



FOAC Knowledge Builder Series #3

OMIC R&D Overview

Don Hendrickson | Interim Executive Director, OMIC R&D

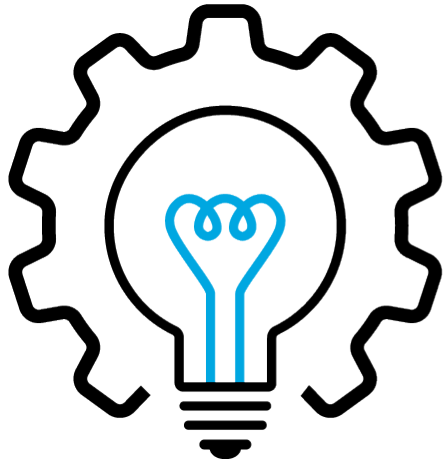
Michelle Meyer, CPA | Director of Audit and Compliance

Desired Training Outcomes



Develop an understanding of OMIC
R&D's basic operations and financial
relationship with the institution





OMIIC

R&D



Mission Statement

“Advancing industry by providing manufacturing solutions while empowering and educating the workforce.”

Collaboration

Formed in 2017 and hosted by Oregon Tech, OMIC R&D is a collaboration between Industry, Government and Academia.









An integral presence with the City of Scappoose and Columbia County in supporting workforce development and education outreach with the community, while hosting industry leaders in our cutting-edge, collaborative space.




OMIC R&D Industry Members










Tier 1

 Member since 2017	 Member since 2017	 Member since 2017	 Member since 2023
 Member since 2017	 Member since 2017	 Member since 2017	 Member since 2017

Tier 2

 Member since 2022	 Member since 2019	 Member since 2018	 Member since 2021
 Member since 2018	 Member since 2021	 Member since 2018	 Member since 2017
 Member since 2021	 Member since 2021	 Member since 2017	 Member since 2024
 Member since 2017	 Member since 2018	 Member since 2023	 Member since 2019
 Member since 2019	 Member since 2018		

Associate

 Member since 2019	 Member since 2019	 Member since 2020	 Member since 2019
 Member since 2023	 Member since 2019	 Member since 2021	

OMIC R&D Staff



Applied Research



- **Focus Areas**

- Additive Manufacturing
- Subtractive Machining
- Materials & Alloys
- Automation
- Inspection

- **Specific Projects**

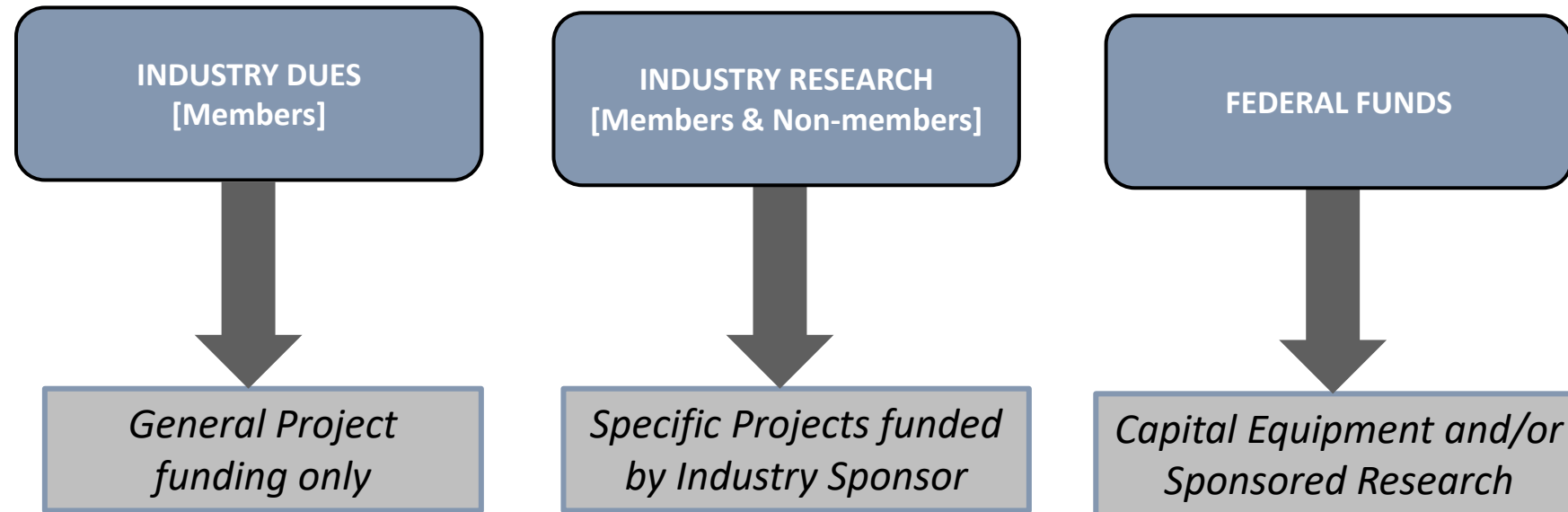
- Unique and confidential project owner
- Open to both members and non-members

