



# Industry Sponsored Research Texas A&M AgriLife Contract Office

*INITIATION & STANDARD OPERATING PROCEDURES FOR INDUSTRY SPONSORED PROJECTS*

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# Texas A&M AgriLife Contract Office ("Contract Office")

## ▶ The Contract Office

<https://agrilifeas.tamu.edu/co/>

### ▶ Non-sponsored agreements

- Incoming Material Transfer Agreements (MTAs)
- Non-Disclosure Agreements (NDAs)
- Memorandums of Understanding (MOU)
- Memorandums of Agreement (MOA)
- Teaming Agreements

### ▶ **Industry sponsored agreements**

- ▶ Private for-profit companies
- ▶ Commodity groups
- ▶ AgriLife Procedure 25.07.99.X1 – With the exception of an approved Service Center, a written contract shall be executed for every sponsored project or testing project being conducted using the resources of AgriLife (regardless of value).

# Industry vs. Non-Industry Sponsored Projects

- ▶ Two 'buckets' for AgriLife sponsored project negotiations

Texas A&M AgriLife Contract Office – Industry/Commodity

General E-Mail Inbox: [contracts@ag.tamu.edu](mailto:contracts@ag.tamu.edu)

- ▶ Industry (e.g. Monsanto, Dow AgroSciences, Chevron). Industry sponsored projects also includes those sponsoring entities designated as commodity sponsors by AgriLife.
- ▶ Commodity list available at <https://agrifileas.tamu.edu/co/>

e.g. Cotton Incorporated, Texas Beef Council, The Rice Research Foundation, United Sorghum Checkoff Program.

## Sponsored Research Services (SRS)

- ▶ Federal (e.g. USDA, DOD)
- ▶ State (e.g. TDA)
- ▶ Non-Profits
  - Exception: 'commodity' contracts handled by AgriLife

# Initiation of Sponsored Projects

## Industry vs. Non-Industry/Competitive

### ▶ Non-Industry and Competitive Proposals

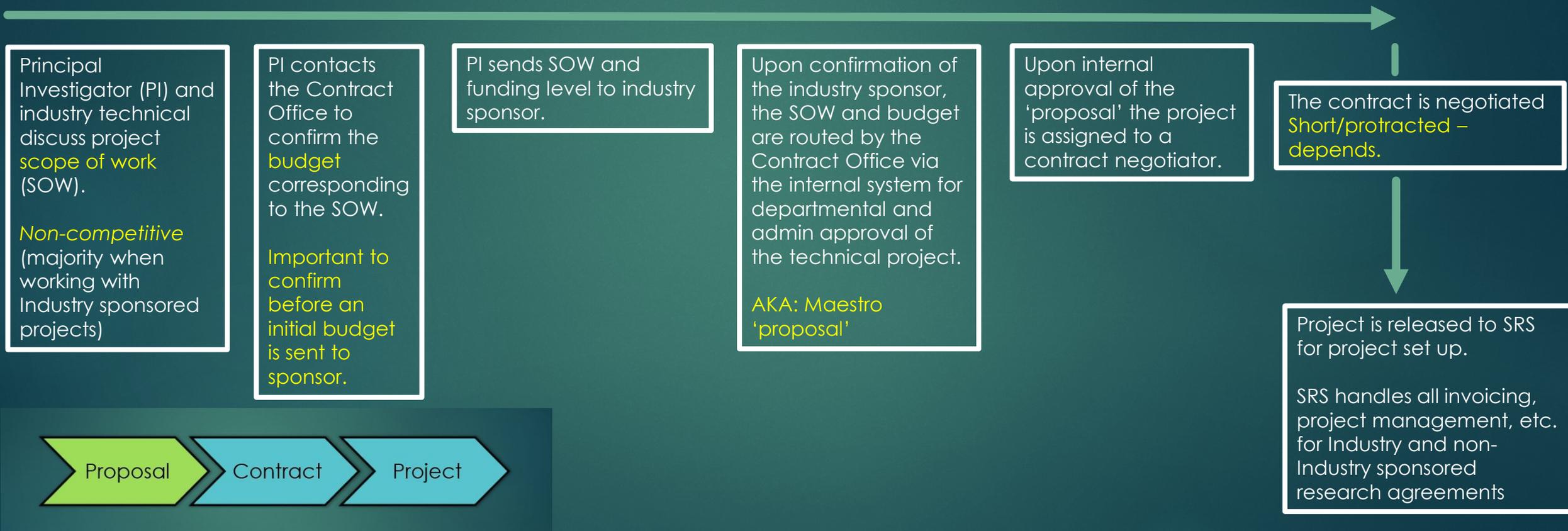
- ▶ Generally, non-industry sponsors such as federal and state governmental agencies provide requests for proposals (RFP's) or similar calls for proposals.
- ▶ The calls for proposals are a formal submission.
  - ▶ Non-Industry
  - ▶ Industry Competitive  
e.g. Texas Corn Producers Board, Cotton Incorporated (typically commodity sponsors).
- ▶ Handled by SRS

### ▶ Industry

- ▶ >90% of the time no request for proposal (typically a commodity sponsor if RFP is required)
  - The Contract Office provides budget support and will assist on any sponsored questions – if SRS focused, our office will put the PI/department etc. in contact with the correct POC at SRS.
- ▶ Initiated through industry approaching a PI or vice versa.
- ▶ Agreements initiated immediately after submission and approval of 'proposal' (approval process in Maestro).

