	Policy Main Title	Grant and Sponsored Research Policy	Effective Date	14/06/2026
AIU AMERICAN INTERNATIONAL UNIVERSITY الجامعة الأمريكية الدولية	Policy Subject	Research	Last Review date	
	Policy Number	RES-003	Next Review date	14/06/2029
	Responsible Entity	Assistant VP Research	Approved By	President

Overview

External grant income is both a research quality indicator and a financial sustainability tool. Research that attracts competitive external funding is, by definition, research that an independent expert panel has judged to be scientifically sound, well-designed, and potentially valuable. This is the most rigorous peer validation available to an institution in the early stages of building its research reputation. The RISE Strategy 2026-2030 sets a target of more than KD 200,000 in external grant income annually by 2030, not because that number represents financial significance relative to AIU's total budget, but because achieving it would demonstrate that AIU's faculty are producing research that external funders consider worth supporting.

Managing externally funded research well is also one of the most operationally demanding functions an institution undertakes. Every external grant comes with a set of funder requirements that govern how the money may be spent, what must be reported, when reports are due, and what happens if the research deviates from the approved plan. These requirements vary by funder, government agencies, foundations, and private sector sponsors all use different frameworks, but they share a common expectation: that the receiving institution has the organizational capacity to administer the award honestly, competently, and in full compliance with the award terms. An institution that cannot demonstrate this capacity will not attract competitive external funding, regardless of the quality of its researchers.

This policy establishes the complete governance framework for externally funded research and sponsored programs at AIU, covering the full life cycle from opportunity identification through award closeout.

Scope

This policy applies to all externally funded grants, contracts, cooperative agreements, sponsored research projects, and other sponsored programs administered by or through AIU. It applies regardless of whether the funder is a government body, foundation, corporation, international organization, or individual donor. It applies to research, training, public service, and other scholarly activities funded through competitive external awards. It applies to all faculty, staff, students, and external collaborators who participate in AIU-administered externally funded projects in any capacity. It does not govern internally funded research through the AIU Research Fund (governed by RES-001) or the financial management of non-research external income streams (governed by FIN-002).

Purpose

The purposes of this policy are to:

- Establish the complete grant life cycle governance framework at AIU, from pre-award through post-award and closeout, with defined responsibilities at each stage
- Define the mandatory internal approval process that must be completed before any grant proposal is submitted under AIU's institutional name
- Establish the institutional indirect cost recovery rate and the allocation of recovered costs among the Principal Investigator, the School, and the institutional research infrastructure

- Define the standards for allowable and unallowable costs on externally funded projects
- Establish the conflict of interest disclosure requirements specific to externally funded research
- Define the subcontract and collaborative agreement governance framework
- Establish the post-award compliance requirements, including effort reporting, progress reporting, financial reporting, and award closeout
- Define the roles and responsibilities of the Director of Research and Grants, Principal Investigators, the Finance Department, Deans, and the President in the sponsored research process
- Demonstrate compliance with faculty scholarly activity supported by institutional infrastructure, financial sustainability, research income as a revenue diversification tool, and honest and ethical institutional operations in the management of external funds

Abbreviations and Definitions

Sponsored Research/Sponsored Program: Research, training, public service, or other scholarly activity that is supported by funds from an external sponsor under a formal award agreement specifying the purpose, deliverables, reporting requirements, and terms and conditions governing the use of the funds.

External Sponsor: Any entity external to AIU that provides funds to support a sponsored program.

Principal Investigator (PI): The faculty member who has primary scientific, scholarly, financial, and compliance responsibility for an externally funded project. The PI must be a full-time AIU employee. Co-Investigators and external collaborators may participate in the project but the PI remains the institutional point of accountability.

Indirect Cost (Facilities and Administration Cost): Costs that are incurred for common or joint objectives and cannot be identified specifically with a single sponsored project, instructional activity, or other institutional activity. Also referred to as Facilities and Administration (F&A) costs, overhead, or burden. Recovery of indirect costs partially compensates AIU for the institutional infrastructure, library, facilities, administrative services, utilities, IT systems, that supports sponsored research.

Institutional Indirect Cost Rate: The percentage of direct costs that AIU charges external sponsors for indirect costs. AIU's institutional rate is established by the President, reviewed annually, and published by the Office of Research and Grants. The rate is applied to Modified Total Direct Costs (MTDC) consistent with standard grant accounting practice.

