program grants, 74 O.S., Section 5060.19(D). The primary goal of the program is to increase the potential for bringing more federal dollars into Oklahoma to fund private-sector research through increased submission of SBIR Phase II proposals. The providing of matching funds from the State will:

- (1) act as an incentive to firms to apply for a federal SBIR Phase II award, and
- (2) assist qualifying firms to sustain their research and operations during the "funding gap" that occurs between the end of Phase I and the notification on Phase II.

(b) The three-phased federal SBIR program was initiated in the Small Business Innovation Development Act of 1982, PL 97-219 and PL 99-443, to stimulate technological innovation; to require certain federal agencies to contract with small firms for a portion of their external research requirements; to encourage small, innovative firms to participate in government research; and to facilitate commercialization of research results.

### **650:35-1-2. Statutory citations**

Citations to statutes in this Chapter refer to the most recent codification of the statute.

### **650:35-1-3. Statutory definitions**

(a) "**For-profit entity**" is defined in the federal Small Business Innovation Research Act of 1982, PL 97-219 and PL 99-443.

(b) "**Professional service contract**" is defined in 74 O.S., Section 5060.4.

#### **650:35-1-4. Additional definitions**

The following words or terms, when used in this Chapter, shall have the following meaning, unless the context clearly indicates otherwise:

"**Applicant**" means the individual or firm submitting the application under this program.

"**Application**" means all completed required forms from the solicitation as submitted to OCAST.

"**Solicitation**" means a request containing detailed information concerning the specifications of the OCAST SBIR Matching Funds Program, the application forms and the instructions for completing the application.

#### **650:35-1-5. Program administration**

(a) **OSTRaD Board.** OCAST shall administer the OCAST SBIR Matching Funds Program under the governance of the statutorily created OSTRaD Board, 74 O.S., Section 5060.6.

(1) The OSTRaD Board shall approve all specifications of the OCAST SBIR Matching Funds Program and any changes made thereto.

(2) All information regarding this program shall be available at the principal offices of OCAST, as referenced in 650:1-3-1.

(b) **SBRA Advisory Committee.** The OSTRaD Board shall establish a Small Business Research Assistance (SBRA) Advisory Committee to assist in the design and implementation of the SBIR Matching Funds Program. The Committee shall act in an advisory capacity to the OSTRaD Board and staff, and implementation of committee recommendations shall require approval of the OSTRaD Board. The SBRA Advisory Committee shall be composed of representatives of the business, higher education and research communities.

[Source: Amended at 19 Ok Reg 3086, eff 9-9-02 through 7-14-03 (emergency)<sup>1</sup>; Amended at 20 Ok Reg 2740, eff 8-11-03]

*EDITOR'S NOTE: <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency amendatory action, the last prior permanent text is reinstated. Therefore, on 7-15-03 (after the 7-14-03 expiration of the emergency action), the text of Section 650:35-1-5 reverted back to the permanent text that was effective prior to enactment of the emergency action on 9-9-02, as was last published in the 2001 Edition of the OAC, and remained as such until amended by permanent action on 8-11-03.*

#### **650:35-1-6. Program description**

The OCAST SBIR Matching Funds Program will provide matching support which meets the highest current standards for state matching support to federal SBIR program grants, 74 O.S., Section 5060.19(D). The provision of matching funds from the State will:

(1) act as an incentive to firms to apply for a federal SBIR Phase II award, and

(2) assist qualifying firms to sustain their research and operations during the "funding gap" that occurs between the end of Phase I and the notification on Phase II.

#### **650:35-1-7. Eligibility**

Eligible applicants shall:

(1) be for-profit entities with employment not exceeding 500 workers including the parent company and all subsidiaries.

(2) have been eligible for and shall have applied for Phase II SBIR funding from a federal agency prior to making application to the OCAST SBIR Matching Funds Program.

#### **650:35-1-8. Funding terms**

(a) **Allocations.** The OSTRaD Board shall establish the amount of funding allocated to the SBIR Matching Funds Program for each fiscal year.

(b) **Submission periods.** The dates of the application submission period for each fiscal year shall be listed in the OCAST SBIR Matching Funds Program Solicitation.

(c) **Funding awards.** Funding awards shall be made according to the procedures stated in the annual SBIR Matching Funds Program Solicitation. OCAST shall not be obligated to make awards in excess of the amount of funds appropriated for this program during any fiscal year. OCAST is not obligated to enter into any funding contracts in the event of a determination of ineligibility.

[Source: Amended at 19 Ok Reg 3086, eff 9-9-02 through 7-14-03 (emergency)<sup>1</sup>; Amended at 20 Ok Reg 2740, eff 8-11-03]

*EDITOR'S NOTE: <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency amendatory action, the last prior permanent text is reinstated. Therefore, on 7-15-03 (after the 7-14-03 expiration of the emergency action), the text of Section 650:35-1-8 reverted back to the permanent text that was effective prior to enactment of the emergency action on 9-9-02, as was last published in the 2001 Edition of the OAC, and remained as such until amended by permanent action on 8-11-03.*

#### **650:35-1-9. Application process**

The OCAST SBIR Matching Funds Program Solicitation shall be used to apply for funding under this program. Solicitations shall be available at the OCAST principal office. No application fee shall be required.

