MINNESOTA STATE COLLEGES AND UNIVERSITIES BOARD OF TRUSTEES

Agenda Item Summary Sheet

Committee:	Academic and	Student Affairs		Date of Meetin	ng: April 20, 2010
Agenda Item:	Proposed amen	dment to Board F	Policy 3.26 Intel	lectual Property	(First Reading)
X Proposed Policy Ch		Approvals Required by Policy	Other Approv	rals	Monitoring
Informati	on				
Cite policy req	uirement, or ex	xplain why item i	is on the Board	agenda:	
Amendments to	Board Policy re	equire approval of	f the Board.		
Scheduled Pres	senter(s):				
Linda L. Baer,	Senior Vice Cha	ncellor for Acade	emic and Studen	t Affairs	
Gary Hunter, Sy	ystem Director f	or Intellectual Pro	operty		

Outline of Key Points/Policy Issues:

Board Policy 3.26 Intellectual Property addresses the ownership of intellectual property within the System and the current amendment seeks to clarify the policy.

- 1. Adding the definition of "Faculty" in order to identify the employees who are entitled to own their scholarly works.
- 2. Deleting the term "Professional Staff" throughout the policy to reflect the "work made for hire" language in federal copyright law.

Background Information:

The review of Board Policy 3.26 Intellectual Property was undertaken as part of the normal policy review process. The proposed amendment was developed from input by a policy review committee comprised of representatives from technical and community colleges, universities, labor unions, and the Office of the Chancellor along with input from other constituents within the System.

BOARD OF TRUSTEES MINNESOTA STATE COLLEGES AND UNIVERSITIES

BOARD ACTION

Proposed Amendment to Board Policy 3.26 Intellectual Property

The Office of the Chancellor is submitting a proposed amendment to Policy 3.26 Intellectual Property.

BACKGROUND

A policy review committee was convened in September and met in October, November and December of 2009. A fourth meeting was added in January of 2010 to allow further opportunity for constituent groups to provide input on the proposed amendment. Various stakeholders throughout the System have been consulted with during the past six months.

CONSULTATION

Consultation has occurred as follows:

- Reviewed by the Academic and Student Affairs Policy Council- 1/21/2010 and 3/19/2010.
- Reviewed at Minnesota State College Faculty (MSCF) meet and confer- 2/25/2010.
- Mailed out for review and comment -3/25/2010.
- Review and comment at Inter Faculty Organization (IFO) meet and confer 3/26/2010.
- Reviewed at Leadership Council- 4/6/2010.
- Reviewed and comment at Minnesota State University Association of Administrative and Service Faculty (MSUAASF) meet and confer- 4/9/2010.
- Planned for review and comment at IFO meet and confer- 4/26/2010.
- Planned for review and comment at MSCF meet and confer- 5/6/2010.

RECOMMENDED COMMITTEE ACTION

The Academic and Student Affairs Policy Committee recommends that the Board of Trustees adopt the following motion:

RECOMMENDED MOTION

The Board of Trustees approves the proposed amendment to Policy 3.26 Intellectual Property.

BOARD OF TRUSTEES MINNESOTA STATE COLLEGES AND UNIVERSITIES

	MINNESOT	BOARD OF TRUSTEES FA STATE COLLEGES AND UNI	VERSITIES CONTINUES
BOARD POLIC	CY		3.26
Chapter	3.	Educational Policies	
Section	26.	Intellectual Property	