Proposal Approval Form (PAF): The internal form through which a grant proposal is reviewed and approved by the required institutional officers before submission to the sponsor. Completing the PAF process is mandatory for all external grant submissions under AIU's name.

Award Agreement: The legally binding document between AIU and the external sponsor that formalizes the grant or contract, specifying the funded activities, the approved budget, the award period, reporting requirements, and the terms and conditions governing the use of the funds. The Award Agreement is signed by the President on behalf of AIU.

Effort Reporting: The process by which individuals who receive salary support from sponsored projects certify that the effort reported on the project was actually expended. Effort reporting is a fundamental compliance requirement of virtually all external sponsors and must reflect actual, not estimated, effort.

No-Cost Extension: An extension of the award period of an externally funded project without additional funding, granted by the sponsor or the Office of Research and Grants (where delegated authority exists) to allow completion of the approved project scope within the existing budget. No-cost extensions must be requested before the award end date and in accordance with sponsor requirements.

Subcontract (Subaward): An agreement between AIU as the prime recipient of an external award and a collaborating institution or organization that will carry out a defined portion of the sponsored project. Subcontracts are executed by the Director of Research and Grants on behalf of AIU and must comply with the prime award terms and conditions as well as any applicable sponsor flow-down requirements.

Cost Sharing: The commitment of AIU resources (faculty effort, equipment, facilities, or other direct costs) to a sponsored project that are not charged to the sponsor. Cost sharing is generally discouraged at AIU unless required by the sponsor as a condition of funding, because it reduces the resources available for other institutional priorities and creates compliance obligations.

Policy

Article 1: Governing Principles

The following principles govern AIU's sponsored research function:

a. Institutional responsibility: AIU, not the individual Principal Investigator, is the legal recipient of all externally funded grants and contracts. The institution enters into a contractual relationship with the sponsor and bears legal, financial, and compliance responsibility for how the award is administered. This is why no external grant may be submitted or accepted under AIU's name without institutional authorization, why the President signs all award agreements, and why the Finance Department, not the PI alone, manages award funds. Individual researchers are the intellectual drivers of their research; the institution is the administrative custodian of the public and private trust represented by the award.
b. Full recovery of indirect costs: External sponsors should, wherever possible and permissible, contribute to the overhead costs they impose on the institution by funding through indirect cost recovery. AIU's minimum institutional indirect cost rate must be included in all grant budgets except where the sponsor explicitly prohibits or limits indirect cost recovery, in which case a waiver is required under Article 4. Accepting grants without appropriate indirect cost recovery below the minimum institutional rate without a waiver is a financial subsidy of external research by AIU's tuition income, this practice is inconsistent with sound financial governance and is not permitted without the President's approval.
c. Research integrity as a condition of funding: The ethical conduct of research (RES-002) is a condition of all externally funded projects, not a separate obligation that applies only to unfunded research. Every PI on an externally funded project must have current research ethics training and, where the project involves human participants or animals, a valid REC approval before data collection commences. No sponsor expectation of speed or deliverables overrides this requirement.
d. Transparency with sponsors: AIU represents its capabilities, prior work, and institutional resources accurately to external sponsors. Grant budgets reflect the genuine cost of conducting the proposed research. Progress reports accurately represent the state of the research, including any problems or deviations from the original plan. Financial reports accurately reflect actual

expenditures. Misrepresentation to sponsors, whether of capabilities, costs, or progress, is a violation of this policy, of FAC-004 (Faculty Professional Ethics), and potentially of Kuwait law.

e. Separation of duties: The financial management of sponsored projects requires separation between the authority to approve expenditures (the PI) and the authority to process and pay them (the Finance Department). This separation is a fundamental internal control requirement that applies regardless of the size of the award. The PI has no authority to process their own payment requests from a sponsored project account.
f. Mission alignment: AIU accepts external funding only for research and scholarly activities that are consistent with AIU's educational mission, RISE Strategy, and institutional values. AIU does not accept funding that would require AIU to abandon research findings, suppress publications, produce predetermined conclusions, or compromise academic freedom. Any funder conditions that would restrict publication, limit academic freedom, or require suppression of findings are reviewed by the Director of Research and Grants, and the President before acceptance and, if necessary, rejected.