(1) **Application deadlines.** Application submission date(s) will be listed in the solicitation. Any application not received by the designated submission date(s) shall be returned without consideration.

(2) **Completion/submission requirements.** Requirements for application completion and submission will be specified in the solicitation. Applications in which required documentation is incomplete or inappropriately completed may be considered ineligible for funding and returned to the applicant.

#### **650:35-1-10. Review process**

Applications shall be reviewed by OCAST staff to determine compliance with all requirements as they are listed in the solicitation. Applications will be recommended for approval by the OCAST staff on the basis of satisfactory compliance with all requirements as stated in the solicitation. Applications recommended by the OCAST staff for funding will be subject to final approval by the OSTRaD Board of Directors based upon program specifications, rules and regulations, and required submissions.

[Source: Amended at 19 Ok Reg 3086, eff 9-9-02 through 7-14-03 (emergency)<sup>1</sup>; Amended at 20 Ok Reg 2740, eff 8-11-03]

*EDITOR'S NOTE: <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency amendatory action, the last prior permanent text is reinstated. Therefore, on 7-15-03 (after the 7-14-03 expiration of the emergency action), the text of Section 650:35-1-10 reverted back to the permanent text that was effective prior to enactment of the emergency action on 9-9-02, as was last published in the 2001 Edition of the OAC, and remained as such until amended by permanent action on 8-11-03.*

#### **650:35-1-11. Contract provisions**

(a) **Professional service contract.** The mechanism for funding an SBIR Matching Funds Program award shall be a professional service contract between OCAST and the applicant. Program requirements concerning the expenditure of federal Phase II funds shall be as specified in the OCAST SBIR Matching Funds Program Specifications and Solicitation. Funding of professional service contracts shall be subject to the availability of resources and approval of OCAST.

#### **(b) Contractor obligations.**

(1) **Concurrent funding prohibited.** The contractor shall not receive concurrent funding support from other sources which duplicates the purpose of the funds to be provided by OCAST.

(2) **Records and accounts.** The contractor shall comply with provisions relating to the compliance with the requirements for applicant eligibility as specified in 650:35-13-1. The contractor shall maintain records and accounts that properly document and account for the source and application of all project funds and all such records and accounts shall be made available on demand by OCAST for inspection and use in carrying out its responsibilities for administration of the funds.

(3) **Access and examination.** The contractor shall, as OCAST deems necessary, permit authorized representatives of OCAST and the State of Oklahoma to have full access to and the right to fully examine all records and accounts.

(4) **Audits.** The contractor shall submit all required reports and comply with the audit policy of OCAST.

[Source: Amended at 8 Ok Reg 3007, eff 6-20-91 (emergency); Amended at 9 Ok Reg 1876, eff 6-1-92]

#### **650:35-1-12. Confidentiality**

OCAST will make every reasonable effort to maintain the confidentiality of information contained in applications; however, there shall be no guarantee that the contents of any application will remain confidential. Upon request of the applicant, any technical or proprietary material provided to OCAST will be returned to the applicant uncopied once it has been used solely for the purpose of establishing eligibility under this program.

#### **650:35-1-13. Notification process**

##### **(a) Solicitation announcement.**

(1) Providing program funds are available, the application period and process for the SBIR Matching Funds Program will be announced annually by direct mail and other means as may be deemed necessary by the OCAST staff.

(2) Solicitations shall be mailed to:

(A) all applicants to this program from the previous three years.

(B) all persons who contact OCAST and request that a solicitation be mailed to them.

(b) **Public announcements posted.** Commencing with the fiscal year beginning July 1, 1990, public announcement of the application submission period and process shall be posted at the OCAST principal office approximately 60 days prior to the first submission date in each fiscal year.

#### **650:35-1-14. Appeals process**



Appeals related to the rules of this Chapter shall be processed in accordance with the procedures referenced in 650:1-3-4.

## CHAPTER 37. STTR PHASE I INCENTIVE FUNDING PROGRAM

[Authority: 74 O.S., § 5060.9 and § 5060.19]

[Source: Codified 8-13-98]

### 650:37-1-1. Purpose

The rules of this Chapter have been adopted for the purpose of complying with the provisions of the Administrative Procedures Act, 75 O.S., Sections 250 et seq. The OCAST STTR Phase I Incentive Funding Program has been created to financially support the preparation of Small Business Technology Transfer (STTR) grant proposals by Oklahoma entities and thereby to help increase Oklahoma's share of STTR funding, 74 O.S., Section 5060.19(D). The three-phased federal STTR program was established in the Small Business Technology Transfer Act of 1992, PL 102-564, Title II, to stimulate technological innovation; to require certain federal agencies to contract with small business concerns and their nonprofit research institute partners for a portion of their external research requirements; to encourage small, innovative firms to partner with research institutions for the purpose of participating in government research; and to facilitate commercialization of research results.

[Source: Added at 15 Ok Reg 3759, eff 8-13-98]

### 650:37-1-2. Statutory citations

Citations to statutes in the rules of this Chapter refer to the most recent codification of the statute.

