

Effective: *Draft*
Last Revised: *Draft August 26, 2019*

Responsible University Administrator:
*Senior Vice Chancellor for Academic Affairs;
Associate Vice Chancellor for Research and
Creative Activity*

Responsible University Office:
Office of Research and Creative Activity

Policy Contact:
TBD



Royalty and Equity Distribution Policy

POLICY CONTENTS

Scope
Policy Statement
Reason for Policy
Procedures
Related Information
History

Scope

This policy applies to members of the faculty and staff of the University of Nebraska at Omaha (UNO) or other inventors who use University personnel, property, facilities or other University of Nebraska (University) resources, and whose invention or discovery falls under [Board of Regent's Policy 4.4.2](#), as well as their respective academic/administrative units.

Policy Statement

The Board of Regents of the University of Nebraska encourages the commercialization of inventions and discoveries arising from research activities of the University, and when appropriate, the pursuit of patents or other intellectual property protection, as a method of bringing recognition and remuneration to the University's inventors and to the University itself. Pursuant to the Board's Bylaws, every invention or discovery by members of the faculty and staff that results from the performance of duties within the scope of their University employment, or from the use of University personnel, property, facilities, or other resources, except where such use is minimal, is solely owned by the University, provided that the inventor or inventors shall have a share of no less than one-third (1/3) of the net proceeds received by the University resulting from licensing or sale of University owned intellectual property rights associated with such invention or discovery. Board of Regents Policy 4.4.2 states that the remaining non-inventor two-thirds (2/3) is allocated pursuant to a separate distribution policy established by each University campus.

In order to best utilize non-inventor proceeds and to serve the objectives of the Regents Policy, UNO shall allocate non-inventor proceeds on a case-by-case basis as determined by the Committee for Proceed Distribution (the "Committee"). Those academic/administrative units having a connection to the proceeds at issue shall be invited to participate in the Committee's decision, and to provide the Committee with information addressing their support of the underlying technology. The Committee will take into account the support offered by those academic/administrative units to determine what, if any, of the proceeds should be distributed to the academic/administrative units of the inventors.

Reason for Policy

Pursuant to RP-4.4.2 Board of Regents' Patent and Technology Transfer Policy, UNO is responsible for allocating non-inventor technology transfer proceeds according to its individual campus policy.

Procedures

Committee Membership

Members of the Committee shall be the Vice Chancellor for Business, Finance and Business Development, the Associate Vice Chancellor for Research and Creative Activity, the Senior Vice Chancellor of Academic Affairs, the Patent Administrator, and one member at large to be appointed for a term and in a manner determined by the Faculty Senate Executive Council (not to exceed a 3 year term). The Committee shall meet as needed to carry out the function of RP-4.4.2, Section 5(b), and such meeting(s) shall be held within ninety (90) days after the license or sale of a University invention or discovery that results in a distribution covered by this Policy.

Committee Responsibilities

1. Expenses and Net Proceeds

- a. Following and applying the Technology Commercialization Services Agreement, effective July 1, 2017 (and any duly executed subsequent agreements) between UNO and UNeMed Corporation (formerly doing business as UNMC Tech).
- b. Reviewing the legal fees and other technology transfer expenses associated with each source of proceeds. Regents' Policy requires that such expenses be reimbursed before any proceed distributions are made.
- c. Reviewing, as needed, non-inventor proceed allocations between University campuses and/or general proceed allocations with third parties.

2. Distribution of Net Proceeds to Inventors

- a. Ensuring that with respect to proceeds covered by Regents' Policies, one third of all net proceeds received by the University is distributed to the inventors.
 - i. When a single source of proceeds involves multiple University of Nebraska inventors, inventors should coordinate with UNeMed to file a written agreement delineating the division of proceeds between all inventors. Multiple inventor proceeds received but not adequately covered by a written inventor agreement will be distributed equally between all University of Nebraska inventors.
 - ii. When a single source of proceeds involves inventors outside the University of Nebraska system, University inventors should coordinate with UNeMed Corporation to file a written agreement delineating the division of proceeds between all inventors. If no agreement is filed, the parties' contract, MOU, or other agreement will determine each inventors' rights. If the inventors' distribution rights are not covered by a written agreement, proceeds will be distributed equally between all inventors, in accordance with this Policy and the Board of Regents Patent and Technology Transfer Policy RP-4.4.2.
- b. In some highly meritorious cases, a given inventor may be found to have earned a share of the proceeds that exceeds the general recommendation of one-third; however in no case will a distribution be made to an inventor that exceeds the recommended one-third until the University of Nebraska and/or UNeMed Corporation has recovered all of its costs, and an appropriate continuing share has been determined for the University. Such decisions are to be considered highly exceptional and will require the approval of the President upon recommendation of the Chancellor. The President shall report such exceptions to the Board of Regents.

3. Distribution of Net Proceeds to Non-inventors

- a. Examining sources of net non-inventor proceeds covered by the Board of Regents' Patent and Technology Transfer Policy and determining what proportion, if any, should be distributed to inventors' academic/administrative units. This determination shall be in keeping with each unit's level of support and commitment to technology development. Academic/administrative units found to be without significant contribution to technology development may be excluded from receiving proceeds.
 - i. Deans or Directors of the academic/administrative units employing faculty or other persons responsible for creating intellectual property from which net proceeds are generated shall be given notice of Committee meetings and provided the opportunity to present information representing significant support

of UNO technology development. Ordinary support consisting of only the usual salary, space, and equipment afforded to faculty shall not be considered significant. Information intended to be representative of significant support to technology development shall be substantiated through documentation, interviews with inventors, or other appropriate means. The Committee shall refrain from deciding non-inventor proceed allocations until all interested principals have been given reasonable opportunity to participate.

- b. Earmarking net proceeds as may be distributed to the Office of Research and Creative Activity and/or other administrative units to be used for investing in promising research areas, research beneficial to technology development, and related research administration activity. Allocating any net non-inventor proceeds to UNO accounts for use in furthering translational research or otherwise furthering the objectives of technology and economic development. This includes those net non-inventor proceeds not distributed to academic/administrative units.

4. Other Responsibilities

- a. Performing other responsibilities within the scope of RP- 4.4.2, Section 5(b).

Related Information

- UNO/UNMC Tech: Technology Commercialization Services Agreement, effective July 1, 2017 (and any duly executed, subsequent agreements between UNO and UNMC Tech and/or UNeMed)
- [Contact UNeMed Corporation](#)
- [University of Nebraska Board of Regents Policies](#)

History

New draft policy.