

Policy on Public-Private Partnership in Research and Development

Policy Title	Policy on Public-Private Partnership in Research and Development
Policy #	01.011.1
Policy Owner	University of Rhode Island Board of Trustees
Contact Information	Questions about this policy should be directed to University of Rhode Island Associate Vice President for Research Administration at (401) 874-2636
Approved By	University of Rhode Island Board of Trustees (and Rhode Island Ethics Commission)
Effective Date	February 15, 2022 (approved by Board of Trustees on November 5, 2021; approved by RI Ethics Commission February 15, 2022)
Next Review Date	No later than March 31, 2027
Who Needs to Know About this Policy	All Employees of the University and all members of the University of Rhode Island Board of Trustees
Definitions	<p>Business. A sole proprietorship, partnership, firm, corporation, holding company, joint stock company, receivership, trust, or, any other entity recognized in law through which business for profit or not for profit is conducted.</p> <p>Business Associate. A person joined together with another person to achieve a common financial objective.</p> <p>Conflict of Interest. A relationship, employment, or interest that is prohibited, limited, or otherwise regulated by the Rhode Island Code of Ethics and/or the terms of this policy.</p> <p>Designated Responsible Official. For the purposes of this policy, the Designated Responsible Official will be the Vice President for Research and Economic Development at the University of Rhode Island.</p> <p>Employee. Any faculty member, staff member, institution official, or student who is employed by the University of Rhode Island Board of Trustees.</p> <p>Family Member (referred to in the Rhode Island Code of Ethics as “any person in his or her family”). The term Family Member means a spouse and any dependent children of any University Employee or member of the University of Rhode Island Board of Trustees, as well as a person who is related to that Employee or Trustee, whether by blood, adoption, or marriage, as any of the following: father, mother, son, daughter, brother, sister, grandfather, grandmother, grandson, granddaughter, father-in-law, mother-in-law, brother-in-law, sister-in-law, son-in-law,</p>

	<p>daughter-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half-brother or half-sister.</p> <p>For the purposes of any discussion related to nepotism relative to the Rhode Island Code of Ethics, the term Family Member shall additionally include step-grandfather, grandfather-in-law, step-grandmother, grandmother-in-law, step-grandson, grandson-in-law, step-granddaughter, granddaughter-in-law, uncle, step-uncle, uncle-in-law, aunt, step-aunt, aunt-in-law, niece, step-niece, niece-in-law, nephew, step-nephew, nephew-in-law, first cousin, step-first cousin, and first-cousin-in-law.</p> <p>Ownership Interest. An interest in stock, assets, net profits, or losses of a Business or entity. The value of an Ownership Interest is determined at its highest fair market value in the calendar year.</p> <p>Relationship. Any interest, service, employment, gift, other benefit or Relationship.</p> <p>Research or Development (also, Research and Development). Basic or applied Research or Development, including but not limited to:</p> <ul style="list-style-type: none"> • The development or marketing of university-owned technology; • The acquisition of services of an official or Employee, by an entity for Research and Development purposes; • Participation in state economic development programs; or • The development or marketing of any technology on the premises of a public institution of higher education by an official or Employee of the institution. <p>Substantial Ownership Interest. An Ownership Interest which is equal to or greater than a 10% equity interest or a \$5,000.00 or greater cash value interest in a Business.</p>
<p>Statutes, Regulations, and Policies Governing or Necessitating This Policy</p>	<p>RIGL §36-14 (Code of Ethics)</p> <p>Additional Regulations from the Rhode Island Ethics Commission 520-RICR-00-00-1</p> <p>RIGL §16-59-26 The Public and Private Partnership in Education</p> <p>University of Rhode Island Policy on Ethics and Conflict of Interest</p> <p>University of Rhode Island Policy on Conflict of Interest in Research</p>
<p>Reason for Policy/Purpose</p>	<p>To provide guidance and standards for the University to grant exemptions—subject to certain conditions and limitations that adequately protect the interests of the University, its students, and Employees, as well as the interests of the State of Rhode Island, its citizens, and the public—that will allow the University and/or its Employees to engage in activities or transactions in which the Employee has a Conflict of Interest and that would otherwise be prohibited by the Rhode Island Ethics Code.</p>

