

GUIDE TO FACULTY CONSULTING ACTIVITIES and CONSULTING AGREEMENTS

The University of California encourages outside faculty activities that contribute to the individual's profession, to the community, and to UCLA's teaching and public service mission. Consulting activities, although extremely valuable, may give rise to conflict of commitment and conflict of interest concerns. They have also become subject to increased scrutiny by the University, the State of California, Congress and other federal agencies and the general public.

To assist faculty in the process of putting a consulting agreement in place, we have prepared a list of Frequently Asked Questions and accompanying exhibits which define the employment relationship between the Consultant and the University of California; it is important to realize that these are personal agreements between an outside organization and the consultant, to which the University is not a party. Given that, UCLA staff cannot provide faculty with personal legal advice, nor can they act on behalf of individual faculty to negotiate the terms of a consulting agreement. As a courtesy however, staff of both the Office of Intellectual Property & Industry Sponsored Research (OIP-ISR) and Medical Center Legal Affairs will be happy to answer questions about a consulting agreement and its consistency with University Policy. Please contact OIP-ISR at 310-794-0558 or Medical Center Legal Affairs at 310-794-3138.

1. Consulting Defined

Why is Consulting Considered an "Outside" Activity?

For the purposes of advancement and promotion, faculty are evaluated based on their research and other creative activities, teaching, professional competence, and University and University-related public service. They are permitted to engage in outside activities, both professional and non-professional, with the understanding that these outside activities – including consulting – may not interfere with their primary obligation to the University. As consulting, like other outside professional activities, is neither directed nor controlled by the University, it is considered a personal outside activity.

What Kinds of Activities Are Considered Consulting?

In general, consulting includes activities in which faculty members draw upon their professional academic expertise to provide advice or services to outside organizations or, in some instances, engage in professional practice. However, physicians and other faculty who are licensed in the healing arts and are employees of the Health Science Schools may not provide clinical care outside the University under personal consulting agreements.

2. Limitations on Consulting: Time, Income, Resources, Prior Approval and Conflict of Commitment

Are There Limits on the Amount of Time Faculty May Spend Consulting?

Under Academic Personnel Policy on Outside Activities and Conflict of Commitment, the University of California sets limits on the time faculty may spend on outside Professional Activities. It does not set limits on the amount of compensation that faculty can receive through those activities (including consulting).

Full-time faculty members may engage in outside activities, including consulting, an average of one (1) day per week, up to 39 days (for 9 month appointees) or 48 days (for 11 month appointees) each fiscal year.

Nine-month appointees have no restrictions on the amount of time spent in outside activities during the summer months unless they are being compensated by the University for summer employment/activities, such as summer teaching or being paid summer ninths for research or other activities. Similarly, there are no restrictions on the number of days of compensated professional activity during vacation periods for 11 month appointees.

These limits do not apply to activities that are integral to all disciplines such as membership on a professional journal's editorial board, reviewing journal or book manuscripts or research proposals, attending and presenting talks at professional conferences, or serving as an officer of a professional organization. See the Academic Personnel Manual, APM-025-10 online at: <http://www.ucop.edu/acadadv/acadpers/apm/apm-025-07-01.pdf>.

May Faculty Retain Consulting Income?

Except for faculty in the health sciences who are members of the University of California Health Science Compensation Plan, academic appointees *may* retain all outside income, including income from consulting earned during their allowable number of outside activity days.

Membership in a Health Sciences Compensation Plan governs the disposition of consulting income. Members of the University of California Health Science Compensation Plan must deposit into the Compensation Plan income from any and all patient care, certain professional services such as speaker's bureau participation, educational activities seminars, or advisory board memberships. Compensation Plan members may retain payments for occasional service (other than patient care), not to exceed 21 days of such service per fiscal year (from all sources), governmental agencies, non-profit health- or education-related organizations, including continuing medical education programs administered by the University or University Extension if such service has been approved by the Dean. This includes compensation for general lectures. If there is a consulting agreement in place, it will not qualify as occasional service.