[Source: Added at 15 Ok Reg 3759, eff 8-13-98]

### 650:37-1-3. Statutory definitions

(a) "**For-profit entity**" is defined in the federal Small Business Technology Transfer Act of 1992, PL 102-564, Title 11.

(b) "**Professional service contract**" is defined in 74 O.S., Section 5060.4.

[Source: Added at 15 Ok Reg 3759, eff 8-13-98]

### 650:37-1-4. Additional definitions

The following words or terms, when used in this Chapter, shall have the following meaning, unless the context clearly indicates otherwise:

"**Applicant**" means the individual or firm submitting the application under the OCAST STTR Phase I Incentive Funding Program.

"**Application**" means all completed required forms from the solicitation as submitted to OCAST.

"**Solicitation**" means a request containing detailed information concerning the specifications of the OCAST STTR Phase I Incentive Funding Program, the application forms and the instructions for completing the application.

[Source: Added at 15 Ok Reg 3759, eff 8-13-98]

### 650:37-1-5. Program administration

(a) **OSTRaD Board.** OCAST shall administer the OCAST STTR Phase I Incentive Funding Program under the governance of the statutorily created OSTRaD Board. [74 O.S., Section 5060.6]

(1) The OSTRaD Board shall approve specifications of the OCAST STTR Phase I Incentive Funding Program and any changes made thereto.

(2) All information regarding this program shall be available at the principal offices of OCAST, as referenced in 650:1-3-1.

(b) **SBRA Advisory Committee.** A Small Business Research Assistance (SBRA) Advisory Committee established by the OSTRaD Board shall assist in the design and implementation of the OCAST STTR Phase I Incentive Funding Program. The Committee shall act in an advisory capacity to the OSTRaD Board and staff, and implementation of Committee recommendations shall require approval of the OCAST Board.

[Source: Added at 15 Ok Reg 3759, eff 8-13-98; Amended at 19 Ok Reg 3087, eff 9-9-02 through 7-14-03 (emergency)<sup>1</sup>; Amended at 20 Ok Reg 2741, eff 8-11-03]

*EDITOR'S NOTE: <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency amendatory action, the last prior permanent text is reinstated. Therefore, on 7-15-03 (after the 7-14-03 expiration of the emergency action), the text of Section 650:37-1-5 reverted back to the permanent text that became effective 8-13-98, as was last published in the 2001 Edition of the OAC, and remained as such until amended by permanent action on 8-11-03.*

#### **650:37-1-6. Program description**

The OCAST STTR Phase I Incentive Program will defray a portion of the costs incurred in the preparation of STTR Phase I federal grant proposals by Oklahoma entities. [74 O.S., Section 5060.19(D)]

[Source: Added at 15 Ok Reg 3759, eff 8-13-98]

#### **650:37-1-7. Eligibility**

Eligible applicants shall:

(1) be for-profit entities with employment not exceeding 500 workers including the parent company and all subsidiaries.

(2) apply for Phase I STTR funding from a federal agency prior to making application to the OCAST STTR Phase I Incentive Funding Program.

[Source: Added at 15 Ok Reg 3759, eff 8-13-98]

#### **650:37-1-8. Funding terms**

(a) **Allocations.** The OSTRaD Board shall establish the amount of funding allocated to the STTR Phase I Incentive Funding Program for each fiscal year.

(b) **Submission periods.** The OSTRaD Board shall establish the dates of the application submission period for each fiscal year, based on the federal STTR solicitation schedule.

(c) **Funding awards.** Funding awards shall be made on a first-come, first-served basis during the State's fiscal year (July 1 through June 30). OCAST shall not be obligated to make awards in excess of the amount of funds appropriated for this program during any fiscal year. The OSTRaD Board may set limitations on the funding awards and those limitations shall be included in the OCAST STTR Phase I Incentive Funding Specifications and published in the OCAST STTR Phase I Incentive Funding Program Solicitation.

[Source: Added at 15 Ok Reg 3759, eff 8-13-98; Amended at 19 Ok Reg 3087, eff 9-9-02 through 7-14-03 (emergency)<sup>1</sup>; Amended at 20 Ok Reg 2741, eff 8-11-03]

***EDITOR'S NOTE:** <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency amendatory action, the last prior permanent text is reinstated. Therefore, on 7-15-03 (after the 7-14-03 expiration of the emergency action), the text of Section 650:37-1-8 reverted back to the permanent text that became effective 8-13-98, as was last published in the 2001 Edition of the OAC, and remained as such until amended by permanent action on 8-11-03.*

#### **650:37-1-9. Application process**

The OCAST STTR Phase I Incentive Funding Program Solicitation shall be used to apply for funding under this program. Solicitations shall be available at the OCAST principal office. No application fee shall be required.

(1) **Application deadlines.** Application submission date(s) will be listed in the solicitation.

(2) **Completion/submission requirements.** Requirements for application completion and submission will be specified in the solicitation.

[Source: Added at 15 Ok Reg 3759, eff 8-13-98]

#### **650:37-1-10. Review process**

Applications shall be reviewed by OCAST staff to determine compliance with all requirements as they are listed in the solicitation. Applications will be recommended for approval by the OCAST staff on the basis of satisfactory compliance with all requirements as stated in the solicitation. Applications recommended by the OCAST staff for funding will be subject to final approval by the OSTRaD Board of Directors.

