POLICY ON CONTRACT RESEARCH

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Originating Office: Office of Vice-President, Research & Graduate Studies

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PREAMBLE

Research is one of the components of a healthy intellectual university environment. Financial support for research stems from traditional awards made in the form of grants, as well in the form of research contracts. Concordia University (the "University") supports and encourages the involvement of its members in contract research and recognizes the many benefits which derive from such activities.

It is understood that all research activity will be conducted within the framework of all relevant collective agreements with the University and University policies including but without limitation the *Code of Ethics and Safe Disclosure Policy Applicable to Employees of Concordia University* (BD-4), *Policy on Treatment of Deficits in Research Accounts* (CFO-6), *Policy on Copyright Compliance* (SG-2), *Policy on Postdoctoral Fellows* (VPRGS-4), *Policy on Conflicts of Interest in Research* (VPRGS-5), *Policy on Intellectual Property* (VPRGS-9) and *Policy for the Responsible Conduct of Research* (VPRGS-12).

The University recognizes the many advantages, both for the individual and the University, in engaging in contract research. The primary advantage being the fulfillment of the University's teaching, research and public service mandates through:

- stimulation of innovation through applied research
- participation in the solution of society's diverse problems
- the dissemination of information to organizations, industries and the general public
- training and mobilization of highly qualified personnel, and
- sharing of expertise and specialized facilities.

The University will accept research contracts that are consistent with the University's mandates, for which the required expertise, facilities, and services are available, and when mutually acceptable terms and conditions can be negotiated.

Contract research is *bona fide* research and should contribute to the general development of research activity and expertise within the University. It can also provide valuable opportunities to develop the teaching and creative skills of innovation and entrepreneurship and to increase the resources available to individuals and departments.

This Policy, which is approved by Senate through the Senate Research Committee and administered by the Office of the Vice-President, Research and Graduate Studies, is intended to ensure the integrity of contract research conducted through the University.

PURPOSE

This Policy, and its supporting procedures which can be found in the Contract Research Handbook ("Handbook"), provide University-wide administrative guidelines for the management and conduct of contract research and sets out the terms and conditions under which the University is prepared to contract for such activities.

SCOPE

This Policy shall apply to Research Contracts, Negotiated Grants, Sub-Grants and Co-Grants, as such terms are defined below, entered into by the University for research carried out by Members, as such term is defined below, using University resources, services, facilities or equipment.

Any sponsored research project governed by a Grant, as such term is defined below, is not subject to this Policy.

The writing of scholarly works, presentations at invited seminars and lectures, leadership in learned and professional societies, public service participation in government established councils and adjudicatory bodies relating generally to a member's University position and experience do not fall under the scope of this Policy and are not subject to overhead charges.

DEFINITIONS

The terms used in this Policy have the following meanings:

"Co-Grant" means a sponsored research agreement which governs a Grant awarded to two (2) or more recipients.

"Consulting" means the activity of providing advice by a Member in a particular area of expertise, whether remunerated or not, which draws on essentially the same scholarly expertise that the Member uses for his/her University position. Consulting activities may not make use of University resources beyond the services of the Office of Research ("OOR") and/or Financial Services and deliverables are typically limited to the production of a report that presents conclusions and/or recommendations.

"Contract Research" means a sponsored research project, which does not meet the criteria established for Grants, as such term is defined below, and possesses many of the following characteristics:

- the research project is defined by specific stipulations and conditions detailed in the contract, as agreed to by all parties involved
- a set time schedule for the work to be performed
- defined deliverables and due dates
- established ownership, patent rights and licensing arrangements
- provisions for confidentiality and ethical use of information supplied and created in the performance of the project
- established budget approvals and payment schedules
- established considerations for acceptance and/or termination of the agreement
- limited liability of participants, indemnity, and
- any other matters that may be appropriate to the circumstances.

"Contribution Agreement" means an agreement with a Sponsor, as such term is defined below, for the partial financial support for a research project.

"CUFA Member(s)" means Member(s), as such term is defined below, governed by the Concordia University Faculty Association (CUFA) Collective Agreement.

"CUPFA Members(s)" means Member(s), as such term is defined below, governed by the Concordia University Part-time Faculty Association (CUPFA) Collective Agreement.

"Grant" includes research projects which possess the following criteria:
- the project is designed and controlled by or under the direction of the Member
- the project does not involve proprietary data protected by the funding agency or any other agency under any contractual commitment to the funding agency

- any patents, inventions, copyrights or other Intellectual Property, as such term is defined below, belong to the University and not to the funding agency
- no direct or indirect reimbursement to the Member (except for certain grants from U.S. sources)
- project results must be publishable in open literature. In order to secure the protection of Intellectual Property a maximum publication delay of six (6) months may be provided for
- funding is not linked to achieving specific milestones
- funding is typically made available before expenditures (though this may take place in periodic installments)
- capital equipment that is purchased with grant funds belongs to the University and not to the funding agency.

