

OFFICE OF SPONSORED PROGRAMS

Procedures Date: April 1, 2013

OVPR-32-13: Establishment and Operation of Academic Partners Programs in Support of Instruction at Virginia Tech

1. Purpose

To outline the principles, guidelines, and procedures for both the establishment of new as well as the operation of existing commercial academic partner and related membership fee supported programs. Such programs are designed to enhance the relationship between Virginia Tech and external entities that wish to support the university's academic mission.

2. Background

Membership fee supported programs provide one way for external organizations to participate in university academic pursuits. Academic Partner Programs (APPs) enhance dialogue between industry or nonprofit entities and the university and can educate academia on important business and technological needs and issues in the private sector. Instructional and other academic opportunities and projects supported by membership fees can lead to new ideas and strategies for meeting the needs of the private sector while simultaneously preparing students to succeed in today's global economy. These programs also provide an effective means for the private sector to contribute to and sustain the teaching, learning, and outreach of departments and programs in which they have long-term interests.

Virginia Tech's APPs are designed to enhance the flow of information and ideas between the university and the external members, provide the members with access to students as potential future employees, keep members informed of promising instructional strategies and techniques, and provide other potential benefits as a result of ongoing contact between creative individuals. The APPs involve various commercial enterprises and nonprofits in different lines of business and with varying missions, and the APPs have different terms and conditions of membership.

3. Principles

1. Support academic programs in general areas that are of interest to external organizations.
2. Provide opportunity for interaction among commercial and nonprofit entities, faculty members, and students.
3. Enable timely interactions between promising students and potential future employers.
4. Enrich students' educational experience.
5. Maintain the university's role as a credible and impartial resource.
6. Contribute to the university's teaching and outreach missions.

4. Guidelines

The program objectives and descriptions are detailed in membership agreements that govern the establishment and operation of an APP. In addition, Virginia state law and university policy dictate that intellectual property rights to inventions, discoveries, and intellectual works remain with the university. Because the nature of these programs offers the potential for diversion of academic objectives, it is important that membership-supported academic programs be organized and maintained in ways that preserve both the independence and integrity of the university.

1. Unless otherwise required by law or regulations, access to membership in an APP should be available equally to all companies prepared to meet the obligations of membership as set forth by each program. Membership requirements and benefits shall be reasonable and consistent with the goals of each program and these guidelines.
2. APPs can offer facilitated access to Virginia Tech's relevant faculty members and students. Non-member companies must not be excluded from access to such resources, but their access may sometimes be in a less convenient form.
3. Academic Partners may be preferentially invited to participate in university activities funded by membership fees through their interactions with faculty members and students and their advisory role in the program activities.
4. University intellectual property generated by an APP may be offered to members only under terms consistent with university policy. If there is a signed agreement for Academic Partners, this agreement must contain intellectual property language approved by the Assistant Vice President - Sponsored Programs Administration. Unless required otherwise, no automatic license or other intellectual property rights will be granted as a result of membership in the program. Specific intellectual property rights will be stated in the APP's membership agreements as applicable.
5. An APP should not be used to perform research or to provide unique or preferential benefits to individual members. Sponsored research agreements shall be used to perform research with specific costs, schedules, and/or deliverables that benefit individual member(s) rather than all affiliate members. The Industrial Affiliate Programs procedure ([OVPR-01-03](#)) should be used to guide the establishment of membership fee supported programs designed to enhance the productive RESEARCH relationship between Virginia Tech and groups of industrial partners.
6. While APP member companies may offer suggestions for academic activities, the involved faculty members must be free to select instructional topics, adopt a particular teaching methodology, select faculty and student participants, and direct the activities funded by the APP.
7. On a space available basis, and at the discretion of Virginia Tech and the faculty, opportunities may exist for APP members to have access to university facilities. Access to such facilities (e.g., classroom and meeting space, instructional equipment, computing resources, etc.) must be approved by the involved faculty members and in accordance with university policy. APP members who receive the opportunity to access university facilities will need to have adequate insurance coverage to cover any damage caused by the APP member to Virginia Tech equipment or facilities. Also, APP members using Virginia Tech facilities will need to have their own health insurance and workmen's compensation coverage as they would not be covered by Virginia Tech while working in these facilities.