3.26 Intellectual Property 1

- Part 1. Policy Statement. The Minnesota State Colleges and Universities Board of Trustees 2
- 3 endeavors to develop and maintain a post-secondary educational system marked by academic
- excellence. Research and development of original works and inventions that require intellectual 4
- 5 property protection are a vital part of the academic community. The Board of Trustees
- 6 recognizes and acknowledges that system colleges and universities MnSCU institutions may
- 7 create or commission the creation of such works on its behalf and incorporates inadopts as
- Boardits policy the traditional commitment to faculty and student ownership in scholarly work. 8
- 9 Part 2. Applicability. This policy applies to agreements between colleges, universities, the
- Office of the Chancellor and their respective employees, student employees and students. 10
- 11 **Part 3. Definitions.** For the purposes of this policy, the following words and terms shall have the 12 meanings given them:
- **Subpart A. Agreement.** Agreement when used in this policy means a signed written 13 contract between or among a corporation, business, an individual(s) or individuals and a 14 college, or university or the System, but does not mean a sponsorship agreement or a 15 collective bargaining agreement between the Minnesota State Colleges and Universities 16
- Board of Trustees and an exclusive bargaining representative. 17
- Subpart B. Collective Bhargaining Aagreement. A collective bargaining agreement 18
- means a negotiated contract between the Minnesota State Colleges and Universities 19
- Board of Trustees and a specific bargaining unit. 20
- Subpart C. College or University. College or university, except where specifically 21
- defined otherwise, means a MnSCU system college or , university., Office of the 22
- Chancellor or system. 23
- Subpart D. College, University or Office of the Chancellor Rresources. College, 24
- university or Office of the Chancellor resources means services and all tangible resources 25
- including buildings, equipment, facilities, computers, software, personnel, research 26
- assistance, and funding. 27

1 2 3 4	Subpart E. Course Ooutline . The course outline is the document approved by the college or university curriculum committee and shall include the course title, course description, prerequisites, total credits, lecture/lab breakdown, and student learning outcomes. (As referenced in Board Policy 3.22 Course Syllabi.)
5 6 7 8	Subpart F. Course Sayllabus . The course syllabus is a document that contains the elements of the corresponding course outline, standards for evaluation of student learning, and additional information which that reflects the creative work of the faculty member. (As referenced in Board Policy 3.22 Course Syllabi.)
9 10 11	Subpart G. Creator / <u>inventor</u> . A creator is an individual or group of individuals who invent, author, discover, or are otherwise responsible for the creation of intellectual property. An inventor refers to the creator of an invention that may be patentable.
12 13	Subpart H. Employee . An employee is any person employed by the State of Minnesota as defined by Public Employees Labor Relations Act [PELRA].
14 15 16 17	Subpart I. Faculty. The term "Faculty" refers to full-time and part-time employees performing work in bargaining units 209 and 210 and employees who create works in their capacity as instructors when teaching courses to students for credits at system colleges and universities.
18 19 20	Subpart <u>J.</u> Intellectual <u>Pproperty</u> . Intellectual property is any work of authorship, invention, discovery, or other original creation that may be protected by copyright, patent, trademark, or other category of law.
21 22 23	Subpart K. Intellectual Pproperty Rrights . Intellectual Property Rights means all the protections afforded the owner or owners of an original work under law, including all rights associated with patent, copyright, and trademark registration.
24 25	Subpart <u>L</u> . Jointly <u>Ccreated Wwork</u> . A jointly created work is one where two or more <u>creators</u> authors contribute to the work and intend that it result in a unified, single work.
26 27 28 29 30	Subpart M. MnSCU or MnSCU Minnesota State Colleges and Universities System. MnSCU System, MnSCU, or System is tThe public higher education system established at Minnesota Statutes Chapter 136F. For purposes of this policy, MnSCU The System includes the Board of Trustees, the Office of the Chancellor, the state colleges and universities, and any part or combination thereof.
31 32 33	Subpart N. Office of the Chancellor . Office of the Chancellor means the central administrative office under the direction and supervision of the chancellor and which is part of the Minnesota State Colleges and Universities System.
34 35 36 37	Subpart N. Professional Staff. Professional staff includes but is not limited to administrative staff (such as deans, directors, and vice-presidents) and technical staff, non-faculty researchers, teaching assistants and others not covered by a collective bargaining agreement.