"Intellectual Property" means any proprietary information that can be the subject of copyright or patent protection or any similar proprietary protection and which creates in the holder of the rights an interest in property. Intellectual Property includes, but is not limited to, processes, formulations, technical information, reports, photographs, drawings, plans, specifications, models, prototypes, inventions, patterns, samples, software, designs or know-how, whether or not protected by patent, copyright, industrial design or trade secret.

"Member" includes all full-time, part-time, adjunct academic staff and librarians. Where the Member is a librarian, the terms "Department Chair", "Dean" and "faculty", as used herein, shall be replaced by the terms "Unit Head", "University Librarian" and "Library".

"Negotiated Grant" means a sponsored research agreement where funding is received from a private Sponsor, as such term is defined below, which possesses the same criteria as a Grant.

"Net Proceeds" has the meaning ascribed thereto in the University's *Policy on Intellectual Property* (VPRGS-9)

"Overhead" means the indirect costs recovered or applicable in relation to services provided by the University for the preparation, performance and administration of a Research Contract, as such term is defined below.

"Research Contract" means an agreement between the University and third party (parties) that governs the conduct of Consulting, Contract Research, or Service, as such term is defined below, activities by a Member. Research Contracts include Negotiated Grants and Contribution Agreements.

"Research Unit" is a non-departmental unit established within the University which meets the criteria of a recognized Research Unit as determined in the *Policy on Research Units* (VPRGS-8).

"Service" means a research-related activity that is of a routine nature and requires minimal supervision or input on the part of the Member. Deliverables generally take the form of a report with minimal interpretation of the data acquired.

"Sponsor" means a third party, whether public or private, external to the University, who provides support by means of monetary support, the right to use facilities, personnel, or other resources provided by such third party.

"Sub-Grant" means a sponsored research sub-agreement whereby funding is received from the party(ies) to which the Grant was awarded.

POLICY

1. All Research Contracts must be performed under the administrative responsibility of the OOR in accordance with the procedures set out in Section A of the Handbook.

2. No individual may sign a contract that creates an obligation or undertaking on behalf of the University unless that individual has signing authority in accordance with the University's *Policy on Contract Review, Signing and Required Approvals* (BD-1). Only those Research Contracts signed by a duly authorized representative of the University shall be recognized and administered by the University.

3. A Research Contract that has been executed by the designated signing officer of the University in accordance with the *Policy on Contract Review, Signing and Required Approvals* (BD-1) signifies the willingness of the University to:

   - accept and administer the funds in accordance with the terms of the Research Contract and/or the regulations of the respective Sponsor
   - ensure that the appropriate review mechanisms are in place for ethical, animal care, biohazard and/or controlled goods certification
   - ensure that the necessary University facilities and services are in place to carry out the work anticipated under the Research Contract.

4. The provisions of a Research Contract entered into in accordance with Section 1, 2 and 3 above shall prevail over this Policy and all other relevant University policies.

5. Student involvement in Research Contract activities must not conflict with the fulfillment of their academic requirements.

Overhead

6. The University will only approve a Research Contract which provides for the appropriate indirect cost recovery. With the exception of the funding opportunities identified in Section 7 below, all Research Contracts are subject to the University's Overhead rates as they appear in Section B of the Handbook. Under exceptional circumstances, a reduced rate of Overhead may be agreed to by the University in accordance with the procedures set out in Section B of the Handbook.

7. Subject to the written approval of the relevant Dean and the Vice-President, Research and Graduate Studies ("VPRGS"), the following are exempt from Overhead:

- awards received in recognition of research excellence
- funds received for a Research Chair, approved and administered by the University. This waived Overhead will constitute a University contribution to the Research Chair
- contributions made for the sole purpose of providing support for conferences or student events/activities.

8. Where applicable, Overhead will be retained, in full, at the start of a Research Contract.

9. When Overhead costs are not accepted by the Sponsor:

i. such Overhead costs shall be budgeted and incorporated as part of total direct project costs, where possible. The University will make appropriate arrangements for the transfer of any Overhead amounts recovered pursuant to this Section 9 i.; or

ii. where the Member's time is an acceptable expense per the Sponsor's policies, the Overhead costs shall be budgeted in the form of the Member's time in an amount equivalent to the applicable Overhead costs. The University will make appropriate arrangements for the transfer of any Overhead amounts recovered pursuant to this

Section 9 ii. Time commitments associated with such Overhead recovery mechanism shall not affect any entitlements a CUFA Member may have with respect to outside professional activities and outside employment per the CUFA Collective Agreement; or

iii. where 9 i. or 9 ii. above are not permitted per the Sponsor's policies, the Member must seek a waiver of Overhead costs in accordance with the procedures set out in Section B of the Handbook.