[Source: Added at 15 Ok Reg 3759, eff 8-13-98; Amended at 19 Ok Reg 3087, eff 9-9-02 through 7-14-03 (emergency)<sup>1</sup>; Amended at 20 Ok Reg 2741, eff 8-11-03]

***EDITOR'S NOTE:** <sup>1</sup>This emergency action expired before being superseded by a permanent action. Upon expiration of an emergency amendatory action, the last prior permanent text is reinstated. Therefore, on 7-15-03 (after the 7-14-03 expiration of the emergency action), the text of Section 650:37-1-10 reverted back to the permanent text that became effective 8-13-98, as was last published in the 2001 Edition of the OAC, and remained as such until amended by permanent action on 8-11-03.*

#### **650:37-1-11. Contract provisions**

(a) **Professional service contract.** The mechanism for funding an OCAST STTR Phase I Incentive Funding Program award shall be a professional service contract between OCAST and the applicant. Program requirements concerning the expenditure of federal STTR Phase I funds shall be as specified in the OCAST STTR Incentive Funding Program Specifications and Solicitation. Funding of professional service contracts shall be subject to the availability of resources and approval of OCAST.

(b) **Contractor obligations.**

(1) **Concurrent funding prohibited.** The contractor shall not receive concurrent funding support from other sources which duplicates the purpose of the funds to be provided by OCAST.

(2) **Records and accounts.** The contractor shall maintain records and accounts that properly document and account for the source and application of all project funds and all such records and accounts shall be made available on demand by OCAST for inspection and use in carrying out its responsibilities for administration of the funds.

(3) **Access and examination.** The contractor shall, as OCAST deems necessary, permit authorized representatives of OCAST and the State of Oklahoma to have full access to and the right to fully examine all records and accounts.

(4) **Audits.** The contractor shall comply with the audit policy of OCAST.

[Source: Added at 15 Ok Reg 3759, eff 8-13-98]

#### **650:37-1-12. Confidentiality**

OCAST will make every reasonable effort to maintain the confidentiality of information contained in applications; however, there shall be no guarantee that the contents of any application will remain confidential.

[Source: Added at 15 Ok Reg 3759, eff 8-13-98]

#### **650:37-1-13. Notification process**

(a) **Direct mailings.** Solicitations shall be mailed to:

- (1) all applicants to this program in the previous three years; and
- (2) all persons who contact OCAST and request that solicitation be mailed to them.

(b) **Public announcements posted.** Public announcement of the application submission period and process shall be posted at the OCAST principal office approximately 30 days prior to the first submission date in each fiscal year.

[Source: Added at 15 Ok Reg 3759, eff 8-13-98]

#### **650:37-1-14. Appeals process**

Appeals related to the rules of this Chapter shall be processed in accordance with the procedures referenced in 650:1-3-4.

[Source: Added at 15 Ok Reg 3759, eff 8-13-98]

## **CHAPTER 38. STTR MATCHING FUNDS PROGRAM**

[Authority: 74 O. S. § 5060.9]

[Source: Codified 7-12-07]

#### **650:38-1-1. Purpose**

(a) The rules of this Chapter have been adopted for the purpose of complying with the provisions of the Administrative Procedures Act, 75 O.S., Sections 250 et seq. The OCAST STTR Matching Funds Program has been created as a support program which meets the highest current standards for state matching support to federal Small Business Technology Transfer (STTR) grant proposals by Oklahoma entities. This program will help increase Oklahoma's share of federal STTR program grants, 74 O.S., Section 5060.19(D). The primary goal of the program is to increase the potential for bringing more federal dollars into Oklahoma to fund private-sector research through increased submission of STTR Phase II proposals. Providing matching funds from the State will:

- (1) act as an incentive to firms to apply for a federal STTR Phase II, and
- (2) assist qualifying firms to sustain their research and operations during the "funding gap" that occurs between the end of federal STTR Phase I and the notification of the federal STTR Phase II award.

(b) The three-phased federal STTR program was initiated in the Small Business Innovation Development Act of 1992, PL 102-564, Title II, to stimulate technological innovation; to require certain federal agencies to contract with small business concerns and their nonprofit research institute partners for a portion of their external research requirements; to encourage small, innovative firms to partner with research institutions for the purpose of participating in government

research; and to facilitate commercialization of research results.

[Source: Added at 24 Ok Reg 2666, eff 7-12-07]

#### **650:38-1-2. Statutory citations**

Citations to statutes in this Chapter refer to the most recent codification of the statute.

[Source: Added at 24 Ok Reg 2666, eff 7-12-07]

#### **650:38-1-3. Statutory definitions**

(a) **"For-profit entity"** is defined in the federal Small Business Technology Transfer Act of 1992, PL 102-564, Title II.

(b) **"Professional service contract"** is defined in 74 O.S., Section 5060.4.

