

# **ESTABLISHING AN INDUSTRY AFFILIATION PROGRAM**

## **INTRODUCTION**

An Industry Affiliation Program provides a structure for companies to support a program of fundamental, pre-competitive, non-proprietary research in a general field of study, through a partnership between the University, companies, and sometimes other universities, focused on an area of research of interest to all parties. Some of these Programs may involve federal support, such as the NSF Industry-University Cooperative Research Centers or the Engineering Research Centers, while others are fully supported by industry members. This document provides guidance on the establishment of an Industry Affiliation Program (“Program”).

## **PURPOSE**

The Program is designed to support fundamental research, enhance the flow of information between the University and the members, provide the industry members with access to students as potential future employees, keep members informed of promising technology developments, and provide other potential benefits as a result of ongoing contact between creative individuals. Because the nature of these Program offers the potential for diversion of academic objectives, it is important for the Program to be organized and maintained in ways that preserve both the independence and integrity of the University as well as enhance its mission.

## **PRINCIPLES**

- Support fundamental research in general areas that are of interest to multiple industry members;
- Provide opportunity for interaction between members, faculty, and students;
- Enrich students’ and postdocs’ educational and research experiences;
- Promote access to research results and technologies in a timely manner;
- Contribute to the University’s primary mission of teaching and research.

## **GUIDELINES**

1. Access to membership in a Program shall be available equally to all companies prepared to meet the obligations of membership as set forth by each Program.
2. The University and the industry partner shall execute a Membership Agreement that addresses, among other things, the purpose and objectives of the Program, benefits and obligations of the members, and membership categories and costs (fees). The obligations and benefits shall be reasonable and consistent with the goals of each Program and this document.

3. Program can offer facilitated access to University research programs, facilities and equipment, and to relevant faculty and students.
4. While members may offer suggestions for research activities, the involved faculty must be free to select research topics, adopt research methodologies, select participants, and direct research funded by the Program.
5. The expenses charged against membership fees, including research expenses, shall be subject to a facilities and administrative rate of 15% TDC (total direct costs), except if a different rate is established by a federal agency that provides funds to the Program.
6. Research results shall be published on a timely basis to preserve openness in research and dissemination of research results.
7. Members may gain early access to technologies and results of research activities funded by membership fees through their interactions with faculty and students and their participation in the research and program activities.
8. University intellectual property generated under research sponsored by membership fees may be offered to members under terms consistent with University policy. Access to University background intellectual property may be available for research and commercialization activities under the Program on a case-by-case basis and subject to any pre-existing rights to such technology.
9. Programs should not be used to perform sponsored research that provides unique or preferential benefits to individual members. Separate sponsored research agreements, subject to the federally negotiated facilities and administration rate for sponsored research, shall be used to perform research with specific costs, schedules, and/or deliverables that benefit individual member(s) rather than all members.

#### **APPROVAL PROCESS:**

Except as noted below, the establishment of a Program requires the approval of the Vice Chancellor for Research and Innovation.

Requests to establish a Program should be directed in writing to the Office of the Vice Chancellor for Research and Innovation (OVCRI), signed by the Principal Investigator, with the concurrence of the Department Chair/Director and/or Dean. The request should include, at a minimum, the following:

1. Name of the Program and of the individual who will direct the Program.
2. Brief description of the proposed Program.
3. Specific benefits to be offered to members.
4. Anticipated number of faculty and graduate students who will participate in the Program.
5. Anticipated number of members by category.
6. Identification of any collaborating Universities.
7. Draft of the proposed Membership Agreement.

## 8. General information about how the funds will be managed and spent.

The OVCRI will retain a list of all approved Programs. Once approved, the OVCRI has an expectation that the Program shall have a minimum of 3 industry members within the first 2 years of the Program, with paid membership fees, and it reserves the right to re-evaluate the status of the Program in case this goal is not met.

Exception to this process: For Programs that are part of a federally funded award, the submission of the Proposal to the agency represents the University approval, and no other approvals are required.

### **EXECUTION OF AGREEMENTS AND ADMINISTRATION OF THE FUNDS:**

#### 1. Membership Agreements

The Membership Agreements and any other related agreements between the University and the members (e.g. NDA's) shall be processed and executed by Sponsored Programs Administration (SPA).

If the Program is part of a federally funded project or center/institute, consult with SPA on how the membership fees should be invoiced and administered. Membership fees tied to a federal award may need to be reported to the federal agency as [program income](#), in which case they might need to be invoiced and administered by SPA.

If the Program is part of a non-federally funded project or center/institute, the invoicing and administration of membership fees is managed by the Department, except in instances where sponsor requirements dictate otherwise.

When membership fees are administered outside of SPA, consult with University Accounting and Financial Reporting (UAFR) on the appropriate administration of these Funds.

#### 2. Research Agreements funded by membership fees

If the research funded by the membership fees is conducted by the University, SPA will not execute an agreement. In this case, the Department may execute an internal letter/agreement/MOU with the Principal Investigator responsible for the project that formalizes the details of the project and the transfer of the funds.

If the research funded by the membership fees is to be conducted by a collaborating institution, consult with the appropriate office(s) on campus (SPA, UAFR, Foundation) on the most appropriate contractual mechanism to send the funds out.