1 2 3 4	Subpart O. Sponsor . A sponsor is a person, <u>private sector company</u> , organization, or governmental entity, other than <u>the System MnSCU</u> , that provides funding, equipment, or other support for a college, or university, or <u>the Office</u> of the Chancellor to carry out a specified project in research, training, or public service.
5 6 7	Subpart P. Sponsorship Aggreement . A sponsorship agreement is a written agreement between the sponsor and a college, university, and/or the Office of the Chancellor and may include other parties including the creator of the work.
8 9 10	Subpart Q. Student . A student is an individual who was or is enrolled in a class or program at any MnSCU system college or university at the time the intellectual property was created.
11 12 13	Subpart R. Student Eemployee . A student employee is a student who is paid by any MnSCU system college, university, or the Office of the Chancellor for services performed. Graduate assistants and work-study students are student-employees.
14 15 16 17	Subpart S. Substantial Unse of Rresources . Substantial use exists when resources are provided beyond the normal professional, technology, and technical support supplied by the college, university, and/or Office of the Chancellor and extended to an individual or individuals for development of a project or program.
18 19	Subpart T. System. See Minnesota State Colleges and Universities System definition in Part 3. Definitions, Subpart N of this policy.
20 21	Subpart U. Works made for hire. Works made for hire means all work done by an employee within the scope of his or her employment or specially commissioned work.
22	Part 4. Ownership of Intellectual Property Rights.
23 24 25 26	Subpart A. Basic Oownership Rrights of the Vvarious Ttypes of Ccreative Wworks. The ownership rights to a creation shall be determined generally by the provisions in Subpart A below, but ownership may be modified by an agreement, sponsorship agreement, or other condition described in Subpart B or Subpart C below.
27 28 29 30 31 32 33 34 35 36	1. Institutional Works . Intellectual property rights in institutional works belong to the college or university. Institutional works are works made <u>for hire</u> in the course and scope of employment by employees or by any person with the use of college or university resources, unless the resources were available to the public without charge or the creator had paid the requisite fee to utilize the resources. A course outline is an institutional work. <u>A college, university or the Office of the Chancellor may enter into a written agreement with a non-faculty employee granting the employee ownership of a work that the parties agree is of a scholarly nature as described in Subpart A.2. Scholarly works and encoded works are not-included within the definition of considered institutional works in</u>
37	accordance with applicable collective bargaining agreements.

- 2. **Scholarly Works**. Intellectual property rights in scholarly works belong to the faculty member, or student or professional staff who created the work, unless an agreement, sponsorship agreement, or other condition described in Subpart B or C below provides otherwise. Scholarly works are creations that reflect research, creativity, and/or academic effort. Scholarly works include course syllabi, instructional materials (such as textbooks and course materials), distance learning works, journal articles, research bulletins, lectures, monographs, plays, poems, literary works, works of art (whether pictorial, graphic, sculptural, or other artistic creation), computer software/programs, electronic works, sound recordings, musical compositions, and similar creations.
- 3. Encoded Works. Intellectual property rights in encoded works belong to the faculty member or student who created the work, unless an agreement, sponsorship agreement, or other condition described in Subpart B or C below provides otherwise. Intellectual property rights in encoded works created by a professional staff member belong to the college or university unless an agreement, sponsorship agreement, or other condition described in Subpart B or C below provides otherwise.
- 4.3. Personal Works. Intellectual property rights in personal works belong to the creator of the work. A personal work is a work created by an employee or student outside his or her scope of employment and without the use of college or university resources other than resources that are available to the public or resources for which the creator has paid the requisite fee to utilize.
- 5.4. Student Works. a) Intellectual property rights in student works belong to the student who created the work. b) A creative work by a student to meet course requirements using college or university resources for which the student has paid tuition and fees to access courses/programs or using resources available to the public, is the property of the student. c) A work created by a student employee during the course and scope of employment is an institutional work and intellectual property rights to such creation belong to the college or university unless an agreement, sponsorship agreement, or other condition described in Subpart B or C below provides otherwise.
- **Subpart B. Modification of B**<u>b</u>**asic Oownership R**<u>r</u>**ights**. The general provisions for ownership of intellectual property rights set forth in Subpart A <u>may shall</u>-be modified by the <u>entering into a signed written agreement as provided in this subpart, following collaborative discussion among the affected parties. <u>following provisions if any of these provisions is applicable to the situation.</u></u>
 - 1. **Sponsorship Agreement**. The ownership of intellectual property rights in a work created under a sponsorship agreement shall be determined by the terms of the sponsorship agreement. If the sponsorship agreement is silent on the issue of ownership of intellectual property rights, ownership will be determined under applicable law.