Article 2: Institutional Indirect Cost Rate

AIU's institutional indirect cost (IDC) rate is the percentage of direct costs that the institution charges external sponsors for its indirect research infrastructure costs. The following provisions govern the institutional IDC rate:

a. The President, in consultation with the Director of Research and Grants and the Finance Department, establishes AIU's institutional IDC rate. The initial institutional rate is set at twenty percent (20%) of Modified Total Direct Costs (MTDC), consistent with the minimum rate specified in the Board Policies Manual (FIN-002). As AIU's research infrastructure and external funding portfolio grow, the President will assess whether the rate should be revised to reflect the actual indirect costs incurred in supporting sponsored research. The current applicable rate is published by the Office of Research and Grants at the start of each academic year.
b. The institutional IDC rate must be included in all externally funded grant proposals as the default. The PI may not agree to a lower IDC recovery rate without the prior written approval of the President.
c. Where a sponsor's published program guidelines explicitly prohibit or limit indirect cost recovery below the institutional rate, the PI must document this restriction and submit it with the Proposal Approval Form. The President reviews the restriction and approves the waiver before the proposal is submitted. A sponsor's preference for a lower rate is not a prohibition -- only an explicit published policy restriction qualifies for the waiver process.
d. The recovered indirect costs from every externally funded award are allocated to the three recipient categories in the proportions established in FIN-002 and confirmed in this policy:

Recipient	Allocation Percentage	Purpose
Principal Investigator's Research Account	50% of recovered indirect costs	Supports the PI's ongoing research program: conference travel, research materials, student research assistants, equipment, publication costs. Expenditure must be for legitimate research purposes consistent with this policy and with FIN-002
Relevant School (through the Dean)	25% of recovered indirect costs	Supports research infrastructure, shared research resources, junior faculty research development, and School-level research priorities
AIU Internal Research Fund (Office of Research and Grants)	25% of recovered indirect costs	Replenishes the internal Research Fund for future Feasibility Study and Competitive Research Grant cycles (RES-001), and supports research administration operating costs of the Office of Research and Grants

Article 3: Grant Life Cycle and Approval Requirements

All externally funded grants and sponsored programs follow the complete life cycle governance framework specified in this article. No stage may be bypassed or abbreviated without written approval from the Director of Research and Grants and, where required, and the President:

Stage	Key Actions	Responsible Parties	Timeline
Pre-Award Stage			
Opportunity identification	Faculty member identifies a funding opportunity and contacts the Office of Research and Grants	Faculty / Director of Research and Grants	As early as possible; minimum 6 weeks before sponsor deadline

	for a preliminary eligibility and feasibility assessment		for complex proposals
Proposal development	Faculty member develops the scientific/scholarly proposal narrative; the Office of Research and Grants assists with budget preparation, funder compliance checks, and institutional assurances (certifications regarding research ethics, conflict of interest, lobbying)	Principal Investigator (PI) / Office of Research and Grants / Finance Department	Completed before the Internal Approval deadline — minimum 7 working days before sponsor deadline
Internal approval (Proposal Approval Form)	PI submits the Proposal Approval Form with the complete draft proposal and budget for internal review and institutional sign-off. Approvals required: PI; Department Chair; Dean; Director of Research and Grants; President	PI → Chair → Dean → Director of Research and Grants → President	All internal approvals obtained at least 5 working days before sponsor submission deadline
Submission	The Office of Research and Grants submits the proposal to the sponsor (or coordinates submission by the PI where the sponsor requires investigator-initiated submission). Only the Office of Research and Grants may submit under AIU's institutional name	Director of Research and Grants (with PI coordination)	By the sponsor deadline

Award and Negotiation Stage			
Award notification	Funder notifies AIU of award. All award notifications are routed through the Office of Research and Grants, which conducts an initial review of terms and conditions before communicating the outcome to the PI	Office of Research and Grants	Within 5 working days of receipt
Award negotiation	The Director of Research and Grants, President, and the President's office review and negotiate award terms as required. Disputes about indirect cost recovery rates, IP ownership, publication rights, or other significant terms are resolved before the award is accepted	Director of Research and Grants / / President / Legal Counsel as required	Before award acceptance; no more than 30 days from notification without escalation to the President
Award acceptance and account setup	The President signs the award agreement on behalf of AIU. The Finance Department establishes a separate restricted fund account for the award. The Office of Research and Grants issues the PI an Award Letter specifying the approved budget, award terms, reporting obligations, and AIU compliance requirements	President / Finance Department / Director of Research and Grants	Within 10 working days of award acceptance

