

UNIVERSITY SENATE  
STATE UNIVERSITY OF NEW YORK AT ALBANY

GUIDELINES FOR FACULTY INVOLVEMENT IN PRIVATE VENTURES  
INVOLVING PROPRIETARY WORK CARRIED OUT ON CAMPUS

INTRODUCED BY: Council on Research  
May 9, 1983

---

IT IS HEREBY PROPOSED THAT THE FOLLOWING BE ADOPTED:

- I. That the attached guidelines for faculty involved in proprietary work carried out on campus be approved.
- II. That this resolution be referred to the President for his approval.

Attachment

Approved at 5/9/83 Senate Meeting.

## Guidelines for Faculty Involvement in Private Ventures Involving Proprietary Work Carried Out On Campus

### Rationale

A recent trend on university campuses nation-wide is the increasing involvement of faculty in research conducted for private firms which have a proprietary interest in the outcomes of the research, i.e., where the results of the research become the private property of the firm. The firms involved may be external companies contracting with faculty to do research or companies established, perhaps by faculty members themselves, to exploit University-based research commercially. These private venture research programs differ from the traditional types of academic research. Free inquiry and the free exchange of ideas are basic principles governing traditional forms of academic research. The results of this type of research, even if funded by private sponsors, are made publicly available. In contrast, commercial enterprises are governed by the profit motive. The marketable application of the outcomes of research may result in new knowledge being treated in a proprietary manner and, to protect it from competitors, kept secret. The principles underlying free inquiry and the free market may come in conflict when private venture research programs are conducted on a university campus. In addition to conducting research, the mission of academic institutions is to educate students. Students are particularly vulnerable to exploitation by their involvement in private venture programs.

Significant potential danger exists in the establishment of private venture programs on the campus, but to preclude such programs because of this possibility would be a mistake in view of the potential benefits which include: attraction, stimulation and retention of outstanding faculty; development of increased educational, research and career opportunities for students; augmentation of the facilities, expertise and reputation for research; and stimulation of local economy and climate for research and technology. Maximizing the benefit and minimizing the risk places a special and important responsibility on the individuals, administrators and review bodies involved, especially at the college, department and research center level.

In light of the impossibility of anticipating all contingencies and because of the rapid development of thinking about University-Industrial relationships, detailed rules for faculty and student involvement in private venture companies are not appropriate at this time. Each case should be carefully considered in the context of general guidelines designed to protect the broad mission and purpose of the University. These guidelines should maintain the traditional commitment of the University to free inquiry and communication, protect the interests of students, and recognize the fiduciary responsibilities of the University to the State of New York. At the same time, the guidelines should not impede the efforts of researchers freely and vigorously to explore fruitful relationships with private firms.

Recommended guidelines for the initial and subsequent reviews are indicated below. These guidelines are based on the belief that primary responsibility for supervision, guidance and accountability of research and student education must reside in the appropriate college, department or research center. The reviews at the University level are principally to ensure that appropriate standards and mechanisms for organization and oversight of private venture endeavors involving faculty, students and facilities are established and implemented by the college, department or center. These guidelines are intended only to apply to on-campus research activities, not to most faculty consulting arrangements or to student internships. Although similar concerns may arise in those relationships, they are best dealt with through other mechanisms.

### Guidelines

1. The primary functions of the University faculty on the University campus, and of the facilities on the campus, are training of students, free inquiry, and effective communication. These must be kept uppermost in any contractual arrangement. Interference with this function, direct or indirect, as concluded from careful review by appropriate faculty or administrative bodies will be grounds for non-approval or non-renewal of any contract.
2. Student participation shall be in the context of thesis research and preparation. Insurance that this requirement is met is a special responsibility of the particular department. The thesis program and progress of each student involved in such programs must be reviewed and approved through established departmental procedures involving at least one faculty member not associated with the venture program. It is recommended that a research committee of at least three members be appointed, one of whom should be the thesis supervisor and only one of whom should be associated with the venture program (this may be the thesis supervisor). For small departments such a structure may be impractical, in which case the review may be carried out by the department chairman or his or her designee.

The student shall be free to discuss his or her thesis work with other students and faculty, and to make reports to the department on the status and progress of the work. Publication of the student's thesis work will not be hindered by the sponsor. It is expected that the department would not approve thesis projects primarily proprietary in nature. This is not meant to imply that the student could not be peripherally involved or knowledgeable about proprietary work which he or she would not be allowed to discuss freely; it should not, however, comprise the thesis research project.

Student support from venture research programs will not be exceptional, i.e., will be within the established range for other student teaching and research stipends.

Exceptions to student thesis, free communication and fundamental research requirements may be made for short periods such as summer employment or introductory involvement. This should be approved by the department chairman or appropriate departmental committee.

3. Faculty involved in private venture programs shall not permit such involvement to interfere with instructional, dissertation direction or committee responsibilities. Any exception to this will be through a release-time support arrangement that has the prior approval of the department chairman and college dean.
4. Use of University facilities will be allowed only through proper arrangements consistent with the University's fiduciary responsibilities to the State of New York and the University Research Foundation.
5. Distribution of royalty and licensing fees will be consistent with existing University policies.
6. Contractual arrangements for private venture programs utilizing University facilities will be for a specified period not to exceed five years with renewal or extension subject to review by the department, college, Council on Research or University administration. As with the initial approval, such renewal or extension will be at the discretion of the University president subject to State University of New York and State Education Department regulations. In any case, it is felt that very long term on-campus arrangements are not appropriate but that successful ventures will move to off-campus facilities after an initial period. Movement off-campus, of course, will not remove responsibility for adequate and appropriate approval and oversight of student and faculty involvement.

#### Procedures

1. The approval of private venture research programs involving proprietary work is a joint decision by the department or research center, the college, and the University.
2. Initial review and approval will take place in the appropriate department or research center according to established procedures. Approved programs will then be submitted to the dean of the relevant college for confirmation. After approval by the college, the program will be submitted to the Vice President for Research and Educational Development, who will review it on behalf of the University. The Vice President will be advised by the Council on Research through its Committee on Industrial Linkages.
3. The departments, colleges, and the Vice President will develop appropriate procedures for annual review of private venture programs. The procedures will be designed to insure a fair and objective evaluation of the program under the above guidelines.
4. If disagreement occurs at any level in the review process, the Vice President for Research and Educational Development will initiate an appropriate procedure for resolving the dispute. If a program is disapproved at any level, the researcher may appeal that decision at a higher level.