- 2. Collaborative Agreement.ons/Partnerships. A college, university or the SystemMnSCU and/or its colleges, universities may participate in projects with persons, corporations, organizations and businesses to meet identified student, citizen, community and industry needs. Ownership rights pursuant to any collaboration or partnership shall be addressed pursuant to this policy. 3. Equity Distributions. In any instance in which MnSCU and/or its colleges or universities execute an agreement with an individual, corporation or other entity for economic gain using intellectual property owned by the colleges or university, the colleges or university is entitled to receive an equity distribution. The proceeds of the equity distribution shall be shared among the creators of the work as determined by this policy. 4.3. Specially Commissioned Work Agreements. Intellectual property rights to a
 - 4.3. Specially Commissioned Work Agreements. Intellectual property rights to a work specially ordered or commissioned by the college or university from a faculty member, professional staff, or other employee, and identified by the college or university, as a specially commissioned work at the time the work was commissioned, is a work made for hire and shall belong to the college or university. The college or university, and the employee shall enter into a written agreement for creation of the specially commissioned work.
 - 5.4.Substantial Use of Substantial Resources. In the event a college, or university or the Office of the Chancellor provides substantial resources to a faculty member or professional staff member for creation of a work that is and the work was not an institutional work created under a sponsorship agreement, individual agreement, or special commission, the college, or university, and/or the Office of the Chancellor and the creator shall own the intellectual property rights jointly in proportion to the respective contributions made. Substantial circumstances exist when resources provided are beyond the normal support services extended individuals for development of work products. Use of resources is considered substantial when the additional support received is beyond the normal support level made available by a college, university and/or the Office of the Chancellor to the individual in his or her position.
 - 6. Certain Encoded Works. In the event a college or university hires a professional staff person to develop software or other encoded works, in the works, the encoded works created by such person shall be considered institutional works for which the college or university maintains ownership of the intellectual property rights.

Subpart C. Other ownership factors.

1. **Collective Bargaining Agreement**. In the event the provisions of this Policy and the provisions of any effective collective bargaining agreement conflict, the collective bargaining agreement shall take precedence.

2. **Jointly Created Works**. Ownership of jointly created works shall be determined by separately assessing which of the above categories applies to each creator, respectively. Jointly created works involving the work and contributions of students and/or student employees must be assessed considering this and other relevant categories of ownership rights as set forth above.