**Forms Related to this
Policy**

University of Rhode Island Significant Financial Interest Disclosure Form

Note: This list is not inclusive of any forms related to the University of Rhode Island Policy on Conflict of Interest in Research

Policy Statement

The mission of the University of Rhode Island (also University), acting through or under the auspices of its governing board, the University of Rhode Island Board of Trustees (also Board of Trustees), is to serve as the State's public learner-centered research university offering undergraduate, graduate, and professional students the distinctive educational opportunities of a major research university and, through its education, research, and outreach activities, to improve the overall educational attainment of Rhode Islanders and thereby enrich the intellectual, economic, social, and cultural life of the state, its residents, and its communities.

In 2003, the Legislature, with the support of the Governor, the Rhode Island Ethics Commission, the Rhode Island Board of Governors for Higher Education, and industry representatives, enacted into law the Public-Private Partnership Act (RIGL §16-59-26), which recognizes research as an inextricable part of the mission of the University of Rhode Island and the other public institutions of higher education in Rhode Island and acknowledges that such research by Employees of these institutions often leads to inventions of value to the public. The purpose of this Act is to allow the University of Rhode Island, Rhode Island College, and the Community College of Rhode Island to enter into public-private partnerships in education that involve faculty and staff members from those institutions and to encourage the marketing of inventions developed by faculty and staff for the benefit of both the inventor and the public, while ensuring that Rhode Island's public Employees adhere to the highest standards of ethical conduct as embodied in Rhode Island law, including Rhode Island Code of Ethics (RIGL §36-14-1, et. seq.) and the Regulations (520-RICR-00-00-1) adopted by the Rhode Island Ethics Commission.

In late 2019, the General Assembly created for the first time (through the enactment of Public Law 2019, Chapter 88, Article 9, Section 3) the University of Rhode Island Board of Trustees and vested in that Board of Trustees, with respect to the University of Rhode Island, those same general powers and duties previously held by the Rhode Island Council on Postsecondary Education, the successor to the above-referenced Rhode Island Board of Governors for Higher Education. In the same 2019 Public Law, the General Assembly specifically amended the Public-Private Partnership Act (PPPA) to vest in the University of Rhode Island Board of Trustees, with respect to the University of Rhode Island, the same PPPA-related powers and duties previously vested in the Rhode Island Council on Postsecondary Education with respect to all three institutions. Accordingly, the University of Rhode Island Board of Trustees is now authorized and directed, pursuant to the Public-Private Partnership Act, to promulgate its own Public-Private Partnership policy that will govern so-called public-private partnerships at the University of Rhode Island.

The General Assembly, through the enactment of the Public-Private Partnership Act, and the University of Rhode Island Board of Trustees, through the promulgation of this policy, demonstrate their recognition that in the normal conduct of Research and Development, and in other activities engaged in by the Board of Trustees' Employees, actual or potential conflicts of interest may arise. These conflicts will typically arise when the University or one of its Employees proposes to engage in an activity or transaction with a Business or entity in which the Employee (or a Business Associate or Family member of the Employee) has a financial interest, or employment or other Relationship, and the activity or transaction may provide an improper advantage to that Business or entity or may be harmful to the interests of the University, the State, or the public. The policies set forth herein (and attendant procedures) and adopted by the University of Rhode Island Board of Trustees are mandated by RIGL §16- 59-26

and are designed to ensure that the purposes expressed in Article III, Section 7 of the Rhode Island Constitution, the Rhode Island Code of Ethics, and the Public-Private Partnership Act are adhered to by the Employees of the University. The University of Rhode Island Board of Trustees is committed to fostering Research and Development that is consistent with the mission of the University, while at the same time ensuring that the financial and other interests of University Employees do not compromise their primary commitment to the University's students and to the public.