For more information regarding UCLA's implementation of the University of California Health Sciences Compensation Plans, see the Guidelines on "Outside Income and the Compensation Plan and Reporting Form" for the David Geffen School of Medicine, at <http://www.deans.medsch.ucla.edu/academic/acadper.html>, <http://www.deans.medsch.ucla.edu/academic/planproc.doc> or <http://www.deans.medsch.ucla.edu/academic/outside%20income.html>.

September 1, 2009

For information about the School of Dentistry's implementation of the University of California Health Science Compensation Plan see: <http://www.dentistry.ucla.edu/AP/forms/>.

Use of University Resources in Consulting

Use of University resources or facilities on a significant scale for personal or commercial purposes is considered unacceptable under the Faculty Code of Conduct. Thus, faculty may not use University facilities or resources other than incidental use of their own offices and the University libraries in the provision of consulting services. While the University email may be used when consulting, please refer to the sections regarding Confidential Information and Export Control for special cautions when using email during consulting.

Do Faculty Need Prior Approval to Consult and are They Required to Report Their Consulting Activity?

Faculty need prior approval from the Vice Chancellor Academic Personnel before they may accept compensated non-University executive or managerial positions, or salaried positions in a for-profit or not-for-profit business. Prior approval is not required for service on Boards of Directors or Advisory Boards and providing expert testimony in administrative, legislative or judicial proceedings.

Faculty with at least 50% time appointments are required to submit annual reports on outside professional activities (including consulting) to department chairs or equivalent unit heads in accordance with APM-025 (<http://www.ucop.edu/acadadv/acadpers/apm/apm-025-07-01.pdf>).

3. Conflicts of Interest and Consulting

Is Consulting Compensation a Financial Interest that Could Create a Conflict of Interest?

Some financial interests, including honoraria or income received from consulting, may create conflicts of interest that must be eliminated, reduced or managed before externally sponsored research can be accepted by the campus or purchases from the company can be made by the campus. Under State law, personal financial interests in research sponsors must be disclosed to UCLA with proposals for external research support. Under federal regulations, investigators must disclose personal financial interests, such as income, equity, non UC royalties, consulting income, or stock, as it may suggest a lack of objectivity regarding the outcome of the planned research.

A financial interest does not automatically constitute a conflict of interest and does not necessarily prevent an investigator from engaging in the proposed research. However, any such financial interest must be reviewed, and in some instances, plans put into place to eliminate, reduce or manage identified conflicts of interest.

September 1, 2009

Under the State Political Reform Act, an employee is prohibited from making or participating in the making of a University decision to purchase, rent or lease space, or provide services to a company if the employee has a financial interest in that company, including consulting. While the University may decide to contract with the company for services or goods, the consultant should disclose his or her financial interest if advising a relationship with the company to which the faculty consults.

Information on BUS-43 on Employee-Vendor Relationships can be found at <http://www.ucop.edu/ucophome/policies/bfb/bus43p7.pdf>.

The current Purchasing Conflict of Interest Form can be found at <http://www.purchasing.ucla.edu/home/forms/PurchasingConflictOfInterestForm.pdf>.

Under the UC Vendor Relations policy, the compensation provided to faculty for services, such as consulting, must be reasonable compensation for genuine services.

For more information about the UCLA Conflict of Interest policies and review process, see <http://www.research.ucla.edu/researchpol/memos/COI%20FAQs%20January%202009.pdf>.

Are There Special Rules that Apply to Consulting for Pharmaceutical Companies or Medical Device Manufacturers?

Because of heightened concern regarding conflicts of interest for health care providers, the University “Policy on Health Care Vendor Relations” and the UCLA “Guidelines on Industry Activities” contain special guidance for consulting arrangements with industry, such as pharmaceutical companies or device manufacturers. These Policies and the accompanying FAQs can be found at: <http://dgsom.healthsciences.ucla.edu/administration/guidelinesMain>.