10. Overhead revenue from Research Contracts shall be distributed in accordance with Section B of the Handbook.

11. Overhead rates and the distribution of Overhead ratios, as they appear in Section B of the Handbook, are subject to periodic review and revision by the President's Executive Group.

Deficits

12. Deficits in research accounts are subject to the *Policy on Treatment of Deficits in Research Accounts* (CFO-6).

Remuneration from Research Contracts

13. CUFA Member(s) may engage in paid or unpaid outside professional activities in accordance with the CUFA Collective Agreement (the "CUFA Collective Agreement").

14. CUFA Member(s) may receive payments for such activities subject to the following:

i. the approval of the Dean

ii. the professional activities neither interfere with nor are in conflict with their duties and responsibilities as defined in Articles 16 and 17 of the CUFA Collective Agreement

iii. there are no fixed daily rates for contracts other than government Research Contracts. CUFA Members should attempt to have their daily rate reflect industry norms

iv. for government Research Contracts, the daily rate charged by a CUFA Member cannot exceed the daily rate which the CUFA Member receives from the University. This rate is calculated by dividing the current annual salary of the CUFA Member by two hundred and twenty-five (225): the number of billable days per annum. Overhead should be itemized separately

v. any proposed increase to the honoraria previously approved by the Dean must be resubmitted to the Dean for written approval.

Payment options for all honoraria payments are outlined in Section C of the Handbook.

15. Members who are not governed by the CUFA Collective Agreement are not eligible to receive honoraria and all payments will be treated as follows:

i. External participants – with the exception of payments made to an individual's registered company, all payments to external participants will be treated as employment income and thus subject to federal and provincial revenue legislation.

ii. External participants who are to be paid by milestone(s) must submit an invoice to the principal investigator ("PI") indicating their full-name, social insurance number, home address and a clear description of the service(s) provided. The PI must approve the invoice and indicate the appropriate payroll code. These payments will be treated as employment income.

iii. If a project governed by a Research Contract is carried out entirely as part of the regular workload of a non-CUFA Member, the time spent by such Member on such project may not be charged as a component of the project's budget.

iv. If a project is carried out in whole or in part outside the regular workload of a non-CUFA Member, the project budget may include provisions for appropriate payment, subject to the prior written approval of their Department Chair or Research Unit Director, where applicable, and the Dean. By agreement with the Dean, these funds may be used by non-CUFA Member concerned to promote their research and development work at the University.

Intellectual Property and Publication

16. All Intellectual Property developed in the course of the activities governed by a Research Contract shall be subject to the provisions of that Research Contract. Where provisions with respect to Intellectual Property are not determined by the terms of the Research Contract, such Intellectual Property shall be subject to and interpreted in accordance with the University's *Policy on Intellectual Property* (VPRGS-9).

17. Upon request from the University, the Member(s) shall do, make, execute or deliver, or cause to be done, made, executed or delivered, all such further acts and documents as may be required by the University to fulfill its obligations per the terms of the Research Contract.

18. The use of Intellectual Property belonging, in whole or in part, to a third party is strictly prohibited absent the prior written permission of the rightful owner of such Intellectual Property. The OOR shall be immediately informed of such intended use and shall be provided with a copy of the written permission of the rightful owner of the Intellectual Property in question.

19. Any non-Member participating in activities governed by a Research Contract must be advised of any limitation of publication rights and must sign an Intervention of a Participant in the Project form (the "Intervention") confirming their acceptance to the terms of the Research Contract and the University's *Policy on Intellectual Property* (VPRGS-9). The Intervention must be signed by the non-Member prior to their initial participation in the Research Contract activities.

Distribution of Net Proceeds to the Member

20. The distribution of Net Proceeds generated from the commercialization of Intellectual Property with respect to the Member shall be managed in accordance with the University's *Policy on Intellectual Property* (VPRGS-9) and/or the provisions of the relevant collective agreements dealing with Intellectual Property, as they may apply.

Distribution of the University's Share of Net Proceeds

21. The University's share of the Net Proceeds derived from the commercialization of Intellectual Property shall be distributed internally as follows:

i. 60% of the University's share of the Net Proceeds to the VPRGS Research Support Fund[1]

ii. 40% of the University's share of the Net Proceeds to the Member's (Members') faculty(ies).

Approved by Senate on September 1, 1989 and amended on March 27, 1995 and April 19, 2013 and May 17, 2013.

[1] *This fund has been set up for the support and encouragement of research and commercialization activities.*