# Industry Projects - Process Overview

**AgriLife values its relationships with Industry and the opportunities it provides to aid in the proliferation and advancement of research.**



**The Contract Office advises against working on a project prior to an agreement being in place.**

# Proposal Overview

## ▶ Scope of Work

### ▶ Must include: the who, what, when, where, why, how

- Personnel, what work is being done, start and end date of the project, location, hypothesis being tested, specifics to the scope of work for thorough understanding
- The greater the detail the better. Why is this important? **Expectations and Risk Mitigation**
  - E.g. number of plants being tested, replications, how often observational data in a field will be captured
  - Trends with Industry sponsors
  - Reliance on the contract in event of dispute
- **The work upfront pays off**

### ▶ Can someone off the street understand the scope of work?

## ▶ Budget

- ▶ PI and personnel effort, Travel, Materials and Supplies, IDC, etc.
- ▶ Types: **Loaded** (recommended), Internal (IDC line item)

## ▶ Clear Deliverables

## ▶ Compliance Items Checked

## ▶ Proposal Routing – Maestro

- ▶ Provides a mechanism to get necessary approval for the work to be done prior to an agreement being initiated.

# Industry Contract Negotiations

- ▶ Contract negotiations with Industry sponsors can be difficult and complex; primary areas of negotiation focus on **publication** review rights and timeframes, **intellectual property**, and **confidentiality**.
- ▶ Contracts need to clearly lay out the **expectations** of the parties, as they are what both parties rely on in the event of dispute; this is primarily done through detailed statements of work and clearly defined deliverables.

Industry generally requests the kitchen sink. Examples:

- Ownership of IP
- No publications allowed (or if allowed, ideally, via their approval/discretion of any publications)
- Confidentiality restrictions
- Data generated being confidential information of the industry sponsor (equivalent to a publication restriction).
- Acceptance/approval of research results or reports (can be tied to payments)
- Pay the minimum allowed
  - Payment schedules – Weight the payments to the project charges
  - IDC/F&A
- Payments structured at the end once work is done = Risk on the system member
- Want mostly fixed price, but can insist on terms that are cost reimbursable
- **Trends – Deliverables**



# Commodity Negotiations

## ▶ Commodity Sponsor often wants:

- To create knowledge about the field the non-profit was created to address
- Because of this they typically want:
  - Development of IP to further treatment, but they want to share in any revenues created
    - E.g. Royalty share
  - Publication encouraged, but some control over publication is desired
  - Name recognition of the Non-profit
  - No assumption of responsibility or indemnity
  - Pay the minimum allowed – little or no F&A
  - Many are cost-reimbursable, but some fixed-price
  - Trends – IP is of greater focus

\* *AgriLife commodity groups handled at AgriLife if on designated Commodity List*

# Negotiations

## Key Terms

- ▶ Sponsored agreements, whether for substantive research projects or testing, typically include (but are not limited to) terms governing the following:
  - ▶ Payment obligations and timing
  - ▶ Publication of the project results
  - ▶ Deliverables
  - ▶ Intellectual property
  - ▶ Confidential information
  - ▶ Compliance
  - ▶ Termination
  - ▶ Publicity/use of name
  - ▶ Terms addressing governing law, dispute resolution, and other items necessary for contracts

# When Things Change - Amendments

## ▶ What happens if things change?

- ▶ During a project, if there are substantive changes to a statement of work, the Contract Office should be notified.
- ▶ Changes to a project not documented in a contract amendment lead to issues down the line.

***The document that governs disputes, large or small, is the sponsored research agreement. It should remain up to date and mirror the sponsored project activity.***

## Signature Authority

- ▶ All Industry contracts must be signed by an authorized signatory; **PI's do not have authority to sign agreements.**
- ▶ Industry sponsored agreements are signed by the Director of the relevant agency or their designee.
- ▶ The PI assumes responsibility for the financial oversight and completion of the work.

# Project Administration

## Account\$

- ▶ Once an Industry sponsored agreement is signed by the sponsor and AgriLife, the file is released to **Sponsored Research Services** (“SRS”) for financial account set-up and project management.
  - ▶ Your SRS Project Administrator will be your primary POC
- ▶ SRS and the Contract Office work together in the event there are changes in circumstances regarding a Industry sponsored project.
- ▶ In the event of a project extension (aka: a no-cost extension), SRS will work with the sponsor to obtain the documentation required to extend the project.
- ▶ For any project changes requiring a substantive update to the terms and conditions such as funding increases or reductions, or statement of work changes, the Contract Office will work with the Industry sponsor on a contract amendment, so the written agreement represents the current understanding of the sponsor and AgriLife.



# Helpful Links

- ▶ Contract Office Contact List: <https://agriflifeas.tamu.edu/contacts/functional-group/>
- ▶ If you ever have a question on who you should contact, please contact us at [contracts@ag.tamu.edu](mailto:contracts@ag.tamu.edu); this is our general inbox and is checked throughout the day by multiple personnel.

## Initiating Proposals

<https://agriflifeas.tamu.edu/co/industry-and-commodity-sponsored-contract-services/>

## Contracting – Industry Sponsored Contracts

<https://agriflifeas.tamu.edu/co/industry-and-commodity-sponsored-contract-services/#contracting>

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*Management of Industry sponsored research portfolio*