The UCLA Health System Office of Legal Affairs is available to answer questions regarding such consulting. These policies and more can be found at: <http://www.campuscounsel.ucla.edu/medattorneys.html>.

May Faculty Involve Their Students in Consulting Work?

As teachers, faculty are obligated to seek to advance the present and future success of their students. Involving students in outside professional activities in which the faculty member has a financial interest, though beneficial to students, can also create an educational conflict of interest. Those who wish to involve students in their outside professional activities including consulting must seek prior approval from their Department Chair or ORU Director after discussion with the student(s). See APM 025, §. 50 at <http://www.ucop.edu/acadadv/acadpers/apm/apm-025-07-01.pdf>.

4. Intellectual Property (IP) and Confidential and Export Control Information

September 1, 2009

What if the Consulting Agreement States that All Discoveries, Findings, or Inventions Will Belong to the Company?

Although faculty members may engage in outside consulting, their obligations to the University remain their primary commitment. Faculty must advise companies that employees of the University of California have pre-existing obligations to disclose and assign patent rights to the University of California, consistent with the Patent Acknowledgement that everyone signs when beginning their employment with the University. Failure to disclose to the University may invalidate a patent. More information about employees' obligations to disclose patentable inventions can be found at: http://www.ucop.edu/ott/genresources/pat-pol_97.html#B.

The Patent Acknowledgement Form can be found online at: http://atyourservice.ucop.edu/forms_pubs/forms_worksheets/upay585.pdf.

Patent Language in Agreements

Language that can be used to describe the relevant provisions of the UC Patent Policy is provided in the attached Exhibit A. A copy of Exhibit A may be submitted to the company with the Consulting Agreement along with the standard UC Patent Acknowledgement, Exhibit B. If the language from Exhibit A is not included in the consulting agreement, and the consulting agreement contains intellectual property and other provisions that are inconsistent with University policy, then the faculty member will be in violation of University policy.

Current Inventions

The University recognizes that companies typically want rights to inventions made by consultants. An explanation of the IP obligations and process for granting to the company the rights to inventions made by faculty while consulting is provided in Exhibit C. The ability to grant these rights is based on three factors: (1) the Consultant's assurance that there is no overlap of the consulting scope of work with his or her University teaching and research, (2) that there is no use of University facilities or resources, such as University employees or students, gift, grant or contract support; and, (3) a determination by the faculty member's Department Chair or ORU Director that there is no substantive overlap between the faculty member's University scope of employment and the statement of work to be performed under the consulting agreement. A letter communicating this information may be written to the Vice Provost, Intellectual Property and Industry Relations requesting a release of the IP rights for inventions made under the consulting agreement. The proposed statement of work for the consultation should be attached.

Faculty Inventors

Companies may also desire rights to future inventions made at UCLA that the company believes are related to the consulting activities. Neither faculty nor the University may agree to grant such rights. Granting rights to future inventions may prevent UCLA from fulfilling promised IP rights to research sponsors and from meeting its obligations to the federal government under the Bayh-

September 1, 2009

Dole Act. The opportunity to obtain future research funding should not be compromised by a consulting agreement that reaches beyond the proposed scope of work for the specified consulting. Companies may choose to sponsor research in a faculty lab, and if the total cost of research is provided, will be offered the first right to license the technology. For additional information, see “Principles Regarding Rights to Future Research Results in University Agreements with External Parties” at <http://www.ucop.edu/ott/genresources/principles.html>.

May Consultants Assign Their Copyright to Reports and Other Authored Materials Made During Consulting?

The copyright for scholarly publications and creative work made by faculty and designated academic employees, is owned by the employee, not The Regents. Therefore, the faculty member may assign his or her copyright for authored materials, such as reports to the company, provided the copyrighted material was developed by the individual, during the specified consulting, and was not a deliverable for a University grant or contract.

How do Consultants Handle Confidential Information Received From the Company While They are Consulting?