Post-Award Stage			
Financial management	The Finance Department manages the award budget against the approved spending plan, processes expenditures, and ensures compliance with funder requirements on allowable costs. The PI approves all expenditures before submission to Finance for processing	Finance Department / PI	Ongoing throughout the award period
Progress and financial reporting	The PI prepares progress reports on the research activities; the Finance Department prepares financial reports. All sponsor reports are reviewed by the Director of Research and Grants before submission to the sponsor	PI / Finance Department / Director of Research and Grants	Per schedule in the Award Agreement; never late without prior sponsor notification
Award closeout	Within 60 days of the award end date (or as required by the sponsor), the PI submits the final progress report; the Finance Department prepares and submits the final financial report; all equipment and materials acquired under the award are inventoried and any disposition requirements met	PI / Finance Department / Director of Research and Grants	60 days post-award end date or per sponsor requirements

3.1 Proposal Approval Form

The Proposal Approval Form (PAF) is the core pre-award control mechanism. The PAF requires the PI to disclose:

a. A description of the proposed research or sponsored activity and its connection to AIU's educational mission and RISE Strategy
b. The proposed budget, including the requested indirect cost rate and the basis for all major cost categories
c. The estimated effort commitment of all AIU personnel named on the proposal, and confirmation that each named person's supervisor has approved the proposed commitment
d. Any cost sharing commitments and confirmation that the President has approved the use of AIU resources as cost share
e. Any research ethics requirements and the status of REC approval
f. Any proposed subcontracts and the basis for selecting the subcontractor
g. A conflict of interest declaration for the PI and all Co-Investigators named on the proposal
h. Confirmation that the PI has read the sponsor's program guidelines and that the proposal complies with all stated requirements

The completed PAF must be approved and signed by all required officers before the proposal is submitted. No submission proceeds without a fully executed PAF. The Office of Research and Grants maintains a register of all PAFs submitted and their outcomes.

Article 4: Allowable and Unallowable Costs

All costs charged to externally funded project accounts must satisfy four criteria: they must be allowable under the funder's terms and conditions; they must be allocable to the specific project (i.e. they must genuinely benefit and be necessary for the project); they must be reasonable (a reasonable person would judge the cost as necessary and fair for the purpose); and they must be consistently treated (costs treated as direct costs on grants must not be treated as indirect costs on other grants). The following table provides general guidance on allowable and unallowable cost categories:

Generally Allowable (subject to funder terms)	Generally Unallowable (regardless of funder)
PI and Co-Investigator salary and benefits (at the approved effort percentage)	Salary charges in excess of the approved effort percentage; compensation for work not performed on the project

Graduate and undergraduate research assistant salaries directly related to the project	Recruitment and hiring costs for permanent institutional positions not directly tied to the project
Direct research materials, supplies, and consumables	Entertainment, hospitality, alcohol, or gifts; charitable contributions
Equipment required for and used primarily on the project (subject to funder approval where required)	General-purpose institutional equipment not identifiable to the project
Domestic and international travel directly required to carry out the project	First-class or business-class travel (except where a medical condition or itinerary requirement is documented and approved)
Subcontract costs for approved external collaborators within the terms of the award	Fines, penalties, or costs arising from violations of award terms or applicable law
Publication and open access costs for research outputs from the project	Legal costs except where incurred in connection with the protection of intellectual property specifically arising from the project
Reasonable indirect costs at the approved institutional rate	Indirect costs above the approved rate or on excluded cost categories

Specific cost allowability is always governed by the applicable award agreement and funder regulations, which take precedence over the general guidance in this table. Where the PI is uncertain whether a specific cost is allowable, they must obtain written confirmation from the Finance Department (Grants Accountant) before incurring the expenditure. Retroactive corrections to unallowable costs charged to a grant account may require the institution to return funds to the sponsor and constitute a compliance failure that is reported in the Annual Sponsored Research Report.

