

Iowa State University Policies Effecting Sponsored Projects
A Brief Summary

INTELLECTUAL PROPERTY – State Board of Regents Policy

ISU dedicates its activities and services to the promotion and support of the public welfare. Typically results of research and development produced by faculty and staff of ISU is made public through publication and other forms of disclosure, but occasionally they are provided to the public through patents and licenses.

The University claims rights in inventions developed through employees' university activities because of the contribution of facilities, equipment, and salary made to most of the research programs conducted in its laboratories.

Inventors and their departments share in royalties from licenses. ISU can agree to provide sponsors a non-exclusive license for internal research purposes, but not to commercialize.

EXPORT CONTROLS

ISU policy requires that all research conducted by the University or any of its organizations or staff supports all of the following objectives:

1. Advancement and creation of knowledge through research and scholarship.
2. Education of students.
3. Preservation and dissemination of knowledge.

In support of these objectives, ISU policy supports the premise that the purpose and results of research conducted at ISU must be openly disseminated.

Export controls prevents the dissemination of results in publications and other media. It also prohibits a foreign national (either faculty or student) from participating in the research without first obtaining a license from the appropriate government agency.

Fundamental Research exclusion – includes basic or applied research in science or engineering at an accredited institution of higher learning in the US where the resulting information is ordinarily published and shared broadly in the scientific community. For ISU this would mean that there are no restrictions on the publication of the research outcomes.

PUBLICATIONS

The university discourages classified research. Any grant or contract that would restrict disclosure of research results must be approved by the vice provost for research before it is accepted. Faculty or staff members acting as principal investigators are responsible for calling to the attention of the administration any restrictions that would limit the use and distribution of information resulting from research for which they are responsible. (Faculty Handbook)

University policy strongly discourages classified research. It is recognized, however, that on rare occasions classified research may be justified and consistent with the mission of the University. The Vice Provost for Research, who insures that the University's policy on classified research and research requiring restricted disclosure of results is enforced, must approve proposed classified research before the contract or grant is accepted. It is the responsibility of the PI(s) of any

research project to call to the attention of the administration any restrictions that limit the use and distribution of information resulting from the research.

Theses and dissertations generally should not incorporate research that cannot be made public at the time the final examination is held. Any exceptions to this regulation must have prior approval of the dean of the Graduate College. (ISU Policy Manuel)

INSURANCE AND INDEMNIFICATION

As an agency of the State of Iowa, Iowa State University is self-insured for liability. Claims against the State of Iowa are handled according to provisions in the Iowa Tort Claims Act (Iowa Code, Chapter 669), which also sets forth the procedures by which tort claims may be filed.

Under Chapter 669, claims may be filed against the State on account of wrongful death, personal injury or property damage (including reasonable attorney fees) incurred by reason of the negligence of the University or its employees while acting within the scope of employment. The State will defend, indemnify, and hold the University or its employees harmless against any and all tort claims under the U.S. Constitution, statutes or rules of the United States and/or any other state, but will not cover willful or wanton acts, omissions, or malfeasance in office.

The above provisions apply to all employees of Iowa State University including faculty, staff, and graduate assistants on appointment, or any other individual full or part time, including students, volunteers, and agents acting in a temporary or permanent capacity on behalf of the institution. (ISU Policy Manuel)

This item is typically difficult when dealing with foreign entities or other state governments. If the State of Iowa does not cover a particular project ISU is left to defend themselves. The University Counsel does not have the resources or expertise with other governing laws to defend ISU in a court outside the state so the PI and department are left to either pay for their own defense or to settle without legal representation.

INDIRECT COSTS

Indirect costs (IDCs) are actual costs to the University incurred when research, education, or outreach projects are performed at ISU. The IDC rate is negotiated in regular intervals with the U.S. Department of Health and Human Services (HHS) and includes facilities and administrative components across the University. Effective June 10, 2004 through June 30, 2007 the HHS-negotiated IDC rate is 47% (21% for facilities and 26% for administration) of (modified) direct cost. The rate for off-campus projects is 26%. Rules for determining cases in which the off-campus rate applies can be found at <http://ospa.iastate.edu/idc.htm>.

Private companies, industrial groups, organizations, etc. are expected to pay the full IDC rate of 47% (26% for off-campus projects). Colleges and centers/institutes are strongly encouraged to negotiate the full IDC rate with companies, industrial groups and organizations. If necessary, they can ask the VPR office for help in these negotiations. Unilateral declarations of companies about their IDC rates can, in general, not be accepted. Rate negotiations need to be initiated early enough so that a result can be reasonably achieved before new proposals are submitted to the sponsor. For these sources of funding, fully allowable indirect costs will be considered to be 47% for on-campus projects and 26% for off-campus projects. (Indirect cost policy on VPR website)

CONFLICT OF INTEREST

A conflict of interest may take various forms but arises when a faculty or staff member is or may be in a position to influence the university's business, research, or other decisions in ways that could lead to any form of personal gain for the faculty or staff member or others closely associated with that university employee.

The following categories do not constitute an exclusive listing of potential conflicts, but they do represent the most prevalent types of relationships.

1. **Consulting Activity.** It is common for faculty and staff members to serve as consultants for non-university entities. Depending upon the entity and the nature of the activity, consulting may not cause any conflict of interest for a university employee. Payment or a retainer for a consultant's time and expertise is appropriate in many instances.
2. **Equity Interest.** University employees are free to own stock in private companies, and relatively modest holdings are not a matter of university concern. An employee or his/her immediate family members who holds equity in or stock options which represent more than \$10,000 or five percent of the total company equity is considered to have an equity interest in that company.
3. **Management Role.** A university employee may serve as a director, scientific director, board member, or line officer or hold another management position in a company.

Not a policy but something to watch out for: Is the sponsor in good financial condition. OSPA does not have the resources to search Dunn and Bradstreet for financial ratings on sponsors. If the PI is aware of a sponsor who is not financially safe the PI needs to notify OSPA and we will ask for all funds upfront.

Where to find the policies:

- Intellectual Property – ownership and rights granted*
http://www.techtransfer.iastate.edu/documents/Patent_Policy_071404160812.htm
and 9.12 ISU Policy Manual
- Publications – obtain the right to publish without sponsor restriction* Faculty Handbook Section 8.3.4, Section 9.13 ISU Policy Manual and Export Control Policy
- Confidentiality – results of project cannot be considered confidential* Sections 9.11 and 9.13 ISU Policy Manual
- Governing Law – Iowa Attorney General provides ISU legal protection if Iowa law governs - Section 7 ISU Policy Manual
- Indemnification – insurance and liability – Section 7 ISU Policy Manual
- Export Control – affects our ability to publish and employ foreign graduate students on the project* <http://www.vpresearch.iastate.edu/policies.html>
- Background Rights – relates to pre-existing intellectual property* See Intellectual Property policy
- Data Rights – ownership of project results* See Intellectual Property policy and Section 9.13 ISU Policy Manual
- Payment Schedule – is this sponsor financially stable,
Do we have funds to cover expenses?

* Denotes University policy