It is not uncommon for a company to disclose proprietary information to a consultant and want assurances that this information will be kept confidential. Often the company also will want assurances that the consultant will not use the confidential information for any purpose other than the consulting activities. If the faculty member discloses the confidential information, either intentionally or unintentionally, in breach of a confidentiality provision in the consulting agreement, the faculty member may be personally sued and subject to damages. The University will not provide legal services for personal consulting.

Therefore, **it is essential** to (1) limit the amount and type of confidential information received when consulting; (2) to agree in advance to receive it only in written form; and (3) to have the company agree to clearly identify proprietary information by marking it as “confidential”. If confidential data is disclosed in oral form it should be identified as confidential at the time of disclosure and confirmed in writing within fifteen (15) calendar days. It is recommended that the consulting agreement include a statement that releases the consultant from liability for disclosures that are unintentional.

The faculty member must not use University email or fax to receive any confidential information from the company because the University is not bound by the confidentiality agreement. Thus, the faculty member may not be able to assure that the company’s information will be kept strictly confidential because the University will not expend resources to protect the company’s confidential information when it is unrelated to a University activity. Additionally, because the University is subject to the California Public Records Act, the records may have to be released. The University can make no assurance that proprietary information would be identified and protected.

May Faculty Accept Export Controlled Information While Consulting?

Export controlled information is information about equipment, software and technologies that have military or defense applications (ITAR) or that have dual commercial and military use (EAR). Penalties for release of export controlled information, even to foreign nationals who are in the United States, are severe. As a result, it is the policy of the University of California to stay within the “fundamental research exclusion.” This requires the University to maintain an open academic community in which foreign students, postdoctoral researchers and faculty are welcomed without differential treatment. It also requires that faculty publish broadly. Therefore, in general, UCLA does not permit its faculty to accept export controlled information for use in University-managed research.

Faculty may elect to consult for companies which conduct research using export controlled information or which create information and technical materials including blueprints, specifications, and software, that are export controlled. In so doing, however, faculty may not bring such information to the UCLA campus either physically or through University email or laptops. There are severe personal criminal and civil penalties for disclosure of this information to foreign nationals.

5. Personal Liability While Consulting

What Types of Liability Are Faculty Subject to When Consulting?

Consultants are normally asked to provide advice to the company. This advice may or may not be accepted. Additionally, the consultant generally has no control over how the results are used.

Limited Liability

Consulting agreements should limit the consultant’s liability to at most his/her own negligent acts and to those consequences foreseeable at the time, and not for any activity of the company or for any product that is based on the consulting activity. Faculty should be careful that the language in the consulting agreement does not impose additional personal liability on the consultant, such as through the indemnification provisions.

Insuring Liability

UC insurance generally does not cover faculty members’ outside consulting activities. Therefore, faculty should consider obtaining personal insurance for the risk of liability potentially incurred from consulting activities, or asking the company to provide insurance for their consulting activity. For additional information, please contact the Insurance and Risk Management office (IRM) regarding the scope of the UC insurance policies (http://map.ais.ucla.edu/portal/site/UCLA/menuitem.3f8e7342ad4ca217b66d4ab4f848344a/?vgn_extoid=8b81626f9ebee010VgnVCM200000dd6643a4RCRD) or the Health System Risk Management office (<http://www.risk.mednet.ucla.edu/staff.htm>).

September 1, 2009

In some few cases, providing legal consultation, expert witness review and/or testimony may be covered under the UC professional liability insurance program, provided that the following criteria are met (as set forth in BUS-9 of the UC Business and Finance Bulletin): 1) the consulting is pursuant to a written campus policy approved by the appropriate Dean; and 2) the income is paid into the Compensation Plan.

BUS-9 can be found at: <http://www.ucop.edu/ucophome/policies/bfb/bus9.pdf>.