Article 5: Effort Reporting and Personnel Charges

All salary and wages charged to externally funded projects must reflect the actual effort expended by the named individual on that project. The following provisions govern effort and personnel charges:

a. The PI and all personnel whose salaries are charged (in whole or in part) to an externally funded project certify their effort at the intervals required by the sponsor or, where no interval is specified, at least at the end of each semester and at project closeout. Effort certifications are prepared and submitted through the Finance Department.
b. Effort charged to a sponsored project must be consistent with the effort committed in the approved proposal and the Award Agreement. Where the PI's effort on a project must be reduced below the committed level -- whether due to illness, additional institutional obligations, or other circumstances -- the PI must notify the Director of Research and Grants promptly. A reduction in committed effort may require sponsor approval and an adjustment to the PI salary charged to the project.
c. Salary charges to sponsored projects must not exceed the individual's institutional base salary. Faculty may not charge a rate to a sponsored project that exceeds their AIU contractual salary rate.
d. The Finance Department ensures that personnel charges to sponsored projects are supported by the approved effort percentage and the individual's current AIU salary rate. Retroactive changes to personnel charges require written justification from the PI and approval from the Director of Research and Grants.
e. Faculty summer salary on externally funded projects is permitted where the faculty member is not under a twelve-month contract and the effort committed is real and documentable. Summer salary charges must be approved in the PAF or through a formal budget modification approved by the Director of Research and Grants and the Finance Department.

Article 6: Subcontracts and Collaborative Agreements

Where an externally funded project involves the participation of collaborating institutions or organizations that will carry out a defined portion of the work and receive a portion of the award funds, a formal subcontract agreement is required. The following provisions apply:

a. Subcontract agreements are prepared and executed by the Director of Research and Grants on behalf of AIU. No individual faculty member or administrator may execute a subcontract on AIU's behalf. A faculty member who agrees to a subcontracting arrangement without Director of Research and Grants involvement has not bound AIU to any obligation.
b. All subcontracts must comply with the prime award terms and conditions, including any flow-down requirements specified by the sponsor. The Director of Research and Grants confirms compliance with flow-down requirements before executing a subcontract.
c. The selection of subcontractors for externally funded projects must be justified on scientific or scholarly grounds in the original proposal or in the formal budget modification process. Where a subcontractor is affiliated with the PI or a Co-Investigator, this relationship must be disclosed in the PAF and the conflict of interest management plan must be approved before the subcontract is executed.
d. The PI is responsible for monitoring subcontractor performance against the agreed scope of work and budget, and for approving subcontractor invoices before submission to the Finance

Department for payment. The Director of Research and Grants and the Finance Department conduct periodic reviews of subcontractor financial performance on active awards.

e. Subcontract costs above KD 25,000 per subcontract are excluded from MTDC for purposes of indirect cost calculation.

Article 7: Conflict of Interest in Sponsored Research

Conflicts of interest in the context of externally funded research are governed by FAC-010 (Faculty Conflict of Interest Policy) and FAC-011 (Faculty Professional Consultancy Policy), and are additionally addressed by this policy as follows:

a. Every PI and Co-Investigator on an externally funded project must complete a research-specific Conflict of Interest Disclosure as part of the Proposal Approval Form, disclosing any financial, professional, or personal interest in the sponsor, in any proposed subcontractor, or in any entity that would commercially benefit from the research outcomes.
b. A significant financial interest exists where a faculty member, or an immediate family member, holds: equity in a non-publicly traded entity that would benefit from the research; equity above 5% of ownership in a publicly traded company that would benefit; or compensation exceeding KD 1,000 per year from any entity that would benefit from the research outcomes. The Director of Research and Grants assesses disclosed interests against this threshold.
c. Where a significant financial interest exists, the Director of Research and Grants, in coordination with the AVPR, develops a conflict of interest management plan before the proposal is submitted. Management plans may include: independent review of research design; segregation of the conflicted researcher from specific project decisions; increased monitoring of research conduct; public disclosure of the conflict in publications arising from the research.
d. Many external sponsors, including Kuwait Foundation for the Advancement of Sciences and Qatar National Research Fund, require institutional certification that the PI has no undisclosed financial interest in the proposed research. These certifications are completed by the Director of Research and Grants on the basis of the PI's disclosure in the PAF.