- 3. **Sabbatical Works.** Intellectual property created during a sabbatical is defined as a scholarly work. Typical sabbatical plans do not require the use of substantial college/university resources as defined in Part 2. Subpart S. of this policy. If the work created as part of an approved sabbatical plan requires resources beyond those normal for a sabbatical, the parties may enter into one of the applicable arrangements as set forth in Part 4. Subparts B. and C. of this policy.
- 4. System, College or University Name. Intellectual property rights arising from associated with the MnSCUSystem's identity, the identities of its colleges and universities, logos, and other indices of identity belong to the respective entity. Such rights may be licensed pursuant to reasonable terms and conditions approved by the Chancellor, presidents or their designees, respectively. System MnSCU employees may identify themselves with such title of their position as is usual and customary in the academic community; but any user of MnSCUthe System's or its-a college's! andor universityie's! name, logo, or indicia of identity shall take reasonable steps to avoid any confusing, misleading, or false impression of particular sponsorship or endorsement by the System MnSCU, its colleges; or universities. When necessary, specific disclaimers shall be included.
- 5. Works Owned Jointly by Colleges, Universities and the System. Colleges, universities and system ownership interests in jointly owned intellectual property shall be determined by the relative contributions made by each contributor unless otherwise provided in a written agreement. The ownership interests may be expressed in percentages of ownership or an unbundling of the rights associated with the work, whatever the parties agree to. This paragraph applies only to allocation of ownership interests among a college, university or the System. The ownership of any other joint owner shall be determined in accordance with applicable policy, collective bargaining agreement, or personnel plan provisions, or as negotiated among the parties.
- 6. Equitabley Distributions. In any instance in which the System and/or its colleges or universities execute an agreement with an individual, corporation, business or other entity for economic gain using intellectual property in which the colleges, universities, or the System has an ownership interest, the colleges, universities or the System shall receive an equitable distribution. The proceeds of the equitable distribution shall be shared among the creators of the work as determined by agreement in accordance with this policy.

1	Part 5. Coordination Function.
2 3 4 5 6 7 8	Subpart A. Appointment of <u>c</u>Coordinator . The president or Chancellor, or his/her designee at each college, university, or Office of the Chancellor shall appoint an employee to be the <u>local</u> Intellectual Property Coordinator. The coordinator has responsibility to administer provisions of this policy to include dissemination of the college or university's procedures regarding implementation of <u>Board Policy 3.26</u> Intellectual Property and <u>Board Policy 3.27</u> <u>Copyrights Reproduction and Use of Copyrighted Materials</u> and any related procedures.
9 10 11 12	Subpart B. Record-Kkeeping . Each college and university shall establish a record-keeping system to monitor the development and use of its intellectual property. Any questions relating to the applicability of this policy should be directed to the Intellectual Property Coordinator.
13 14 15	Subpart C. Conflicts of Linterest and Eethics . MnSCU-System employees are responsible for adhering to all legal and ethical requirements in accordance with State law, Board Policy and system procedure.
16	Part 6. Preservation of Intellectual Property Rights.
17 18 19 20 21 22 23	Subpart A. Protection of Rrights. The A college, or university of the Office of the Chancellor shall undertake such efforts, as it deems necessary to preserve its rights in original works for which the college or university is when it is athe sole or joint owner of the intellectual property rights. The A college, or university or the Office of the Chancellor may apply for a patent, for trademark registration, for copyright registration, or for other protection available by law on any new work in which the college, or university or the Office of the Chancellor maintains intellectual property rights.
24 25 26 27 28 29 30 31	Subpart B. Payment of Ccosts. The A college, or university or the Office of the Chancellor may pay some or all costs required for obtaining a patent, trademark, copyright, or other classification on original works for which the college, or university or the Office of the Chancellor exclusively owns or jointly owns the intellectual property rights. If athe college, or university or the Office of the Chancellor has intellectual property rights in a jointly owned work, the college, or university or the Office of the Chancellor may enter into an agreement with joint owners relating to the payment of such costs.
32	Part 7. Commercialization of Intellectual Property.
33 34 35 36	Subpart A. Right of Commercialization. The college, or university or the Office of the Chancellor that owns or has shared intellectual property rights to a work may commercialize the work using its own resources or may enter into agreements with others to commercialize the work as authorized by law. Upon request of a creator who retains

intellectual property rights in a work, the college, <u>or</u> university or the Office of the

Chancellor shall advise the creator of progress in commercializing the work.

