Alfred University

Industry-Funded Project Pre-Award Process

* Skip to page 3 for the flowchart summary of this process.

STEP 1 – Pre-Project Discussion

During initial discussions, either the faculty member or the company will recognize the need for a non-disclosure agreement, and will contact the Office of Sponsored Projects (OSP) directly. OSP will liaise directly with the company to get an NDA in place if necessary. AU views the NDA as a tool to allow initial interactions to take place, such as discussions about AU’s capabilities and research interests for potential future collaborations. AU prefers to use its own NDA template, but may review and negotiate company-supplied templates.

STEP 2 – Scope of Work Reviewed, Project Type Determined

Once the faculty member and the company have agreed on a scope of work for a proposed project and are ready to put a contract in place, the faculty member will work with both the Director of the Center for Advanced Ceramics Technology (CACT) and the Director of the Office of Sponsored Projects (OSP) to classify what type of project is being proposed:

a. Projects that require minimal intellectual investment from university personnel, such as operating equipment for the purposes of returning test results or data to the company, will be classified as Specialized Service projects. No analysis on test results or data is performed by university personnel.

b. Projects that require any additional intellectual investment by university personnel beyond simple equipment operation will be classified as Research projects. Research projects can run along a continuum from providing basic analysis on test results or data up through more complex collaborative problem solving or development efforts.

STEP 3 – Terms and Conditions Reviewed/Countersigned Contracts Fully Executed

If a project is classified as Research:

1) OSP will work directly with the faculty member to develop a budget for the proposed project. Most research projects will utilize a cost-reimbursable budget format.

2) Once the budget is complete, OSP will liaise directly with the company to get a countersigned research agreement in place. The agreement will specify the start and end date of the project, with the start date being the date the agreement was fully executed. Work on the project will normally begin once the agreement is fully executed. Redistributions for payroll and other charges occurring before the start date of the project will only be permitted in cases where the sponsor specifically allows pre-award costs and those costs have been outlined in the sponsored research agreement.

a. If a company is willing to sign Alfred University’s standard sponsored research agreement template with no changes, partial execution by AU will normally occur in less than three
working days. If a company is requesting changes to the template or is requesting a different agreement mechanism be used entirely, the negotiation/execution process may take longer.

If a project is classified as **Specialized Service**: 

1) Faculty will work with the CACT to develop pricing/budgets for the proposed work. Individual services typically have per-hour or per-sample pricing available from the CACT. The job requested may involve multiple services bundled together into a single “project”, or the request might take the form of a “blanket” agreement for services over a longer period of time.

2) For services budgeted less than $5,000:

   a. The CACT will provide the company with a formalized Quote for Services. The quote will serve as the contractual agreement mechanism between the company and the University, and will contain minimal, standard University terms and conditions which will supersede any terms and conditions issued by the company via a purchase order (PO) or similar document. If the company requires a PO be issued on their end and affixed to any invoices sent, that is not a problem and can be accommodated; however, the university generally does not sign company-issued POs without institutional review.

   b. Costs for each service will be described in the quote, and the number of services may be estimated to a maximum ceiling if exact quantities are not known. Charges will reflect the actual quantity of services provided up to but not exceed the total estimate outlined in the quote.

   c. Upon receipt of the company-signed and dated quote, the faculty member or CACT will forward the signed quote to OSP.

   d. Work on the project may begin upon receipt of the signed and dated quote. Redistributions for payroll and other charges occurring before dated approval of quote will not be permitted on the project fund. (i.e. work should not be occurring outside the scope of a signed agreement)

   e. OSP will use the internal quote number, as well as any company POs (if required), with any outgoing invoices.

3) For services budgeted at $5,000 or more (normally multiple services bundled together into one larger project, or a “blanket” agreement for recurring services over a longer time period):

   a. The CACT will liaise directly with the company to get a countersigned specialized service agreement in place. The agreement will specify a start and end date for the services, with the start date being the date the agreement was fully executed.

   b. Work on the project may begin upon receipt of the signed and dated quote. Redistributions for payroll and other charges occurring before dated approval of quote will not be permitted on the project fund. (i.e. work should not be occurring outside the scope of a signed agreement)
c. OSP will use the internal contract number, as well as any company POs (if required), with any outgoing invoices.

- Research Service
  - Under $5,000
  - $5,000 or over

- RESEARCH – Projects that require intellectual investment by university personnel. May involve problem solving, analysis, experimentation, and other aspects of the scientific method. May result in new knowledge, publications, and technologies.

- SERVICE – Projects that require minimal intellectual investment from university personnel, such as operating equipment for the purposes of returning test results or data to the company. Analysis on the test results or data by university personnel does not occur.

- GIFT – Companies or individuals donating funds or other tangible goods without any kind of reciprocal obligations (deliverables, reports, financial reporting requirements, etc.) are issuing a gift. While some gifts have restrictions on what academic area or University activity it can be used for, the University retains broad control over the specific ways the funds are used and the methods of implementing the intent of the donor. Gifts should be referred to University Relations.
* If the company is requesting changes to the standard language in either the quote or specialized service agreement, or is requesting another agreement mechanism be used entirely (such as a purchase order with company terms and conditions), CACT will notify OSP to begin review and potential negotiations before University signature will occur.

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Projects classified as “Research” must have countersigned contracts addressing intellectual property, with the university retaining ownership of IP created by university personnel. Research projects occurring for private companies must also specify a strong educational tie-in in order to avoid UBIT. Language describing the educational benefit of the project should be contained in writing in the countersigned sponsored research agreement template. The proper classification of a project as research, combined with the existence of university-ownership of IP language in the contract and a strong educational tie-in, will exempt the project from both UBIT and Private Use.

Projects classified as “Specialized Service” must specify a strong educational tie-in to the project in order to avoid UBIT. This language should be contained in writing on the quote for standard services or in the countersigned specialized service agreement template. If a project has been classified correctly as specialized service, there should be no resulting intellectual property so the contract may remain silent on IP, and Private Use should not be an issue if there is a strong educational tie-in. If the company requires that project-resulting IP ownership language be contained in the contract, then it probably is not a specialized service project and should be classified as research.