Article 8: Award Closeout

Award closeout is the final phase of the grant life cycle and is one of the most operationally demanding. Failure to close awards properly -- including failure to submit required final reports, return unspent funds, and properly account for award-purchased equipment -- constitutes a compliance failure that can damage AIU's relationship with the funder and, in serious cases, result in demands for repayment of improperly managed funds. The following closeout requirements apply to all externally funded awards:

a. The PI submits the final progress report to the Director of Research and Grants for review at least two weeks before the sponsor deadline for final technical reporting. The Director of Research and Grants reviews the report for completeness and compliance with the award terms before submission to the sponsor.

b. The Finance Department prepares and submits the final financial report within the timeline required by the sponsor, typically within 60-90 days of the award end date. All expenditures must be posted to the award account before final financial reporting. The PI confirms that all expenditures in the final period were incurred within the award period and were allocable to the project.
c. Unspent funds at closeout are handled in accordance with the sponsor's requirements. Where the sponsor permits retention of unspent funds, they are allocated in accordance with the indirect cost distribution formula in Article 2. Where the sponsor requires return of unspent funds, the Finance Department processes the return.
d. Equipment acquired under an externally funded award is inventoried at closeout. Title to equipment purchased with sponsor funds vests in AIU at the time of purchase, subject to any sponsor-specific requirements for disposition of equipment at award end. The Finance Department records all award-purchased equipment in AIU's asset register.
e. The award account is formally closed by the Finance Department when all reporting obligations are met, all expenditures are finalized, and any required repayments or equipment dispositions are completed. The Director of Research and Grants confirms award closeout in the Research Activity Register.

Article 9: Roles and Responsibilities

Role	**Responsibilities under RES-003**
President	Signs all grant agreements, award acceptances, and sponsored research contracts on behalf of AIU; approves all proposals at the final internal approval stage; approves indirect cost rate waivers exceeding the Board-approved threshold; ensures that the grant portfolio is consistent with AIU's mission and the RISE Strategy
President	Oversees the financial management of all externally funded awards; approves grant budgets at the internal approval stage; ensures that award accounts are established, managed, and closed in compliance with funder requirements and AIU's financial policies; reviews and approves financial reports before submission to sponsors; reports grant financial performance to the Finance Committee and the Board
Director of Research and Grants	Primary institutional officer for sponsored research administration; leads the Office of Research and Grants; coordinates pre-award support for faculty; manages the Proposal Approval Form process; negotiates award terms in coordination with the President; oversees post-award compliance monitoring;

	manages subcontract execution; produces the Annual Sponsored Research Report; ensures compliance with research ethics requirements in coordination with the REC
Principal Investigator (PI)	Holds primary scientific, scholarly, and ethical responsibility for the conduct of the funded research; ensures that research activities comply with the approved proposal and all award terms; approves all project expenditures; submits progress reports to the Director of Research and Grants on schedule; discloses conflicts of interest; ensures that all team members comply with AIU research integrity standards; acknowledges AIU and the funder in all research outputs
Deans	Approve proposals from faculty in their School at the internal approval stage; ensure that proposed effort commitments are consistent with the faculty member's workload; advocate for School-level use of the School's indirect cost allocation; report School-level sponsored research activity to the VPAA
Finance Department (Grants Accountant)	Establishes and manages award fund accounts; processes allowable expenditures in compliance with funder and AIU requirements; prepares financial reports; manages invoicing where applicable; conducts award closeout financial activities; alerts the Director of Research and Grants to budget variances or compliance concerns
IR Director	Maintains sponsored research income and output data in the institutional Research Output Database; reports research grant KPIs in the Annual Institutional Effectiveness Report; supports benchmarking of AIU's grant performance against comparable GCC institutions

Article 10: Assessment and Annual Reporting

The sponsored research function is assessed annually using the following Key Performance Indicators:

KPI	Measurement	Target
Total external grant income	Total value of external grant awards to AIU faculty and the institution in the academic year, reported in KD	KD 200,000+ by AY 2029-30 (RISE Strategy target); positive trend year-on-year from AY 2026-27
Number of external grant applications submitted	Number of proposals submitted to external sponsors under AIU's institutional name in the academic year	Positive trend year-on-year; target of 15+ submissions per year by AY 2028-29
Grant success rate	Percentage of submitted external grant proposals resulting in an award	Reported annually for benchmarking; no fixed target for early years — trend improvement is the objective
Internal approval compliance rate	Percentage of external grant submissions in the academic year that completed the full Proposal Approval Form process before submission	100% — submissions without completed internal approval are a compliance failure
Financial reporting compliance rate	Percentage of sponsor financial reports submitted on time (by or before the sponsor deadline) in the academic year	100% on-time submission; zero sponsor-reported compliance findings
Indirect cost recovery rate	Percentage of external awards in the academic year that include indirect cost recovery at or above the AIU minimum rate	>=80% of awards include IDC at or above the AIU minimum rate; 100% compliance with the waiver approval requirement for awards below the minimum