5. Procedures for Establishing and Operating APPs

1. All proposals for a new APP must be approved by the Assistant Vice President - Sponsored Programs Administration, the lead administrator for the home of the proposed program (e.g., department head, college dean, institute director, etc.) and the Virginia Tech Foundation. No program will be approved which violates the principles and guidelines stated above in Section 3.
2. The following form is required for all new APPs at Virginia Tech:
(attached, [link will be provided in final version](#))

Upon submission of the form, the proposer of the APP will be contacted with updates on progress. Note that the form requires an indication of approval from the lead administrator for

the home of the proposed program (e.g., department head, Institute director, etc.). Those proposing to create a new program need to meet with this lead administrator early in the planning process and obtain their support to proceed with the proposal.

3. The Office of Sponsored Programs (OSP) will manage the revenue and budget process for each university APP fund, negotiate appropriate APP agreements with each partner, retain a listing of all approved APPs, and maintain copies of the approved agreement form for each APP. OSP will likewise maintain an up-to-date record of the membership of each APP and share that information with University Development/Gift Accounting and Virginia Tech Foundation Accounting. A 1% administrative fee based on revenue will be assessed by OSP to each program to defray their costs of performing the above. The coordinator of the APP shall be responsible for invoicing and collecting the membership fees.

4. The default condition for any APP fees obtained will be for 60% of the amount to be deposited in a University fund associated with the program, with the remaining 40% deposited into the APP's fund at the Virginia Tech Foundation (VTF). All funds deposited into the APP's fund at the Virginia Tech Foundation will be considered "other income" deposits. The director of the APP may petition the Assistant Vice President – Sponsored Programs for approval to adjust the 60:40 split in depositing the funds from member fees. The petition should include a budget indicating the nature of the planned expenditures which are more appropriately handled within the APPs VTF fund. The Assistant Vice President – Sponsored Programs will maintain a record of all approved variations to the 60:40 split and share that information with University Development/Gift Accounting and Virginia Tech Foundation Accounting. Fee deposits will initially be received by Virginia Tech Foundation Accounting to record the "other income" (40%) component and should therefore be sent to Virginia Tech Foundation Accounting. To assure appropriate treatment of APP member fees all of the following documents must be sent to Virginia Tech Foundation Accounting with each APP member fee deposit:

- Check
- Virginia Tech Foundation Other Income Deposit Form (100% fee)
- Attachment A Form indicating appropriate University fund and 60% (or approved %) transfer amount, signed by an authorized user on the fund

For APP fees paid by wire transfer, departments must notify Virginia Tech Foundation Accounting prior to providing wire instructions to affiliates. The [Attachment A Form: http://www.osp.vt.edu/forms/Attach%20A/attachment-a.doc](http://www.osp.vt.edu/forms/Attach%20A/attachment-a.doc) is also required to be submitted for each wire transfer deposit. Wire transfers not identified within two weeks of receipt into the Foundation's bank account will be returned.

5. Each APP must have at least one separate and unique fund within the University as well as within the Virginia Tech Foundation. It is important from an accounting/audit purpose that these membership fees be deposited in funds specific to the APP and that they not be deposited into funds associated with other entities within the University or the Foundation.

6. Each APP shall be reviewed at least once every five years to determine its continued viability, appropriateness, activity and effectiveness in relation to these stated guidelines. The review will

be conducted by the Director of the Contracts Team and Scientific Advisor within the Office of Sponsored Programs.

6. Definitions

Academic Partner Program – A membership program in which external affiliates support academic and instructional programs at the university in a general field of study.

Industrial Affiliate Program – A membership program in which external affiliates support a program of research in a general field of study.

7. References

- a. VT Policy 3630 “Definition and Deposit of Private Funds”
- b. VT Policy 12110 “University Funds Handling Policy
- c. VT Policy 13010 “Faculty Conflict of Interest and Commitment”
- d. VT Policy 13000 “Intellectual Properties”
- e. Research Procedure OVPR-01-03: “Establishment and Operation of Industrial Affiliates Programs in Support of Research at Virginia Tech”

8. Approvals and Revisions

This revised procedural document has been approved by the Assistant Vice President – Sponsored Programs and the Assistant Vice President for Finance and University Controller on March 31, 2013, and will become effective April 1, 2013. All newly created as well as existing APPs shall be in compliance with these guidelines and procedures on this effective date.