6. Specific Language That Should be Included in a Consulting Agreement

It is essential to have a written agreement in place which clearly defines the technical scope of work for the proposed consulting activity. The scope of work should not overlap with the faculty's research conducted at the University. The consulting agreement should indicate that the outside entity acknowledges that the consultant is a UCLA employee, that the consulting is a private activity between the faculty member and the company, that the University is not bound by the consulting agreement, and that the faculty member has pre-existing obligations to disclose all inventions to UCLA.

Sample language is included in the following Exhibit A which may be completed and attached to the consulting agreement.

EXHIBIT A
ADDENDUM TO CONSULTING AGREEMENT

This **Addendum** to the Agreement between _____ (“Company”) and _____ (“Consultant”) sets forth additional terms which are required in connection with Consultant’s employment with the University of California.

Consultant acknowledges that he/she will be employed as a Consultant for the following Technical Statement of Work.

1. Company acknowledges that Consultant is an employee of the University of California, with pre-existing obligations to the University of California. Nothing in this Agreement shall apply to the University of California, or impose any obligations or restrictions on the University of California.
2. Company acknowledges that this Agreement is not binding on the University of California and shall not apply to any Agreement between Company and the University of California, or impose any obligations on Consultant that affect his or her employment obligations to the University of California.
3. Company agrees that it shall not use the names, logo or marks of UCLA, the University of California, its individual schools, such as the David Geffen School of Medicine, or similar references to the University of California, its facilities or employees without prior written approval of an authorized representative of the Regents of the University of California, in accordance with California Education Code Section 92000. Company shall not represent or imply that UCLA, the University of California or The Regents sponsors, endorses or has tested Company’s product or services.
4. Company acknowledges that Consultant, as an employee of the University of California, has pre-existing obligations to disclose and assign Patent rights to the University of California, consistent with the Patent Acknowledgement provided as **Exhibit B** and made a part of this Agreement. The Regents of the UC may elect to assert ownership rights if the invention was: i) developed using gift, grant or contract research funds administered through the University; ii) developed using University research facilities (i.e., laboratory equipment, reagents, materials) or iii) created within the course and scope of University employment. (A desk/computer or the library are usually considered *de minimus* or insignificant for purposes of triggering ownership.)
5. In the event of a conflict between any of the provisions in this **Exhibit A** and the underlying Consulting Agreement, the terms of this **Exhibit A** shall supersede those in the underlying Consulting Agreement.