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1	Subpart B. Sharing of Pproceeds. An employee who creates a work and retains an
2	intellectual property interest in such work in which the college, or university or Office of
3	the Chancellor maintains intellectual property rights is entitled to share in royalties,
4	licenses, and any other payments from commercialization of the work in accordance with
5	applicable collective bargaining agreements, individual agreements, and applicable laws.
6	All expenses incurred by the college or university in protecting and promoting the work,
7	including costs incurred in seeking patent or copyright protection and reasonable costs of
8	marketing the work, shall be deducted and reimbursed to the college, or university or the
9	Office of the Chancellor before the creator is entitled to share in the proceeds.
10	If a college, university or the Office of the Chancellor decides not to pursue patent or
11	copyright protection in a jointly owned work and the creator/inventor decides to pursue
12	such protection, all expenses incurred by the creator/inventor in protecting and promoting
13	the work including costs incurred in seeking patent or copyright protection and
14	reasonable costs of marketing the work, shall be deducted and reimbursed to the
15	creator/inventor before the college, university or the Office of the Chancellor is entitled
16	to share in the proceeds.
17	Net proceeds generated from the commercialization of works owned jointly by colleges,
18	universities or the Office of the Chancellor (not creators/inventors) will be distributed in
19	accord with the terms of a written agreement, or absent an agreement, in amounts equal
20	to the relative contributions made by the colleges, universities or the Office of the
21	Chancellor.
22	Subpart C. Intellectual Pproperty Aaccount. Each college, university, or and the Office
23	of the Chancellor shall deposit all net proceeds from commercialization of intellectual
24	property in its own general intellectual property account. The President/Chancellor (or
25	designee) may use the account to reimburse expenses related to creating or preserving the
26	intellectual property rights of the college, university, or Office of the Chancellor
27	intellectual property rights or for any other purpose authorized by law and MnSCUBoard
28	policy, including the development of intellectual property.
29	Subpart D. Trademarks . Income earned from the licensing of college, and university or
30	System trademarks and logos is not subject to the requirements of Subpart C- for
31	distribution of funds.
32	Part 8. Assignment of Rights.
33	Subpart A. College, or University or Office of the Chancellor Aassignment. If it is in
34	the best interest of the college or university, the A college, or university or the Office of
35	the Chancellor may assign all or a portion of its rights in a work to the creator,
36	corporation, business or to any other person in accordance with the law and when in the
37	best interests of the college, university or the System. As a condition of the assignment,

the college, or university or the Office of the Chancellor, may preserve rights, such as a

royalty-free, perpetual, irrevocable, non-exclusive license to use and copy the work in

accordance with the preservation and the right to share in any proceeds from

commercialization of the work.

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- Subpart B. Creator Aassignment. Any person may agree to assign some or all of his or
- 2 her intellectual property rights to the college, university or <u>sS</u>ystem. The creator may
- preserve any rights available to the creator as part of the assignment.
- 4 **Subpart C. Assignment in Wwriting**. Any assignment of intellectual property rights
- 5 shall be in writing and signed by the assignor and assignee.
- 6 Part 9. Dispute Resolution Process. The Office of the Chancellor may develop procedures to
- 7 resolve disputes relating to this policy.
- 8 Part 10. Notification of Policy. The Intellectual Property Coordinator at each college,
- 9 university, and the Office of the Chancellor shall provide a copy of this Intellectual Property
- Policy and any other forms developed to implement this Policy to persons upon request. The
- 11 college, university, or Office of the Chancellor shall arrange training on a periodic basis for
- faculty, staff and/or other persons who are covered by this Intellectual Property Policy.

Related Documents: Policy 3.22 Course Syllabi

Procedure 3.26.1 Patent Inquiry Process

Policy 3.27 Copyrights

Procedure 3.27.1 Copyright Clearance

Minnesota State Statute 136F Minnesota State Statute 16B.483

Date of Implementation: 1/01/03 Date of Adoption: 6/19/02 Date and Subject of Revision:

POLICY CONTENT FORMAT

Single underlining represents proposed new language

Strikeouts represent existing language proposed to be eliminated.