[Source: Added at 24 Ok Reg 2666, eff 7-12-07]

#### **650:38-1-4. Additional definitions**

The following words or terms, when used in this Chapter, shall have the following meaning, unless the context clearly indicates otherwise:

**"Applicant"** means the individual or firm submitting the application under this program.

**"Application"** means all completed required forms from the solicitation as submitted to OCAST

**"Solicitation"** means a request containing detailed information concerning the specifications of the OCAST STTR Matching Funds Program, the application forms and the instructions for completing the application.

[Source: Added at 24 Ok Reg 2666, eff 7-12-07]

#### **650:38-1-5. Program administration**

(a) **OSTRaD Board.** OCAST shall administer the OCAST STTR Matching Funds Program under the governance of the statutorily created OSTRaD Board, 74 O.S., Section 5060.6.

(1) The OSTRaD Board shall approve all specifications of the OCAST STTR Matching Funds Program and any changes made thereto.

(2) All information regarding this program shall be available at the principal offices of OCAST, as referenced in 650: 1-3-1.

(b) **SBRA Advisory Committee.** Small Business Research Assistance (SBRA) Advisory Committee, established by the OSTRaD Board, shall assist in the design and implementation of the OCAST STTR Matching Funds Program. The Committee shall act in an advisory capacity to the OSTRaD Board and staff, and implementation of Committee recommendations shall require approval of the OSTRaD Board.

[Source: Added at 24 Ok Reg 2666, eff 7-12-07]

#### **650:38-1-6. Program description**

The OCAST STTR Matching Funds Program will provide matching support which meets the highest current standards for state matching support to federal STTR program grants, 74 O.S., Section 5060.19(D). The provision of matching funds from the State will:

(1) act as an incentive to firms to apply for a federal STTR Phase II award, and

(2) assist qualifying firms to sustain their research and operations during the "funding gap" that occurs between the end of Phase I and the notification on Phase II.

[Source: Added at 24 Ok Reg 2666, eff 7-12-07]

#### **650:38-1-7. Eligibility**

Eligible applicants shall:

- (1) be for-profit entities with employment not exceeding 500 workers including the parent company and all subsidiaries.
- (2) have been eligible for and shall have applied for Phase II STTR funding from a federal agency prior to making application to the OCAST STTR Matching Funds Program.

[Source: Added at 24 Ok Reg 2666, eff 7-12-07]

#### **650:38-1-8. Funding terms**

- (a) **Allocations.** The OSTRaD Board shall establish the amount of funding allocated to the STTR Matching Funds Program for each fiscal year.
- (b) **Submission periods.** The dates of the application submission period for each fiscal year shall be listed in the OCAST STTR Matching Funds Program Solicitation.
- (c) **Funding awards.** Funding awards shall be made according to the procedures stated in the annual OCAST STTR Matching Funds Program Solicitation. OCAST shall not be obligated to make awards in excess of the amount of funds appropriated for this program during any fiscal year. OCAST is not obligated to enter into any funding contracts in the event of a determination of ineligibility.

[Source: Added at 24 Ok Reg 2666, eff 7-12-07]

#### **650:38-1-9. Application process**

The OCAST STTR Matching Funds Program Solicitation shall be used to apply for funding under this program. Solicitations shall be available at the OCAST principal office. No application fee shall be required.

- (1) **Application deadlines.** Application submission date(s) will be listed in the solicitation.
- (2) **Completion/submission requirements.** Requirements for application completion and submission will be specified in the solicitation. Applications in which required documentation is incomplete or inappropriately completed may be considered ineligible for funding and returned to the applicant.

[Source: Added at 24 Ok Reg 2666, eff 7-12-07]

#### **650:38-1-10. Review process**

Applications shall be reviewed by OCAST staff to determine compliance with all requirements as they are listed in the solicitation. Applications will be recommended for approval by the OCAST staff on the basis of satisfactory compliance with all requirements as stated in the solicitation. Applications recommended by the OCAST staff for funding may be subject to final approval by the OSTRaD Board of Directors.

[Source: Added at 24 Ok Reg 2666, eff 7-12-07]

#### **650:38-1-11. Contract provisions**

(a) **Professional service contract.** The mechanism for funding an OCAST STTR Matching Funds Program award shall be a professional service contract between OCAST and the applicant. Program requirements concerning the expenditure of federal Phase II funds shall be as specified in the OCAST STTR Matching Funds Program Specifications and Solicitation. Funding of professional service contracts shall be subject to the availability of resources and approval of OCAST.

(b) **Contractor obligations.**

(1) **Concurrent funding prohibited.** The contractor shall not receive concurrent funding support from other sources which duplicates the purpose of the funds to be provided by OCAST

(2) **Records and accounts.** The contractor shall maintain records and accounts that properly document and account for the source and application of all project funds and all such records and accounts shall be made available on demand by OCAST for inspection and use in carrying out its responsibilities for administration of the funds.

(3) **Access and examination.** The contractor shall, as OCAST deems necessary, permit authorized representatives of OCAST and the State of Oklahoma to have full access to and the right to fully examine all records and accounts.

(4) **Audits.** The contractor shall comply with the audit policy of OCAST.

