



# CRR: Intellectual Property and Technology Transfer

## Compliance Risk Areas

Compliance Risk Areas	Related Governing Laws, Rules, Regulations, or University Policies
<ul style="list-style-type: none"><li>• Disclosing Intellectual Property</li></ul>	<ul style="list-style-type: none"><li>• Board of Regents Policy: Commercialization of Intellectual Property Rights</li><li>• Administrative Policy: Reporting Inventions or Software Arising from Research</li><li>• U.S. Patent Act 35 U.S.C. §§ 1-390</li></ul>
<ul style="list-style-type: none"><li>• Determining Intellectual Property Ownership</li></ul>	<ul style="list-style-type: none"><li>• Board of Regents Policy: Commercialization of Intellectual Property Rights</li><li>• Administrative Policy: Reporting Inventions or Software Arising from Research</li><li>• U.S. Patent Act 35 U.S.C. §§ 1-390</li></ul>
<ul style="list-style-type: none"><li>• Bayh-Dole Act Compliance</li></ul>	<ul style="list-style-type: none"><li>• Bayh-Dole Act, 35 U.S.C. § 200–212</li></ul>
<ul style="list-style-type: none"><li>• Protecting Patents in the International Context</li></ul>	<ul style="list-style-type: none"><li>• Administrative Policy: Reporting Inventions or Software Arising from Research</li></ul>
<ul style="list-style-type: none"><li>• Outgoing Material Transfer Agreements</li></ul>	<ul style="list-style-type: none"><li>• Administrative Policy: Reporting</li></ul>

**Call the Chief Compliance Officer at (612) 626-7852 with questions.**

	Inventions or Software Arising from Research
<ul style="list-style-type: none"> <li>Controlling Equity Interests and Voting Board Members</li> </ul>	<ul style="list-style-type: none"> <li>Board of Regents Policy: Commercialization of Intellectual Property Rights</li> </ul>
<ul style="list-style-type: none"> <li>Charity Donations of Intellectual Property</li> </ul>	<ul style="list-style-type: none"> <li>American Jobs Creation Act of 2004 26 U.S.C. § 170</li> </ul>
<ul style="list-style-type: none"> <li>Financial Compliance</li> </ul>	<ul style="list-style-type: none"> <li>Board of Regents Policy: Commercialization of Intellectual Property Rights</li> </ul>

## General Compliance Question(s)

- How is compliance in this area monitored and how frequently?
- What are the current compliance risks in this area (lack of monitoring, lack of resources, education, etc.)?
- Estimate the number of allegations of misconduct (violation of law, rule, regulation or University policy) that are received annually related to non-compliance, excluding those allegations filed through the UReport system.
- Explain any audit findings (federal, state, internal, etc.) from the past three years.
- What are the emerging compliance risks in this area?

## Cost of Compliance Measurement Questions

- How many employees (FTEs) are dedicated to compliance-related activities in this area?
- What is spent annually, on average, to perform the compliance-related activities conducted by this unit? Please include only those items that require the purchase of goods or services from an outside entity such as outside consulting services, equipment purchases, non-routine supplies, or fees.
- Please list all training required to maintain University compliance in this subject area. For each training requirement:

**Call the Chief Compliance Officer at (612) 626-7852 with questions.**



- a. Identify the primary source of the requirement as (1) federal law, (2) state law, (3) administrative regulations, or (4) University policy.
  - b. Identify categories of employees (e.g., faculty, P&A, etc.) required to take the training.
  - c. Estimate the number of employees in each category required to take the training.
  - d. Identify the frequency (e.g., quarterly, annually) and the length of the training (e.g., 1.5 hours).
4. Estimate the number of employees system-wide who are subject to the compliance requirements in this area.
  5. Excluding time required to meet training requirements addressed in Question 3 above, please estimate the time required annually for these employees to comply with other compliance requirements (e.g., record keeping, monitoring, testing, reporting).