Research output rate from funded projects	Number of indexed publications or other qualifying outputs (per RES-001 Article 2) arising from externally funded projects per year	At least one qualifying output per completed grant project

The Director of Research and Grants prepares the Annual Sponsored Research Report by 30 November each year, covering the preceding academic year. The Report is submitted to the AVPR and shared with the President. The AVPR presents a summary to the President, who reports to the Board Finance Committee. The IR Director incorporates sponsored research KPIs in the Annual Institutional Effectiveness Report (IE-002). The Annual Sponsored Research Report includes:

- Total applications submitted, total awards received, and total external grant income, year-on-year
- Grant success rate and benchmarking against comparable GCC institutions where data is available
- Indirect cost recovery: amounts recovered, distribution to PI, School, and Research Fund
- Post-award compliance summary: financial reports submitted on time, effort certifications completed, no-cost extensions granted, significant deviations or compliance findings
- Subcontracts: number executed, total value, and any significant performance or compliance issues
- Conflict of interest disclosures: number, nature, and management outcomes
- Research outputs arising from externally funded projects
- Assessment of AIU's sponsored research capacity and priorities for the following year

Procedures

External Grant Proposal Submission

1. The faculty member identifies a funding opportunity and contacts the Office of Research and Grants for a preliminary consultation at least six weeks before the sponsor deadline for complex proposals (budgets above KD 10,000 or requiring multiple institutional approvals) and at least three weeks before the deadline for simpler proposals.
2. The Director of Research and Grants conducts a preliminary eligibility and feasibility assessment covering: the faculty member's eligibility as PI under the sponsor's requirements; the scientific or scholarly quality of the proposal concept; any research ethics requirements that must be in place before submission; the indirect cost recovery situation; any proposed subcontracts or collaborators; and any potential conflicts of interest.
3. The PI develops the proposal narrative and works with the Office of Research and Grants and the Finance Department to develop the budget. The budget includes the institutional IDC at the appropriate rate unless a waiver has been approved. The PI also completes all required sponsor certifications and assurances with assistance from the Office of Research and Grants.

4. The PI submits the completed Proposal Approval Form with the full draft proposal and budget to the Office of Research and Grants at least seven working days before the sponsor deadline. The PAF is then routed for approval in sequence: Department Chair; Dean; Director of Research and Grants; President. Each approver is given a maximum of 24 hours to review and sign; where a delay is anticipated, the PI notifies the Director of Research and Grants immediately.
5. Upon receipt of all required signatures on the PAF, the Director of Research and Grants submits the proposal to the sponsor (or coordinates PI submission where the sponsor requires it) by the sponsor deadline. A copy of the submitted proposal and the completed PAF is filed in the Research Activity Register.

Post-Award Management and Closeout

1. Upon notification of an external award, the Director of Research and Grants reviews the Award Agreement for terms and conditions, flags any requirements requiring special compliance attention, and prepares a summary of key terms for the PI. The Director confirms with the President whether any award terms require renegotiation before acceptance.
2. Following review and any necessary negotiation, the President signs the Award Agreement on behalf of AIU. The Director of Research and Grants and the Finance Department confirm the executed agreement.
3. The Finance Department establishes a restricted fund account for the award within 10 working days of award acceptance. The Director of Research and Grants issues the PI an Award Letter specifying the approved budget, award period, reporting schedule, and key compliance requirements.
4. Throughout the award period, the PI approves all project expenditures and provides effort certifications at the required intervals. The Finance Department processes expenditures, monitors budget performance, and alerts the PI and the Director of Research and Grants where expenditure is tracking significantly above or below the approved spending plan.
5. The Director of Research and Grants conducts a mid-award compliance check at approximately the midpoint of each award period, reviewing: expenditure rate against approved budget; status of effort certifications; status of required interim progress reports; any deviations from the approved work plan; and any emerging compliance concerns. The mid-award check findings are documented and shared with the PI, the relevant Dean, and the Finance Department.
6. At closeout, the PI submits the final progress report to the Director of Research and Grants at least two weeks before the sponsor's final reporting deadline. The Finance Department prepares the final financial report. Both reports are reviewed by the Director of Research and Grants before submission. The award account is formally closed by the Finance Department once all reporting and financial obligations are complete. The Director of Research and Grants records the award closeout in the Research Activity Register.

President Signature	Signature: ________________________ Date: __________