When other organizations [“Sponsors”] seek research or other services from Montana Tech, it is Montana Tech’s policy to enter into a written agreement or contract with the Sponsor. The written agreement will define at a minimum each parties’ responsibilities, work scope, milestones, deliverables, costs, and payment schedule. The Vice Chancellor for Research signs these agreements for Montana Tech, and the appropriate authorized individual from the other party would sign for the other party. Before starting work on the project, Montana Tech will:

(1) Require the sponsor to provide a minimum of 35% of the funding “up front.”
(2) Not initiate the work or encumbrance of any funds until the initial payment is received.

While the project is underway, Montana Tech will

(3) Provide the sponsor with regular technical and financial reports (on a schedule defined in the Agreement). Technical reports are to be prepared by the project’s principal investigator (PI) and submitted to the Research Office and Office of Sponsored Programs. The Office of Sponsored Programs prepares each financial report and submits it to the sponsor. If a technical report is required by the sponsor at the same time, the PI submits that report to the Office of Sponsored Programs, which combines it with the financial report for the same period and makes the submission to the Sponsor, copying the PI and Research Office.
(4) Bill the sponsor for additional payments on a schedule as defined in the agreement or when the funding already received is about to be fully spent. These bills will take the form of invoices prepared and sent by the Office of Sponsored Programs.
   a. If no payment schedule is defined in the agreement, an additional 35% will be billed when 90% of the down payment has been spent; an additional 25% will be billed when the project is 60% complete. The final 5% will be billed when the project is complete.
   b. Payment is expected within 30 days of invoicing.
(5) Stop work on the project, until funding is available to cover the expenses, except for the final 5% of the work.

This policy does not apply to contracts or grants from Federal agencies or Montana state agencies, for which the billing/drawdown practices of those agencies will be followed.

Based on a successful history of collaboration with and payment to Montana Tech, certain other sponsors or their Montana Tech collaborators can request a waiver of the advance payment policy. Requests should be addressed to the Vice Chancellor for Research. A justification will be required, along with an agreement of how costs not reimbursed by the Sponsor will be covered, in the event the sponsor does not provide payment in a timely manner.