## Disclosing Intellectual Property

1. Does the University require disclosure of any and all inventions? Or just certain inventions based on federal funding, resources, etc.?
2. How does the University let researchers know about their IP disclosure requirements under University policy and procedure?
  - a. Does the University provide specialized training to researchers to understand what intellectual property is and how patents work?
  - b. Does the University provide specialized training for researchers that create software?
3. How does the University ensure that researchers who distribute open source software take affirmative steps to ensure that the University's patent rights are not affected in any way?
4. How does the University ensure that open sources releases of software are public and in a manner that reasonably maximizes distribution of the software?

## Determining Intellectual Property Ownership

1. Describe the process for determining whether federal funds were used in developing

**Call the Chief Compliance Officer at (612) 626-7852 with questions.**



intellectual property.

2. Describe the process for assessing ownership of intellectual property.
  - a. What factors determine whether IP was developed in the course of the researchers' employment?
  - b. What factors determine whether IP was created using University resources?

## Bayh-Dole Compliance

1. What steps does the University take to ensure that researchers are aware of the Bayh-Dole Act requirements?
2. Does the University require any confirmation from researchers that they will comply with the Bayh-Dole Act requirements?
  - a. Is the confirmation part of the University's employment contract or a separate written agreement?
3. Describe the process for how the University discloses an invention to funding agencies within two months of the inventor disclosing the invention to the University.
4. Describe the process for deciding whether the University will retain ownership of the invention and how this is reported to the funding agency within two years.
5. Describe the process for ensuring that the University files for patent protection within one year of electing to retain title.
6. How does the University ensure that decisions to discontinue patent prosecution are communicated to the government within 60 days prior to the statutory deadline?
7. What steps does the University take to ensure that we promote the inventions' utilization, commercialization, and public availability?
  - a. Do license agreements typically contain provisions allowing for the license to be terminated if development or commercialization is not occurring?
8. How does the University keep the funding agencies informed of progress in patenting and commercializing inventions?
  - a. Do funding agencies have differing requirements on this periodic reporting? If so, how does the University keep track of the periodic reporting requirements?
9. Do all patent applications falling under Bayh-Dole include a statement specifying that

**Call the Chief Compliance Officer at (612) 626-7852 with questions.**

the invention was made with Government support and the Government retains certain rights in the invention?

10. How does the University ensure that the balances of royalties or income from inventions minus expenses are used for the support of scientific research or education?
11. How does the University ensure that we prefer small businesses and U.S. industry in licensing decisions?

## Protecting Patents in the International Context

1. Does the University provide any specialized training for researchers with connections with international entities?
2. What visibility does the University have on researchers that have disclosed intellectual property and also have connections with international entities?
3. Does the University ever apply for global patent protection? If so, what considerations go into those decisions?
4. Has the University discovered any instances where intellectual property was diverted to foreign entities?

## Material Transfer Agreements

1. Describe the University's process for reviewing outgoing material transfer agreements to ensure that our intellectual property rights are protected?
2. How does the University ensure that materials are not shipped to outside entities before receiving OTC approval?

## Controlling Equity Interests and Voting Board Members

1. Does the University currently own a controlling equity interest in any company?
2. Does the University currently have voting Board members in any company?

## American Jobs Creation Act

**Call the Chief Compliance Officer at (612) 626-7852 with questions.**



1. Has the University contributed any intellectual property to a 501(c)(3) nonprofit? If so, who is responsible for reporting this information to the Internal Revenue Service?

## Financial Compliance

1. How does the University apportion operational costs to determine net income?
2. Describe the process for ensuring the net income from the commercialization of technology is distributed appropriately according to the shares listed in the Board of Regents Policy.
3. If different, describe the process for continuing to apportion the net income from the commercialization of technology as the University receives additional payments.
4. How does the University ensure that licensees are accurately accounting for and paying the University in accordance with the licensing agreement?

**Call the Chief Compliance Officer at (612) 626-7852 with questions.**