UNIVERSITY OF ALASKA
UNIFORM GUIDANCE WORKING GROUP

Section Number & Name: 200.448 Intellectual property
A-21: J-34 & J-44

BACKGROUND INFORMATION:

A. Does the revised guidance contain new language? ☐ Y ☒ N

Specifically describe the new language and how it differs: See attached.

Combined Patents and Royalties into one section for intellectual property

B. Is the new guidance more or less restrictive than university processes? ☐ More ☐ Less

Specifically describe how it is more or less restrictive: Neither more nor less

C. Cite any relevant system-wide policies/regulations/procedures:
Accounting and Administrative Manual D-03 Accounting for Unallowable Costs
Statewide Property Manual ?

D. Cite any MAU-level relevant processes or manuals:

_____

E. Is there an impact to electronic systems (Banner HR/Finance, Web Timesheets, Effort Reporting, etc.)? ☐ Y ☒ N

List specific system(s) impacted and method of impact:

_____

ACTION PLAN: Is specific action needed? ☒ Y – see below ☐ N – no action needed

Recommended Action(s):

1. Contact Intellectual Property & Commercialization, Adam Krynicki 474-2605

2. Update Accounting and Administrative Manual D-03 Accounting for Unallowable Costs for definition and citation
3. Contact Financial Systems regarding Property Manual
4.

UA responsible area requiring documentation of compliance:

Rosemary Madnick, Heather Paulsen, Barbara Hyde, Tanya Hollis, Christi Eickholt, Andrew Gray, Claire Ligsay, Cindy Eriksen, Tana Myrstol

34. Patent costs.

a. The following costs relating to patent and copyright matters are allowable:

(1) cost of preparing disclosures, reports, and other documents required by the sponsored agreement and of searching the art to the extent necessary to make such disclosures;

(2) cost of preparing documents and any other patent costs in connection with the filing and prosecution of a United States patent application where title or royalty-free license is required by the Federal Government to be conveyed to the Federal Government; and

(3) general counseling services relating to patent and copyright matters, such as advice on patent and copyright laws, regulations, clauses, and employee agreements (but see sections J.37, Professional service costs, and J.44, Royalties and other costs for use of patents). 72

b. The following costs related to patent and copyright matter are unallowable:

(i) Cost of preparing disclosures, reports, and other documents and of searching the art to the extent necessary to make disclosures not required by the award

(ii) Costs in connection with filing and prosecuting any foreign patent application, or any United States patent application, where the sponsored agreement award does not require conveying title or a royalty-free license to the Federal Government (but see section J.44, Royalties and other costs for use of patents).

44. Royalties and other costs for use of patents.

a. Royalties on a patent or copyright or amortization of the cost of acquiring by purchase a copyright, patent, or rights thereto, necessary for the proper performance of the award are allowable unless:

(1) The Federal Government has a license or the right to free use of the patent or copyright.

(2) The patent or copyright has been adjudicated to be invalid, or has been administratively determined to be invalid.

(3) The patent or copyright is considered to be unenforceable.

(4) The patent or copyright is expired.

b. Special care should be exercised in determining reasonableness where the royalties may have been arrived at as a result of less-than-arm's-length bargaining, e.g.:

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(1) Royalties paid to persons, including corporations, affiliated with the ~~non-Federal entity.~~institution.

(2) Royalties paid to unaffiliated parties, including corporations, under an agreement entered into in contemplation that a ~~Federal~~sponsored agreement award would be made.

(3) Royalties paid under an agreement entered into after ~~a Federal~~an award is made to a ~~non-Federal entity.~~institution.

c. In any case involving a patent or copyright formerly owned by the ~~non-Federal entity~~institution, the amount of royalty allowed should not exceed the cost which would have been allowed had the ~~non-Federal entity~~institution retained title thereto.