[Source: Added at 24 Ok Reg 2666, eff 7-12-07]

#### **650:38-1-12. Confidentiality**

OCAST is subject to the Oklahoma Open Meetings Act and the Open Records Act. However, "marketing plans, financial statements, trade secrets, research concepts, methods or products, or any other proprietary information . . . shall be confidential, except to the extent that the person or entity which provided such information or which is the subject of such information consents to the disclosure." 74 O.S. § 5060.7.

[Source: Added at 24 Ok Reg 2666, eff 7-12-07]

#### **650:38-1-13. Notification process**

(a) **Direct mailings.**

(A) all applicants to this program from the previous three years.

(B) all persons who contact OCAST and request that a solicitation be mailed to them.

(b) **Public announcements posted.** Public announcement of the application submission period and process shall be posted on the OCAST website and at the OCAST principal office approximately 30 days prior to the first submission date in each fiscal year.

[Source: Added at 24 Ok Reg 2666, eff 7-12-07]

#### **650:38-1-14. Appeals process**

Appeals related to the rules of this Chapter shall be processed in accordance with the procedures referenced in 650:1-3-4.

[Source: Added at 24 Ok Reg 2666, eff 7-12-07]

## **CHAPTER 40. UNIQUE INDIVIDUAL PROJECTS**

[Authority: 74 O.S., § 5060.9]

#### **650:40-1-1. Purpose**

The rules of this Chapter have been adopted for the purpose of complying with the provisions of the Administrative Procedures Act, [75 O.S., Sections 250 et seq.], and other laws of the State of Oklahoma as interpreted by the Attorney General of the State of Oklahoma. These instant rules and regulations have been adopted in order to administer unique individual projects which are not otherwise included in adopted agency rules and regulations. These rules will promote the accomplishment of the mission of OCAST which is to stimulate technological innovation in Oklahoma businesses.

#### **650:40-1-2. Definitions**

The following words or terms, when used in this Chapter, shall have the following meaning, unless the context clearly indicates otherwise:

"**The Center**" means the Oklahoma Center for the Advancement of Science and Technology.

"**OCAST**" means the Oklahoma Center for the Advancement of Science and Technology.

#### **650:40-1-3. Project application and funding terms**

(a) **Request for proposal process.** Funding contracts which implement the purposes of unique individual projects authorized by legislative appropriation shall be made pursuant to a request for proposal (RFP) process. Such requests for proposal shall be distributed at such times as the Board of Directors of OCAST deems appropriate.

(1) **Contents.** Such RFP's shall include an information and instruction packet and sample contract which includes a narrative and description of a given project and an estimated budget and, if required, matching funds. Specific funding terms will be defined for each project.

(2) **Returned proposals.** Any proposal not received by the designated submission deadline shall be returned without consideration. Incomplete or incorrectly completed proposals may be returned without review.

(3) **Funding.** All expenditure of funds by OCAST will be paid solely from funds made available to OCAST for purposes of such projects.

(b) **Notification.** Such requests for proposal shall be mailed upon request to interested individuals and organizations throughout Oklahoma during the RFP acceptance period. Notification of the availability of funds, solicitations of proposals, deadlines for the receipt of proposals and appropriate information as to the mailing address(es) and name(s) of contact person(s) for the project shall be published in the **Oklahoma Register**.

#### **650:40-1-4. Review process**

Proposals for unique individual projects accepted for evaluation shall be reviewed by one of the following procedures depending on the nature and complexity of the requirements of the project as determined by the Board of Directors:

(1) The Board may direct that a review committee made up of administrative staff members evaluate the proposals based upon objective criteria related to the particular project and make recommendations for Board approval.



(2) The Board may appoint a subcommittee from the Board to evaluate the proposals based upon objective criteria related to the particular project and to make recommendations for Board approval.

(3) If the Board determines that the nature of the project is of substantial technological or scientific complexity, it may appoint expert reviewers to evaluate the proposals as to their scientific or technological merit and to make recommendations to the Board for approval.

#### **650:40-1-5. Contract provisions**

(a) **Professional service contract.** The mechanism for funding the approved proposal for funding of a unique individual project shall be a professional services contract between OCAST and the applicant individual or entity.

(b) **Contractor obligations.**

(1) **Records and accounts.** The contractor shall maintain records and books of accounts that properly document and account for the source(s) and application(s) of all funds expended on the project. Such records and accounts shall be made available upon demand by OCAST to authorized representatives of The Center or other authorized state officials.

(2) **Audits.** The contractor shall comply with OCAST audit policies relating to such contracts or projects. The contractor may be required to submit copies of financial reports resulting from audits of funds expended under the contract. In the event an audit by OCAST or by the contractor results in the final determination that the contractor has improperly expended or accounted for funds paid under the contract, the contractor shall reimburse OCAST or the State of Oklahoma for the total amount of all disallowed costs.

(c) **Expenditure of funds.** Funding of such projects shall be subject to the availability of resources to OCAST. The expenditure of funds will be on a reimbursement basis and tied to the budget in the contract. Any line item variations from the budgeted expenditures in excess of \$500.00 or ten percent (10%), whichever is greater, shall be agreed upon in writing between The Center and the contractor. The contract shall require that proper invoices be submitted to OCAST by the contractor before any payments are made.