- **General Projects**

- Selected by membership in annual Roadmapping event
- Address industry pain-points
- Results are shared openly



How is Research Funded?



How are OMIC R&D Operations Funded?



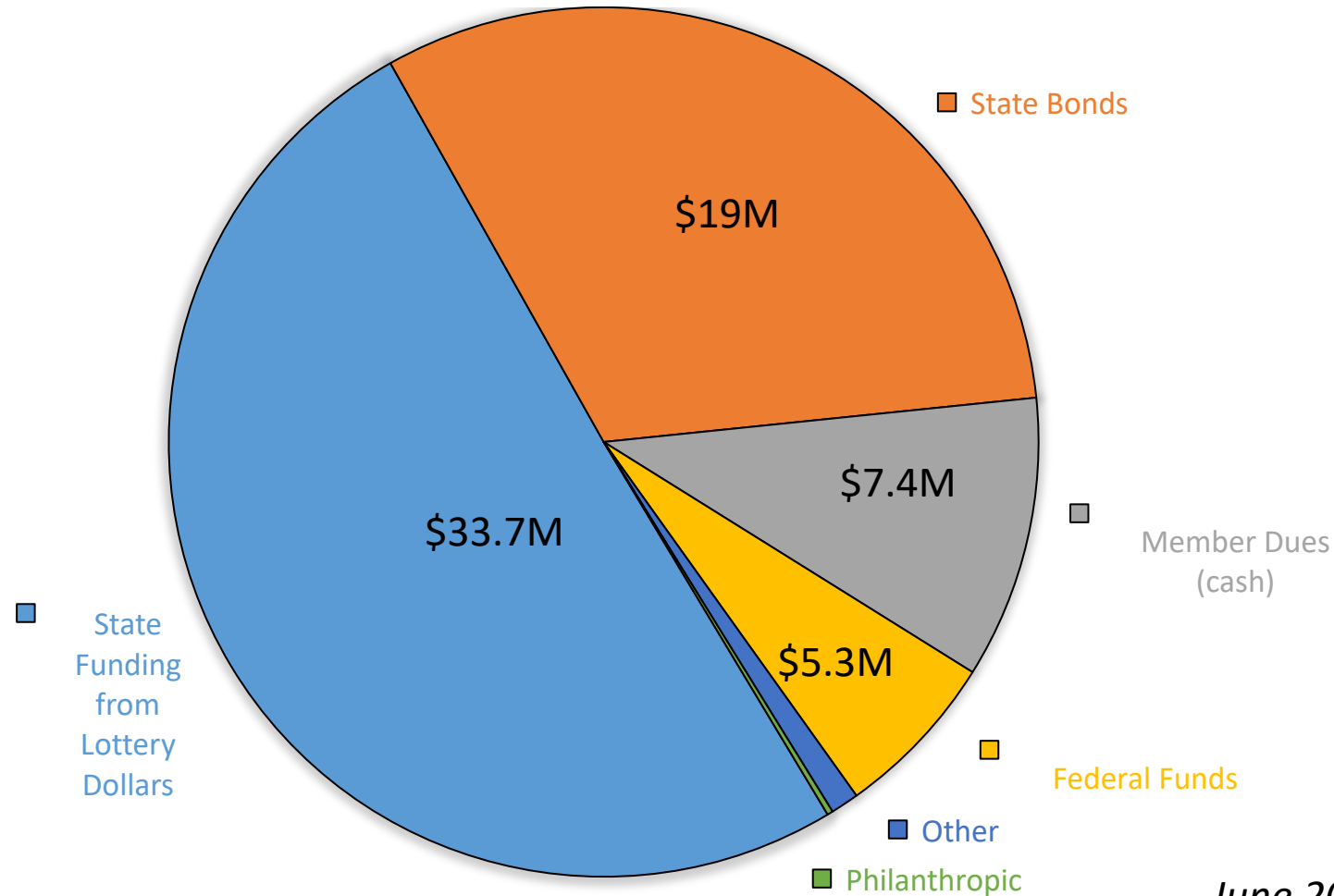
- OMIC R&D State Funding is appropriated by the legislature each biennium from lottery dollars

