# Guide to Research Agreements between UNLV and Industry

UNLV is dedicated to fulfilling its engagement mission by supporting economic development. Consequently, an increased emphasis is being placed on developing partnerships with industry. However, negotiating industry agreements is becoming more complex and consistent issues arise, especially as federal regulations increase for both higher education and business.

This document has been prepared to help potential industrial sponsors understand some of the guiding principles universities face when negotiating contracts and collaborating with industry partners. It provides information that will help industry partners understand university research opportunities, constraints and alternative approaches that have been successfully employed by UNLV and its peers.

However, to accomplish this objective, UNLV must balance several key objectives:

1. Fulfilling the mission of a public institution of higher education including providing education, pursuing research, and performing public service;
2. Preventing the inappropriate use of public funds;
3. Creating and maintaining excellent relations with industry to make the best use of opportunities for education and research;
4. Facilitating prompt and effective development of useful inventions; and
5. Obtaining appropriate revenues for the university from licenses and patents.

**Intellectual Property (IP) and Technology Transfer**

**Guiding principle:** While the primary purpose of university research is not to develop commercially viable inventions, the University recognizes the need to encourage the practical application of the results of research for public benefit. Therefore, UNLV maintains a program for identifying and patenting potentially useful inventions and negotiates licenses with firms which have the capability of developing, manufacturing, and marketing university and/or jointly owned IP.

* Both the university and private partner will own or have access to intellectual property (IP) that arises from a collaboration; however, if a project includes federal funding as well as industrial collaboration, federal law (Bayh-Dole Act of 1980) requires that the university retain ownership of any developed IP.
* State laws preclude the university from directly facilitating commercial enterprises. Facilitating such enterprises jeopardizes the tax-exempt status of its bonds.
* UNLV normally retains ownership to all inventions and discoveries arising from research conducted in its facilities, regardless of patentability, and negotiates nonexclusive or exclusive licenses with its private partners.
* The university is committed to negotiating contracts that facilitate the commercialization of technologies invented by its researchers, and will transfer this IP in a way that recognizes the contributions of a private partner while also fulfilling its contractual obligations to its inventors and the citizens of the State and nation.
* UNLV provides a generous royalty sharing agreement for the PI when research endeavors lead to patents and licenses.

**Funding**

**Guiding principle:** UNLV is a non-profit organization and needs to recover the full costs of performing sponsored research. Therefore, it is critical that the university recoup all its costs including direct and indirect costs to avoid running projects at a deficit.

* Sponsored research programs at a university should include the recovery of indirect costs, which cover facilities costs, utilities, and operations costs as well as many other of the hidden costs of doing business.
* The university must also charge full indirect costs to avoid the appearance of utilizing public funds and resources which may provide a competitive edge or other advantages to private industry.

**Publication**

**Guiding principle:** Freedom to publish is fundamental to the University and is a major criterion of the appropriateness of a research project. In order to fulfill its learning, discovery and engagement objectives, and to meet statutory requirements related to its tax-exempt status, USU research must be disseminated on a non-discriminatory basis.

* A fundamental principle of a public research university is that the teaching and research environment should permit the free exchange of ideas among faculty and students. Therefore, the university will undertake research only if the results of that research can be published or otherwise disseminated on a non-discriminatory basis and within a reasonable time period.
* Publication of legitimate proprietary research with industrial sponsors can be deferred for a limited time to protect patent rights or to facilitate other forms of technology transfer.
* University policy precludes assigning to extramural sources the right to make final decisions about what may be published. A sponsor may seek a short delay, however, in order to comment upon and to review publications for disclosure of its proprietary data or for potentially patentable inventions.

**Gifts vs. Grants**

**Guiding principle:** The proper distinction between gifts and grants, with the different obligations in each case, is important to the integrity of the University’s research program.

* A gift is typically an irrevocable contribution of money or property from a donor to the University. While there may be some requirements, they are less restrictive than grants. Gifts should be administered through the UNLV Foundation.
* Grants/Contracts represent “exchange transactions" in which each party receives commensurate value, and they usually have reporting requirements or specific restrictions on how the money can be spent. Grants and contracts are administered through the Office of Sponsored Programs.
* Grants/Contracts with commercial entities should provide for full direct and indirect cost recovery.

**Negotiations and Authorized Signatures**

**Guiding principle:** The Office of Sponsored Programs (OSP) is responsible for negotiating the terms and conditions of any sponsored program agreements. The OSP Executive Director is the delegated official authorized to sign and commit the university on sponsored programs.

* Faculty members at USU are not authorized to commit the university to contractual relationships.
* To establish an agreement with an industry sponsor the Principal Investigator (PI) must submit a proposal to OSP for review and approval. Once the proposal has been approved internally, it is sent to the company.
* If funding is anticipated OSP will then have lead responsibility for negating the terms and conditions of the agreement.
* When negotiations have been completed, the agreement is signed by the Executive Director.
* Subsequent modifications of the contract or grant, including changes in the scope of work, a change in the project's total cost, a renewal or an extension must be authorized and incorporated into the agreement through OSP.