EXHIBIT B ADDENDUM AGREEMENT

 <p>UNIVERSITY OF CALIFORNIA STATE OATH OF ALLEGIANCE, PATENT POLICY, AND PATENT ACKNOWLEDGMENT UPAY585 (R11/97) E0420 71443-180</p>	EMPLOYEE'S NAME (Last, First, Middle Initial)		DATE PREPARED			
	EMPLOYEE ID		DEPARTMENT		MO	DY
<p>STATE OATH OF ALLEGIANCE I do solemnly swear (or affirm) that I will support and defend the Constitution of the United States and the Constitution of the State of California against all enemies, foreign and domestic; that I will bear true faith and allegiance to the Constitution of the United States and the Constitution of the State of California; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties upon which I am about to enter.</p> <p>Taken and subscribed before me on: _____ MO DY YR</p> <p>Signature of Authorized Official: _____ Title: _____ County: _____ State: _____</p> <p>Signature of Officer or Employee: _____ (DO NOT Sign Until in The Presence of Proper Witness.)</p> <p>NOTE: No fee may be charged for administering this oath.</p>						
<p>Oath must be administered by either (1) a person having general authority by law to administer oaths - for example Notaries Public, Civil Executive Officers (Section 1001 of Government Code), Judicial Officers, Justices of the Peace, and county officials named in Sections 24000, 24057 of Government Code; such as, district attorneys, sheriffs, county clerks, members of boards of supervisors, etc., or (2) by any University Officer or employee who has been authorized in writing by The Regents to administer such oaths</p>						
<p>WHO MUST SIGN THE OATH: All persons (other than aliens) employed by the University, in common with all other California public employees, whether with or without compensation, must sign the oath. (Calif. Constitution, Article XX, Section 3, Calif. Government Codes, Sections 3100-3102.)</p> <p>All persons re-employed by the University after a termination of service must sign a new Oath if the date of re-employment is more than one year after the date on which the previous Oath was signed (Calif. Government Code, Section 3102).</p> <p>WHEN OATH MUST BE SIGNED: The Oath must be signed BEFORE the individual enters upon the duties of employment (Calif. Constitution, Article XX, Section 3, Calif. Government Code Section 3102.)</p>						
<p>PATENT ACKNOWLEDGMENT</p> <p>This acknowledgment is made by me to The Regents of the University of California, a corporation, hereinafter called "University," in part consideration of my employment, and of wages and/or salary to be paid to me during any period of my employment, by University, and/or my utilization of University research facilities and/or my receipt of gift, grant, or contract research funds through the University.</p> <p>By execution of this acknowledgment, I understand that I am not waiving any rights to a percentage of royalty payments received by University, as set forth in the University of California Patent Policy, hereinafter called "Policy."</p> <p>I also understand and acknowledge that the University has the right to change the Policy from time to time, including the percentage of net royalties paid to inventors, and that the policy in effect at the time an invention is disclosed shall govern the University's disposition of royalties, if any, from that invention. Further, I acknowledge that the percentage of net royalties paid to inventors is derived only from consideration in the form of money or equity received under: 1) a license or bailment agreement for licensed rights, or 2) an option or letter agreement leading to a license or bailment agreement. I also acknowledge that the percent-age of net royalties paid to inventors is not derived from research funds or from any other consideration of any kind received by the University. The Policy on Accepting Equity When Licensing University Technology governs the treatment of equity received in consideration for a license.</p> <p>I acknowledge my obligation to assign inventions and patents that I conceive or develop while employed by University or during the course of my utilization of any University research facilities or any connection with my use of gift, grant, or contract research funds received through the University. I further acknowledge my obligation to promptly report and fully disclose the conception and/or reduction to practice of potentially patentable inventions to the Office of Technology Transfer or authorized</p> <p>Licensing office. Such Inventions shall be examined by University to determine rights and equities therein in accordance with the Policy. I shall promptly furnish University with complete information with respect to each.</p> <p>In the event any such invention shall be deemed by University to be patentable or protectable by an analogous property right, and University desires, pursuant to determination by University as to its rights and equities therein, to seek patent or analogous protection thereon, I shall execute any documents and do all things necessary, at University's expense, to assign to University all rights, title, and interest therein and to assist University in securing patent or analogous protection thereon. The scope of this provision is limited by California Labor Code section 2870, to which notice is given below. In the event I protest the University's determination regarding any rights or interest in an invention, I acknowledge my obligation: (a) to proceed with any University requested assignment or assistance; (b) to give University notice of that protest no later than the execution date of any of the above-described documents or assignment; and (c) to reimburse University for all expenses and costs it encounters in its patent application attempts, if any such protest is subsequently sustained or agreed to.</p> <p>I acknowledge that I am bound to do all things necessary to enable University to perform its obligations to grantors of funds for research or contracting agencies as said obligations have been undertaken by University.</p> <p>University may relinquish to me all or a part of its right to any such invention, if, in its judgment, the criteria set forth in the Policy have been met.</p> <p>I acknowledge that I am bound during any periods of employment by University or for any period during which I conceive or develop any invention during the course of my utilization of any University research facilities, or any gift, grant, or contract research funds received through the University.</p> <p>In signing this agreement I understand that the law, of which notification is given below, applies to me, and that I am still required to disclose all my inventions to the University.</p>						
<p>NOTICE: This acknowledgment does not apply to an invention which qualifies under the provision of Labor Code section 2870 of the State of California which provides that (a) Any provision in an employment agreement which provides that an employee shall assign, or offer to assign, any of his or her rights in an invention to his or her employer shall not apply to an invention that the employee developed entirely on his or her own time without using the employer's equipment, supplies, facilities, or trade secret information except for those inventions that either: (1) Relate at the time of conception or reduction to practice of the invention to the employer's business, or actual or demonstrably anticipated research or development of the employer; or (2) Result from any work performed by the employee for the employer; (b) To the extent a provision in an employment agreement purports to require an employee to assign an invention otherwise excluded from being required to be assigned under subdivision (a), the provision is against the public policy of this state and is unenforceable. In any suit or action arising under this law, the burden of proof shall be on the individual claiming the benefits of its provisions.</p>						