The Public-Private Partnership Act authorizes the University of Rhode Island Board of Trustees to develop policies and procedures that (once approved by the Ethics Commission) will permit the University (acting through its designated officials and with the approval of its President) to grant exemptions—subject to certain conditions and limitations that adequately protect the interests of the University, its students, and Employees, as well as the interests of the State of Rhode Island, its citizens, and the public—that will allow the University and/or its Employees to engage in activities or transactions in which the Employee has a Conflict of Interest and which would otherwise be prohibited by the Rhode Island Code of Ethics. This policy, as approved by the University of Rhode Island Board of Trustees and the Rhode Island Ethics Commission, establishes the standards, general process, and conditions for the granting of such exemptions. Any modifications to this policy will require approval of the University of Rhode Island Board of Trustees and the Ethics Commission.

Applicability

These policies and attendant procedures are promulgated in accordance with requirements of the Public-Private Partnership Act and apply to all Employees, including graduate student Employees, who are involved in basic or applied Research and Development at the University of Rhode Island, including but not limited to (i) the development or marketing of University-owned technology; (ii) the acquisition of services of an official or Employee, by an entity for Research and Development purposes; (iii) participation in state economic development programs; or (iv) the development or marketing of any technology on the premises of The University of Rhode Island by an official, Employee, or student of the University. See RIGL §16- 59-26(b)(3)(i) –(iv); RIGL §36-14-1 et seq.

Rhode Island Code of Ethics in Government and Regulations of the Rhode Island Ethics Commission

All persons employed by the University of Rhode Island, whether in the classified or nonclassified service, are subject to the provisions of the Rhode Island Code of Ethics in Government and the regulations adopted by the Rhode Island Ethics Commission. Both the Code of Ethics and the regulations can be found at <http://www.ethics.ri.gov>, the website of the Rhode Island Ethics Commission. Pursuant to the requirements of the Code of Ethics, no Employee of the University may have any interest, financial or otherwise, whether direct or indirect, or engage in any business, employment, transaction, or professional activity, or incur any obligation of any nature, that is in substantial conflict with their employment duties (RIGL §36-14-5). Some examples of activities that would be in conflict with the employment duties of an Employee and are therefore in violation of the Rhode Island Code of Ethics include:

1. Disclosure of confidential information acquired by an Employee in the course of and by reason of their official duties or employment or use of any such information for the purpose of pecuniary gain (RIGL §36-14-5(b)(c)).
2. Using one's employment by the University to obtain financial gain, other than that provided by law, for themselves or any person within their Family, any Business Associate of the Employee, or any Business or entity by which the person is employed or which the person represents (RIGL §36-14-5(d));

3. Acceptance of a position or other employment that will impair the Employee's independent judgment;
4. Acceptance of an honorarium, fee, or other compensation for any activity that directly relates to the Employee's duties and responsibilities unless the Employee, when engaging in and preparing for the activity, uses their own time and does not make improper use of State materials or resources;
5. Soliciting political contributions from a subordinate over whom the Employee exercises supervisory responsibilities;
6. Having, or a member of the Employee's Family or their Business Associate having, a Substantial Ownership Interest in a Business or entity that is contracting with a state or municipal agency, unless the contract is awarded through an open and public bid process;
7. Engaging in a financial transaction, including participating in private employment or consulting, and giving or receiving loans or monetary contributions, with a subordinate or person or Business for which, in the Employee's official duties and responsibilities, they exercise supervisory responsibilities, unless:
 - a. The financial transaction is in the normal course of a regular commercial business,
 - b. The subordinate or person or Business or entity initiates the financial transaction; or
 - c. The financial transaction involves a fundraising activity officially sponsored by the University, the University Foundation, or any government agency.

These are just a few examples of conflicts that are prohibited by the Rhode Island Code of Ethics and/or the Regulations of the Rhode Island Ethics Commission. University Employees are referred to the University's policy on "Ethics and Conflict of Interest," the website of the Rhode Island Ethics Commission, and Rhode Island General Laws, Title 36, Chapter 14 for more detailed information.

The University of Rhode Island requires all its Employees to comply with the requirements of the Rhode Island Code of Ethics and the Regulations of the Rhode Island Ethics Commission. Failure to comply with the requirements of the Rhode Island Code of Ethics or the Regulations of the Rhode Island Ethics Commission will result in appropriate disciplinary action, up to and including termination.