Fiscal years 2017-2019	\$6.8M
Fiscal years 2019-2021	\$8.3M
Fiscal years 2021-2023	\$9.1M
Fiscal years 2023-2025	\$9.5M

Total fiscal years 2017 – 2025 \$33.7M

- Awarded to Oregon Tech by the Oregon Business Development Department (“Business Oregon”, “OBDD”) via grant agreement
- State OBDD grant supports 100% of OMIC R&D’s operating costs (labor, utilities, supplies, etc.)
- OMIC R&D provides a ROI to the state and uses these funds to leverage private dollars and provide economic growth

OMIC R&D Funding Sources



*June 2017 through Fiscal Year 2025,
as of November 11, 2024*

Other Funds and Private Leverage



- State Bonds: Fund large capital projects related to equipment and buildings, no repayment requirement
- State Center of Innovation Excellence (CIE) grant: \$1M biennium 2024-2025; also available for next biennium
- Landlord Fund: supported by academic dues and state OBDD operating grant
- In-Kind Membership Dues: roughly \$10.7M since inception (2017) (non-cash machinery & supplies)
- General Sales & Service Fund: where OMIC R&D project labor is directed (cost recovery from funding source)
- Foundation Account: Oregon Tech Foundation donations specific to OMIC R&D

Does OMIC Affect Oregon Tech's General Fund and Financial Statements?



What indirect costs does OMIC pay back to the general fund?

- All sponsored research and grants at OMIC R&D, including State OBDD operating grant, are charged Oregon Tech's federally negotiated indirect cost rate of 50% on wages (current rate as of 11.20.2024)
- Since inception in 2017 through June 30, 2024, OMIC R&D has paid \$2.8M to Oregon Tech, as the OMIC R&D host, in indirect cost recovery (OBDD state operating grants)

Does OMIC R&D Use OT Resources?



- OMIC R&D provides its own facilities, IT and marketing services
- Relies on university's F&A division for procurement, contracting, accounting, payroll, human resources; university reimbursed through the indirect cost recovery rate
- Reports to Vice Provost Research, Dr. Abdy Afjeh

What Value Does OMIC Return Back to OT?



- OMIC R&D has generated scholarships for 10 students through the DeArmond Foundation. There is a request for 3 more full-ride scholarships. Students work summers at OMIC R&D to compliment their education. Each DeArmond scholar receives a total of \$40K over the course of four years.
- OMIC R&D provides internship opportunities for Oregon Tech students through the Dean's office
- OMIC R&D is a key resource for capturing federal grants (AFRL and ARL)

What Value Does OMIC Return Back to OT?

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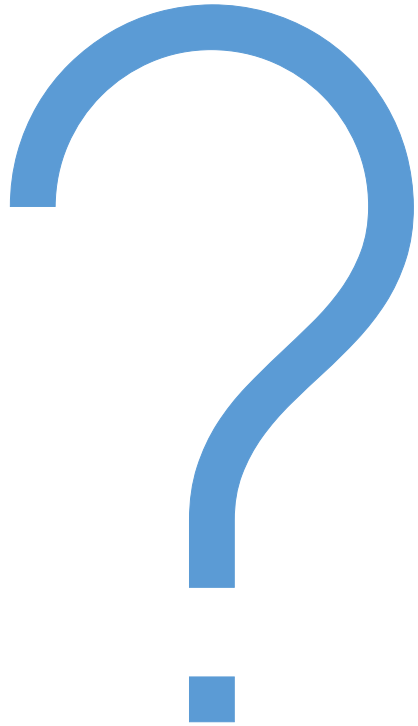


- Oregon Tech's participation as a Research Member of OMIC R&D increases visibility with industry
- OMIC R&D staff are available to support classes at the Portland Metro campus
- Oregon Tech, as researcher, has been awarded several General Projects (PI - Dr. Saber) - funded by OMIC R&D member dues

OMIC R&D - Host Oversight



- OMIC R&D is subject to the university's regular policies and procedures
- OMIC R&D staff cannot commit departmental funds; signature authority resides with Oregon Tech, as the host
- OMIC R&D is currently undergoing an internal audit with Eide Bailly LLP – the university's outsourced internal audit firm, as part of the university's regular Internal Audit Plan as approved by the Oregon Tech Board of Trustees in January 2024; the report will be publicly available once complete



Questions