#### **650:40-1-6. Appeals process**

Appeals related to the rules of this Chapter shall be processed in accordance with the procedures referenced in 650:1-3-4.

#### **650:40-1-7. Interpretation of rules**

The rules of this Chapter are adopted for the purpose of facilitating the administration of unique individual projects. To that end, these rules shall be given fair and impartial construction. The rules shall be cumulative to the Administrative Procedures Act of the State of Oklahoma as amended now and hereafter. The provisions herein contained are severable and the repeal, amendment or invalidity of any provision hereof shall not serve to repeal or invalidate the remaining provisions of the rules of this Chapter.

## **CHAPTER 45. OKLAHOMA INSTITUTE OF TECHNOLOGY**

[Authority: § 5060.2 and § 5060.9]

[Source: Codified 9-11-04]

## SUBCHAPTER 1. GENERAL PROVISIONS

### 650:45-1-1. Purpose

The purpose of this chapter is to establish rules for the Oklahoma Institute of Technology ("OIT"), which was established by the Legislature as an institute within the Oklahoma Center for the Advancement of Science and Technology ("OCAST"). [74 O.S. Supp. 2002, § 5060.2(C).] These rules have been adopted for the purpose of implementing and administering the duties of the OIT as provided in 74 O.S. Supp. 2002, § 5060.1 et seq.

[Source: Added at 21 Ok Reg 3177, eff 9-11-04]

### 650:45-1-2. Definitions

In addition to terms defined in 74 O.S. Supp. 2002, § 5060.4, the following terms, when used in this Chapter, shall have the following meaning unless the context clearly indicates otherwise:

"**Applicant organization**" means the employer of the individual(s) preparing the Application.

"**Application**" means the proposal submitted to the OIT and all completed forms required by the Solicitation.

"**Contractor(s)**" means the institution(s) or enterprise(s) that is awarded an OIT contract.

"**Solicitation**" means a request for proposals containing the detailed information required by the OIT.

[Source: Added at 21 Ok Reg 3177, eff 9-11-04]

## SUBCHAPTER 3. ADMINISTRATION

### 650:45-3-1. Operation

OCAST and its governing board, the Oklahoma Science and Technology Research and Development Board (OSTRaD Board), shall operate the OIT as an institute within OCAST. [74 O.S. Supp. 2002, § 5060.2]. The OIT's location and hours are the same as those for OCAST as set forth in OAC 650:1-3-1.

[Source: Added at 21 Ok Reg 3177, eff 9-11-04]

### 650:45-3-2. OIT Trust Fund

The Oklahoma Institute of Technology Trust Fund ("OIT Trust Fund") is a legislatively created trust fund for furthering the mission and purpose of the OIT as described in 74 O.S. Supp. 2002, § 5060.3. [74 O.S. Supp. 2002, § 5060.30]. The OSTRaD Board may expend monies from the income and investment return and principal of the OIT Trust Fund upon authorization of the Trustees of the Fund. [74 O.S. Supp. 2002, § 5060.9(A)(30)].

[Source: Added at 21 Ok Reg 3177, eff 9-11-04]

### 650:45-3-3. OIT Trust Fund Board of Trustees

(a) **Composition.** The OIT Trust Fund is administered by the Board of Trustees of the Oklahoma Institute of Technology Trust Fund ("Trustees"). The Trustees shall consist of seven members of the OSTRaD Board who are the presidents of Oklahoma State University, the University of Oklahoma, and the private university offering graduate engineering degrees and the four chief executive officers or

senior executive officers of corporations or foundations.

(b) **Chair.** The Chair shall be elected from among the four chief executive or senior executive officers. The Chair shall serve a one year term.

(c) **Additional members.** The Board of Trustees may by unanimous vote expand the number of trustees at any time. No more than three added members may serve concurrently. The added members must be representatives of industries that have supported the OIT, shall have full voting rights, and shall serve four-year terms. [74 O.S. Supp. 2002, § 5060.30].

(d) **Meetings.** The Board of Trustees shall meet upon call by the Chair or upon written request by a majority of the Trustees or upon call of the chief executive officer of the OIT.

[Source: Added at 21 Ok Reg 3177, eff 9-11-04]

#### **650:45-3-4. OIT Advisory Committee**

The OSTRaD Board shall establish an OIT Advisory Committee, which will consist of at least four members with expertise in the areas of trust fund investment, business development, and technology. The Committee shall act in an advisory capacity to the OIT Trustees, the OSTRaD Board and OCAST/OIT staff in the development of program specifications, organization and evaluation of peer reviews, awarding of contracts and on-going evaluation of contract performance.

[Source: Added at 21 Ok Reg 3177, eff 9-11-04]

### **SUBCHAPTER 5. PROGRAM DESCRIPTION**

#### **650:45-5-1. Program description**

The OIT shall provide funds for economic development projects that stimulate the development of technology-based businesses, the development of the technology economy in rural areas, and the facilitation of joint public-private technology research and development projects. [74 O.S. Supp. 2002, § 5060.3(B)]. The OSTRaD Board shall approve all specifications of any program operated by the OIT and any changes made thereto.