Public-Private Partnership Act

The Public-Private Partnership Act recognizes that one of the primary missions of the University of Rhode Island is Research and Development, and that the marketing of inventions by University Employees resulting from such research will contribute to job creation and the economic well-being of the state and the nation. The Public-Private Partnership Act allows an Employee of the University to have a Relationship, financial or otherwise, with a company that has an interest in the Research and Development being performed by the Employee, even though the Relationship would otherwise be prohibited by the Rhode Island Code of Ethics, as long as the Employee has obtained the approval and has been granted an exemption by the University of Rhode Island Board of Trustees in accordance with the requirements of this policy and its attendant procedures. Examples requiring approval and an exemption include, but are not limited to situations in which the Employee has an Ownership Interest in a company that is licensing the Employee's technology from the University or situations in which the Employee has an Ownership Interest in a company that is involved in work on a research grant with the University. Such Relationships are allowed, in accordance with the procedures attendant to this policy, only with:

1. Prior disclosure by the Employee;
2. Review and recommendation by the University's Conflict of Interest Management Committee;
3. Approval by the Vice President for Research and Economic Development, the President, the Board of Trustees, and
4. Notice to the Rhode Island Ethics Commission.

The Public-Private Partnership Act authorizes the University of Rhode Island Board of Trustees to approve Relationships between Employees and private entities in which there is an actual or perceived Conflict of Interest between the Employee's interests and the interests of the institution by whom they are employed. The Public-Private Partnership Act therefore also obligates the University of Rhode Island Board of Trustees to impose such restrictions as are necessary to manage, reduce, or eliminate any actual or potential Conflict of Interest. Under the terms of the Act, the President and vice-presidents of the University are not eligible for an exemption.

Exemptions and Required Disclosures

All Employees who wish to obtain a permissible exemption, under the Public-Private Partnership Act and this policy, from a prohibition in the State Ethics Code, for a Research and Development related activity that would otherwise be prohibited under the Code of Ethics, shall be required to comply with the required disclosures and attendant procedures set forth below.

1. The Employee shall disclose any financial interest, outside employment Relationship, or other Relationship, as further specified herein, that could have an impact on, or could be impacted by, the Research and Development related activity for which an exemption is sought.
2. In connection with the Employee's exemption request, the Employee shall timely disclose the following activities and/or financial interests of the Employee and the Employee's Family Members and Business Associates that could have an impact on, or could be impacted by, the Employee's proposed Research and Development related activity for which an exemption is sought:
 - a. Outside activities in which there is use of institutional facilities, equipment, services, or other physical resources. Such uses must include a plan for reimbursement to the University or a waiver of reimbursement endorsed by the President or their designee, and the reason therefore;
 - b. Management, employment, consulting, contractual activities, Ownership Interest in, or a Family member's or Business Associate's ownership in a Business or entity that supports or is related to, directly or indirectly, the Employee's research activities in any way or which conducts business or Research and Development activities in the same discipline or field in which the Employee does research at University;
 - c. Outside activities and financial interests required to be reported under federal contract and grant regulations;
 - d. A Relationship of any kind, financial or otherwise, with an entity engaged in Research and Development, being performed by the Employee;
 - e. A Relationship of any kind, financial or otherwise, with an entity having a direct interest in the outcome of Research and Development, being performed by the Employee;
 - f. Management, employment, consulting, and contractual activities with, or Ownership Interests in, a Business or entity that does business with the University of Rhode Island or competes with the University;
 - g. Any employment, contractual or other Relationship, or financial interests of the Employee that may create a continuing or recurring conflict between the Employee's interests and the performance of the Employee's public responsibilities and obligations, including time commitments. This disclosure includes any outside activity in which the Employee is required to waive rights to intellectual property.
3. Disclosures shall be on forms adopted by the University and shall be filed with the Associate Vice President for Research Administration.