RETENTION: Accounting: 5 years after separation, except in cases of disability, retirement or disciplinary action, in which cases retain until age 70.
Other Copies: 0-5 years after separation.

Employee/Guest Name (Please print): _____ Date: _____
Employee/Guest Signature: _____ Date: _____
Witness Signature: _____ Date: _____

PLEASE SIGN STATE OATH AND PATENT ACKNOWLEDGMENT -- ATTACH TO PAF, UPAY560.

EXHIBIT C

Understanding Faculty Intellectual Property Obligations While Consulting

Under University of California PATENT POLICY -1997, an employee has the obligation to assign inventions and patents to the University, except those resulting from permissible consulting activities without use of University facilities, resources, and gift, grant or contract funds (http://www.ucop.edu/ott/genresources/pat-pol_97.html#B).

There are two discrete elements associated with IP and consulting activities, disclosure of invention and assertion of ownership to IP. Under the UC Patent Policy, faculty are obligated to disclose to the UCLA Office of Intellectual Property and Industry Sponsored Research (OIP-ISR) all inventions including those made in the course of outside professional activity. However, provided there is no overlap with the faculty member's scope of research at the University, the University will typically assert ownership only to those inventions that meet the following criteria:

- a) the invention is conceived or developed with the use of gift, grant, or contract funds administered by the University, or with the use of University facilities or other resources, not including *de minimus* use of University facilities, such as an office desktop computer (but use of computer facilities, core facilities or a research laboratory is considered to be more than *de minimus* use), or;
- b) the conception or development of the invention incurs obligations to a third party (such as, for example, a gift, grant, contract, material transfer agreement or a collaboration agreement) or;
- c) the conception or development of the invention is within the inventor's scope of University employment that is their University activities, including teaching, research and professional activities.

As the Policy states, if there are no overriding obligations to outside sponsors of research, the University may release patent rights to the inventor if the situation clearly indicates such release should be given, provided in either case that no further research or effort to develop that invention will be conducted involving University support or facilities, and provided further that a shop right is granted to the University.

OBTAINING RELEASE OF AN INVENTION

Companies employing faculty consultants may wish to have rights to inventions made during the consulting activity. To assure that faculty can grant such rights to the company, the faculty member is encouraged to discuss proactively the Technical Statement of Work with the Department Chair/ORU Director, or Dean to assure that there is no overlap with the University's expected scope of employment as an employee. If there are questions about possible overlap, the Chair can work with the faculty member to assess the degree of overlap with the areas of research, teaching and publications. If the Chair determines there is no substantive overlap between the faculty member's University scope of employment and the statement of work to be performed under the consulting agreement, a letter communicating that fact must be written to the Vice Provost for Intellectual Property and Industry Relations. The proposed statement of

September 1, 2009

work for the consultation should be attached.

If and when an invention is developed under the consulting agreement, the faculty inventor must file a preliminary Invention Report with OIP-ISR (this can be non-enabling IR, or OIP-ISR may complete a confidentiality agreement with the company), attach the Department Chair's letter, state affirmatively that no University resources were used or third party sponsor obligations incurred and request release of the invention back to the faculty inventor. In the event that the inventor's scope of University employment has changed since the letter was issued, the faculty member should describe the change. If upon review OIP-ISR agrees, a non-assertion letter will be sent to the faculty inventor who will then be free to meet any personal obligations to the company related to the rights to such invention.