[Source: Added at 21 Ok Reg 3177, eff 9-11-04]

#### **650:45-5-2. Eligibility**

##### **(a) Applicants.**

(1) Eligible Applicants for funding of OIT research and development projects shall be:

- (A) institutions of higher education
- (B) nonprofit research foundations
- (C) private enterprises

(2) Eligible Applicants for funding of OIT rural technology development shall be:

- (A) institutions of higher education
- (B) nonprofit research foundations
- (C) private enterprises
- (D) towns, counties, and municipalities

(b) **Preference.** The OIT trustees with approval of the OSTRaD Board may assign preference to a class of Applicants for any funding competition.

(c) **Investigators.** The investigators preparing Applications shall be employed by or affiliated with an eligible Applicant organizations.

[Source: Added at 21 Ok Reg 3177, eff 9-11-04]

### **650:45-5-3. Funding terms**

- (a) **Competition dates.** Dates for funding competitions will be announced by OIT prior to the Solicitation for proposals.
- (b) **Allocations.** The OIT Trustees shall approve the amount allocated for each funding competition for expenditure by the OSTRaD Board.
- (c) **Contract periods.** The length of a contract shall not be less than one (1) year. The contract period shall be recommended by the OIT Board and approved by the OSTRaD Board.
- (d) **Additional funding terms.** Any additional funding terms shall be recommended by the OIT Board, approved by the OSTRaD Board and announced in the Solicitations.

[Source: Added at 21 Ok Reg 3177, eff 9-11-04]

### **650:45-5-4. Application process**

- (a) **Solicitations.** Solicitations shall be available at the OIT principal office. No Application fee shall be required.
  - (1) **Application deadlines.** Application submission deadlines shall be listed in the Solicitations. Any Application not submitted by the designated submission date and time shall be returned without consideration.
  - (2) **Completion/submission requirements.** Requirements for Application completion and submission shall be included in the Solicitation.
- (b) **Applications.**
  - (1) **Matching funds.** The Application may specify the total amount of funds the organization must provide to meet the requirements of any required matching funds.
  - (2) **Required information.** The Application shall include:
    - (A) a description of the potential commercial application of the project and the potential to enhance employment opportunities in Oklahoma,
    - (B) a recommendation from the Applicant organization, and
    - (C) other information that may be required by the OIT Trustees and the OSTRaD Board.
  - (3) **Documentation.** It shall be the responsibility of the investigators and the Applicant organizations to ascertain and provide documentation of compliance with state and federal requirements or regulations as specified in the Application in order to engage in the proposed research.
  - (4) **Returned Applications.** Incomplete or inappropriately completed Applications may be returned without review.

[Source: Added at 21 Ok Reg 3177, eff 9-11-04]

### **650:45-5-5. Award provisions**

- (a) **Funding subject to availability.** Funding of Applications recommended for approval by the OIT Trustees shall be subject to availability of resources and approval of the OSTRaD Board.
- (b) **Matching funds; documentation.** If the Solicitation requires matching funds, Applicants will be required to document such funds as detailed in the Solicitation.
- (c) **Additional award provisions.** Any additional award provisions shall be announced in the Solicitations.

[Source: Added at 21 Ok Reg 3177, eff 9-11-04]

#### **650:45-5-6. Contract provisions**

(a) **Professional service contract.** The mechanism for funding approved Applications shall be a professional service contract between OCAST/OIT and the Applicant organization.

(b) **Verification of matching funds.** If required by the Solicitation, professional service contracts shall be awarded contingent upon documentation that the matching funds and/or machinery or equipment to be matched has been received by the Applicant organization.

(c) **Fiscal agent.** If more than one Applicant organization participates in a contract, one organization shall be designated as the fiscal agent.

(d) **Contractor obligations.**

(1) **Records and accounts.** The contractor, or designated fiscal agent, shall maintain records and accounts that properly document and account for the source and Application of all project funds, and all such records and accounts shall be made available on demand by OIT for inspection and use in carrying out its responsibilities for administration of the funds.

(2) **Access and examination.** The contractor, or designated fiscal agent, shall as OIT deems necessary, permit authorized representatives of OIT and the State of Oklahoma full access, and the right to fully examine, all projects records and accounts.

(3) **Audits.** The contractor, or designated fiscal agent, shall comply with the audit policy of OCAST/OIT. The contractor, or designated fiscal agent, shall provide OIT timely reports on any audits that include funds received from OIT. In the event an audit results in the determination that the contractor, or designated fiscal agent, has expended contract funds on unallowable costs, the contractor, or designated fiscal agent, shall reimburse OIT in full for all such costs.

[Source: Added at 21 Ok Reg 3177, eff 9-11-04]

#### **650:45-5-7. Notification process**

(a) **Direct mailings.** Announcements of funding competitions for projects shall be made through a direct mailing of Solicitations to institutions listed in the Oklahoma Higher Education Directory, to nonprofit research foundations who have indicated that they wish to receive OIT proposal Solicitations, and to all persons who contact OCAST/OIT and request an Application.

(b) **Public announcements.** Public announcements of funding competitions shall be posted on the OCAST/OIT website at <http://www.ocast.state.ok.us/solicitations.htm>.

[Source: Added at 21 Ok Reg 3177, eff 9-11-04]