4. The request for an exemption and all disclosed Relationships shall be reviewed by the University's Conflict of Interest Management Committee. The Conflict of Interest Management Committee shall have at least five (5) members and shall include at least one (1) public member, and one (1) faculty member from an institution of higher education outside the system of public higher education in Rhode Island. No more than seventy-five percent (75%) of its members shall be from the University of Rhode Island.
5. The Conflict of Interest Management Committee shall review each request for exemption/disclosure and provide a recommendation along with a proposed management plan (if necessary), to the University's Designated Responsible Official. The management plan shall specify what management and/or oversight plan the Conflict of Interest Management Committee recommends should be imposed to manage, reduce, or eliminate any actual or potential Conflict of Interest and thereby protect the interests of the University, its Employees and students, and the public.
6. The Designated Responsible Official shall review the application and the Conflict of Interest Management Committee recommendation and shall approve or deny the requested exemption. If the exemption request is approved by the Designated Responsible Official, that official shall also approve an appropriate management and oversight plan and shall forward the matter to the President for their final review and decision.
7. The Conflict of Interest Management Committee or the Designated Responsible Official may, at their discretion, require additional information from the applicant, such as proposed licensing agreements, research agreements, grants, employment or other compensation agreements, or faculty start-up business plans in providing recommendations to the President or designee regarding exemption requests.
8. The President shall act upon each request for exemption forwarded by the Designated Responsible Official. If the President disapproves of the request for exemption, then the applicant shall be so informed, and the file shall be closed. If the President approves the request for exemption, then the University of Rhode Island Board of Trustees shall review the request. If the request for exemption is approved by the Board of Trustees, the Designated Responsible Official shall promptly notify the Rhode Island Ethics Commission in writing of any exemption that is granted under RIGL §16-59-26.
9. In the event of written disagreement with an exemption by the Rhode Island Ethics Commission, received by the University within thirty (30) calendar days, the University President shall reexamine the matter in consultation with the Designated Responsible Official, and shall (a) disapprove the exemption request, (b) require a revised exemption request and/or revised management plan for resubmission to the Rhode Island Ethics Commission, or (c) the Board of Trustees shall place the matter on its agenda for reexamination at its next regularly scheduled public meeting and approval shall be stayed pending such reexamination.
10. Notification of research sponsors of any conflicts of interest may also be required.
11. Sanctions for noncompliance may include denial of the right to engage in the activity in question while employed by the University of Rhode Island and/or disciplinary action, up to and including termination.

Prohibited Activities

The following activities are prohibited and exemptions under the Public-Private Partnership Act will not be granted in these situations:

1. Outside activities and/or Relationships in which the faculty or staff member diverts to external Businesses or Entities or other institutions, opportunities for research support that could have been obtained by the University of Rhode Island.
2. Participation in University research that is funded by a grant or contract from a Business or entity in which the Employee or a member of their Family or their Business Associate, separately or in the aggregate, has

a controlling Ownership Interest, provided, however, this prohibition shall not prohibit any such arrangement which is permitted under Federal awards (e.g., Small Business Innovation Research [SBIR]).

3. Assignment of students by the conflicted Employee to University research projects sponsored by a Business or entity in which the Employee or a member of their Family or their Business Associate, separately or in the aggregate, has a Substantial Ownership Interest.
4. Outside activities in which an institution's student or Employee is directly or indirectly supervised by the individual seeking the exemption if the individual in any way supervises or evaluates the student or Employee as part of their institutional duties.
5. Direct supervision of any student or Employee in one's capacity as a University Employee and in one's capacity as an official, Employee or agent of the private company, Business or entity.

Reporting

The University of Rhode Island shall report annually to the Governor, the President of the Senate, the Speaker of the House of Representatives, and the Rhode Island Ethics Commission the number of exemptions granted under RIGL §16-59-26 and how the Conflict of Interest policies and attendant procedures adopted by the University have been implemented in the preceding year.

The University of Rhode Island shall maintain at its offices as public record all disclosure forms required by these regulations, as well as all documents relating to exemptions approved by the University in accordance herewith.

Exceptions

None other than those noted above.

Policy Review and Revisions

(Versions earlier than the first policy number may be paper only)

Policy #	Effective Date	Reason for Change	Changes to Policy
No policy #. Title: "R.I. Board of Governors for Higher Education Public Private Partnership Policy"	2005	n/a	n/a
01.011.1	February 15, 2022 Approved by Board of Trustees on November 5, 2021; approved by RI Ethics Commission February 15, 2022)	Updates to reflect Board of Trustees control	Language clarification; updates to reflect Board of Trustees control; alignment with "Ethics and Conflict of Interest" and "Conflict of Interest in Research" policies.