

OTT Operating Memo No. 00-1
Enclosure 3
5/24/00

University of California Office of the President



Memo 00-1
Operating Requirement
May 24, 2000

TAX REFORM ACT OF 1986 (Public Law 99-514)

It is the conclusion of the University Office of Technology Transfer and Office of General Counsel that in order to protect the tax-exempt status of debt issued to finance University buildings, capital improvements and other facilities, that sponsored and cooperative research agreements for investigations to be conducted using University facilities must comply with limitations set forth below. Accordingly, University policy guidelines require all such agreements to provide for the following:

1. Title to intellectual property made by University employees or others using University facilities shall be retained exclusively by The Regents;
2. Future licensee shall pay a competitive price for any such technology. Funding support for a research project may not be considered as payment toward a license of future intellectual property; and
3. The value of any such technology shall be determined at the time the intellectual property arises and is available for licensing, and not at the earlier research agreement negotiation stage when said intellectual property does not yet exist.