Executive Board

Public Review for UCLA Policy 956: IP Revenue Sharing with Not-for-Profit Nongovernmental Organizations

Table of Contents

Exec VCR Response to EB re UCLA Policy 956 ................................................................. 1
Exec Divisional Response ................................................................................................... 3
---Dear Vice Chancellor Wakimoto, .................................................................................. 3
---Sincerely, ......................................................................................................................... 3
COR Final Response ........................................................................................................... 4
FWC Final Response ........................................................................................................... 5
CPB Final Response ........................................................................................................... 6
Exec Notice from VCR_30-Day Public Review for UCLA Policy 956 .............................. 7
June 24, 2021

Shane White  
Chair, UCLA Academic Senate

Re: UCLA Policy 956 – Your letter dates June 8 2021

Dear Dr. White,

We wish to thank the Academic Senate Executive Board endorsement of the proposed policy.

Your letter raises good points, below please find our explanations and answers.

1. The university contribution will be calculated on a case-by-case basis from information that will be collected from OCGA, TDG, department and school, e.g:

   (X): Federal Funding $300,000  
   Unreimbursed F&A $50,000  
   Gifts $150,000  
   Department support $100,000

   (Y): Royalty Sharing Award $200,000
   (Z) = 20%  
   Sponsor Share shall be = 20%($200000/$600000) = 0.066 (6.6% from net revenue).

2. It is unlikely that university owned IP will arise with little or no university support. In such rare and unlikely event section 6 of the draft policy shall prevail and the university share shall not be less than 50% of net revenue.

3. ORCA will endeavor to allow as many awards as possible to move forward. Some examples we have seen to date that are likely to be declined include:
   a. A sponsor asking for a significant revenue sharing from future and existing IP, without paying any F&A while providing a small research support.
   b. Multiple revenue sharing obligations on a single patent, leaving the university without a return or potentially with a negative return.

Since this is a new policy best practices and criteria will be developed overtime on a case-by-case basis. The landscape of revenue sharing is changing rapidly. Therefore, we cannot establish a rigid criterion for granting exceptions. Decisions will be made after consultation with impacted faculty, schools, and relevant administrative units.
4. Currently revenue sharing negotiations are performed by OCGA/TDG staff with little guidance and without the involvement of schools and my office. The new policy and process is a significant step towards transparency as compared to our current practice and will include continued dialog with faculty, schools, colleges and administrative units. Once certain template terms are finalized with a given foundation, these terms will become available to all faculty members. We encourage faculty to consult OCGA staff before submitting a proposal to a foundation that might be subject to this policy.

5. In every invention disclosure inventors are asked to state the sources of funding they used in making the invention. This information is recorded in TDG’s data base and is easily retrievable.

Unless I hear from you to the contrary until July 15, 2021 we will continue with the codification of this policy.

Sincerely,

Roger M. Wakimoto
Vice Chancellor for Research and Creative Activities
June 8, 2021

Roger Wakimoto
Vice Chancellor for Research & Creative Activities

Re: UCLA Policy 956: IP Revenue Sharing with Not-for-Profit Nongovernmental Organizations

Dear Vice Chancellor Wakimoto,

At its meeting on June 3, 2021, the Executive Board reviewed the proposed revisions to the UCLA Policy 956: IP Revenue Sharing with Not-for-Profit Nongovernmental Organizations, and the responses of standing Senate committees (attached).

Members voted unanimously to endorse intent of proposal, but also to express concerns about issues raised by the proposal. Members agreed to a conditional approval contingent upon satisfactory a review of your response to the questions and concerns summarized below.

1. How is the university’s contribution calculated per the formula in Section A5? Members observed that university’s contribution is complicated to calculate, and the specific dollar amount is difficult to identify. Members recommended adding illustrative examples in the policy statement.

2. Has the institution considered scenarios in which UCLA will have limited involvement or no contributions (e.g. including facilitating only space) and the implications on IP revenue sharing?

3. What is the process by which, and the criteria for, the Vice Chancellor for Research to grant exceptions?

4. How does your office plan to change the institution to be more transparent and accountable in implementation of this policy?

5. Members expressed concern over section III. Statement A.2, “the Sponsor should not share in revenue arising from prior foundational IP that the Sponsor did not support.” What efforts will the university undertake to properly document prior IP in such agreements to protect the university from invalid claims?

We respectfully request a written response to this letter and the enclosed materials by the end of August 2021. As always, we appreciate the opportunity to advise your office on the crucial issues facing the campus and look forward to working with you to address them.

Sincerely,

Shane White
Chair, UCLA Academic Senate

Encl.

Cc: Jody Kreiman, Vice Chair/Chair Elect, UCLA Academic Senate
    Michael Meranze, Immediate Past Chair, UCLA Academic Senate
    April de Stefano, Executive Director, UCLA Academic Senate
May 27, 2021

Shane White, Chair
Academic Senate

Re: Public Review for UCLA Policy 956: IP Revenue Sharing with Not-for-Profit Nongovernmental Organizations

Dear Chair White,

At its meeting on May 12, 2021, the Council on Research (COR) had an opportunity to review UCLA Policy 956: IP Revenue Sharing with Not-for-Profit Nongovernmental Organizations.

Members shared a few observations:

1. Has the institution considered scenarios in which UCLA will have limited involvement or no contributions (i.e. including facilitating only space and the implications on IP revenue sharing)?
2. The evident loophole is that the Vice Chancellor for Research can grant exceptions and the exception process is not clearly defined. Who makes decisions and under which conditions?
3. While members understand that the policy aims to introduce flexibility, it lacks transparency and accountability. How do we emphasize and motivate the institution to be more transparent?

Thank you for the opportunity to review and comment. If you have any questions for us, please do not hesitate to contact me at julianmartinez@mednet.ucla.edu or via the Council’s analyst, Elizabeth Feller, at efeller@senate.ucla.edu.

Sincerely,

Julian Martinez, Chair
Council on Research

cc: Jody Kreiman, Vice Chair/Chair-Elect, Academic Senate
    Michael Meranze, Immediate Past Chair, Academic Senate
    April de Stefano, Executive Director, Academic Senate
    Elizabeth Feller, Principal Policy Analyst, Council on Research
    Members of the Council on Research
May 27, 2021

Shane White, Chair
Academic Senate

Re: UCLA Policy 956 Review

Dear Chair White,

At its meeting on April 28 2021, the Faculty Welfare Committee discussed the UCLA Policy 956. Committee members offered the following comments.

Members were in favor of having a formalized policy on IP revenue sharing. While they felt that the policy is necessary, they would appreciate further clarification on how the university’s contribution, as indicated in the formula in Section A5, is calculated. Members observed that university’s contribution is complicated to calculate, and the specific dollar amount is difficult to identify. The members suggested adding examples in the policy statement.

Finally, members indicated that it would be helpful to include a statement indicating why this policy is needed.

If you have any questions, please contact us via the Faculty Welfare Committee’s interim analyst, Elizabeth Feller, at efeller@senate.ucla.edu.

Sincerely,

Huiying Li, Chair
Faculty Welfare Committee

cc: Jody Kreiman, Vice Chair/Chair Elect, Academic Senate
    Michael Meranze, Immediate Past Chair, Academic Senate
    April de Stefano, Executive Director, Academic Senate
    Elizabeth Feller, Interim Analyst, Faculty Welfare Committee
    Members of the Faculty Welfare Committee
May 7, 2021

Shane White, Chair
Academic Senate

Re: Public Review for UCLA Policy 956: IP Revenue Sharing with Not-for-Profit Nongovernmental Organizations

Dear Chair White,

At its meeting on May 3, 2021, the Council on Planning and Budget (CPB) had an opportunity to review UCLA Policy 956: IP Revenue Sharing with Not-for-Profit Nongovernmental Organizations. Members offered the following comments.

Members expressed concern over section III. Statement A.2, “the Sponsor should not share in revenue arising from prior foundational IP that the Sponsor did not support.” Members underscored the need to properly document prior IP in such agreements to protect the university from invalid claims.

If you have any questions for us, please do not hesitate to contact me at groeling@comm.ucla.edu or via the Council’s analyst, Elizabeth Feller, at efeller@senate.ucla.edu.

Sincerely,

Tim Groeling, Chair
Council on Planning and Budget

cc: Jody Kreiman, Vice Chair/Chair-Elect, Academic Senate
    Michael Meranze, Immediate Past Chair, Academic Senate
    April de Stefano, Executive Director, Academic Senate
    Elizabeth Feller, Principal Policy Analyst, Council on Planning and Budget
    Members of the Council on Planning and Budget
The Office of the Vice Chancellor for Research and Creative Activities in collaboration with various stakeholders have developed **UCLA Policy 956: IP Revenue Sharing with Not-for-Profit Nongovernmental Organizations**. In accordance with **UCLA Policy 100: Administrative Policies and Procedures**, this new policy has been placed on the **UCLA Administrative Policy website** for a 30-day public review and comment period. Please encourage faculty and staff in your departments to review this new policy and submit comments via the webpage by May 7, 2021.

UCLA Policy 956 addresses issues that should be considered before UCLA accepts revenue-sharing terms in a Research Support agreement and applies to UCLA researchers, Schools, Office of Contracts and Grants Administration (OCGA), and the Technology Development Group (TDG).

Should you have any questions about the policy process, please contact Anna Joyce at ajoyce@conet.ucla.edu. Thank you for taking the time to review and provide feedback.

Sincerely,

**Roger Wakimoto**
Vice Chancellor for Research and Creative Activities