

Document # <b>SOP-MU-01</b>	Title: <b>Annual Sponsored Research Exemption Report to the State of Florida Governor and Legislature</b>	Print Date: <b>3/13/2017</b>
Revision # <b>0.0</b>	Prepared By: <b>Caroline Fultz-Carver, Associate Compliance Officer</b>	Date Prepared: <b>3/28/2016</b>
Effective Date: <b>3/13/2017</b>	Reviewed By: <b>Jolanda Thompson</b>	Date Reviewed: <b>4/1/2016</b>
Standards: <b>USF System Policy 0-027</b>  <b>Florida Statutes §112.313(12)(h)</b>	Approved By: <b>Jeffrey Muir, USF System Chief Compliance Officer</b>	Date Approved: <b>1/4/2017</b>
	Approved By: <b>Gerard Solis, USF System General Counsel</b>	Date Approved: <b>3/13/2017</b>
	Approved By: <b>April Turley, Director, Division of Patents &amp; Licensing</b>	Date Approved: <b>1/27/2017</b>

## Policy

Under the Florida Code of Ethics for Public Officers and Employees (FCOE) and USF System Policy 0-027, USF System employees are prohibited from having an employment or contractual relationship with a business entity also doing business with the USF System, unless an exemption applies under §112.313(12)(h). When such an exemption, called a Sponsored Research Exemption (SRE), is approved by the USF System President and the USF System Board of Trustees Chair, it must be disclosed to the State of Florida Governor and the Legislature by March 1 of each year.

## Scope:

This standard operating procedure (SOP) affects:

- **USF System employees**
- **Technology Transfer Office/Patents & Licensing in USF Research & Innovation**
- **USF System Compliance & Ethics Program (CEP)**
- **USF System President**
- **USF System Board of Trustees Chair**
- **Office of the General Counsel (GC)**

## Purpose:

The purpose of this SOP is to outline the responsibilities and steps needed to generate the annual Sponsored Research Exemption report to the State of Florida Governor and Legislature as outlined under Florida Statutes, §112.313(12)(h).

## Responsibilities:

**USF System Employees** must disclose when they have an employment or contractual relationship with a business entity that is doing business with the USF System in the eDisclose system on the FCOE form. Examples of “doing business” includes, but is not limited to, the following:

- Employment by a USF System vendor
- Providing consulting services to a USF System vendor
- An interest in a company that is licensing intellectual property from the USF System
- An interest in a company that is sponsoring a USF System research project

**Patents & Licensing** is responsible for the following:

1. Ensuring USF System employees have completed a FCOE disclosure in the eDisclose system *prior* to execution of a license agreement that is between the USF System and a company in which a USF System employee has a direct involvement, i.e., ownership, officer, board member, consultant, etc.
2. Providing USF System Compliance & Ethics with a report of USF System employees with an interest in a company that is licensing USF System intellectual property within the preceding calendar year. This **Licensing Report** must be provided to the CEP by January 14 each year. Information on the report will include: Company Name, employees name involved with the company, effective date of the agreement and the expiration date of the agreement.

**USF System Compliance & Ethics Program** is responsible for the following:

1. Drafting the annual **SRE Report**, based on the **Licensing Report** and FCOE disclosures with SREs in eDisclose.
2. Drafting the SRE review and approval memos for the review and approval by the USF System President and Chair of the Board of Trustees.
3. Providing the final SRE Report to the Office of the General Counsel by February 15<sup>th</sup> [instructions are below].
4. Maintaining USF System records for the submission of the annual SRE Reports to the State of Florida Governor and the Legislature.

**Office of the General Counsel** is responsible for the following:

1. Providing the draft SRE Report to the USF System President and Chair of the Board of Trustees for their review and approval.
2. Submitting of the final SRE Report to the State of Florida Governor and the Legislature on behalf of the USF System Board of Trustees Chair.
3. Providing a copy of the final, submitted SRE Report to the CEP and maintaining a copy for GC records.

## Procedure:

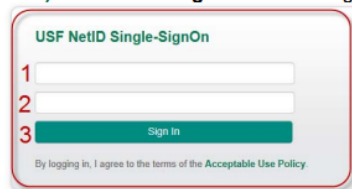
### 1.0 Division of Patents & Licensing: Confirming FCOE Disclosure

- 1.1 Prior to the execution of a Licensing Agreement involving a USF System employee, Patents & Licensing (PnL) will confirm that an FCOE disclosure has been submitted in eDisclose by said employee as follows:

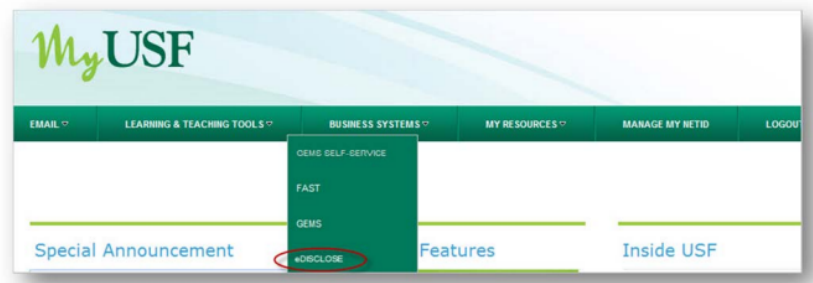
#### 1.1.1 Launch eDisclose

Open the **myUSF** portal by clicking on this link: <http://my.usf.edu> and taking the following steps:

- 1) Enter your NetID.
- 2) Enter your NetID password.
- 3) Click on the **Sign In** button to log into myUSF.



Choose eDisclose from the **Business Systems** drop-down menu of myUSF.



#### 1.1.2 Open the **Disclosures** tab to view all disclosures in eDisclose



1.1.3 Search for disclosures submitted by the USF System employee on the **In Progress** or **Review Completed** tabs as follows:

- 1) Choose the filter type, e.g., Name.
- 2) Type your search text in the text box indicated below.

*Tip: Use % as a wild card before your search text, e.g., type %Smith, when searching for disclosures by disclosers with the surname Smith.*

- 3) Click **Go** to list only those disclosures meeting your search criteria on the tab you are viewing.

The screenshot shows the USF eDISCLOSE system interface. At the top, there are logos for USF University of South Florida System and eDISCLOSE. Below the logos, there is a 'Welcome' message and a 'Disclosures' tab. The main content area is titled 'Disclosures' and contains a message: 'Conflict of Interest (eDisclose) projects that are In Progress, Review Complete, and Review Pending'. Below this message, there is a tip: 'Use % as a wild card when filtering information on the below tabs'. The interface has three tabs: 'In Progress', 'Review Completed', and 'Spotism'. The 'In Progress' tab is selected. Below the tabs, there is a 'Filter by' dropdown menu. A red arrow labeled 'Step 1)' points to the 'Filter by' dropdown menu. The dropdown menu is open, showing options: 'Name', 'ID', 'Date Modified', 'State', and 'Last State Change'. The 'Name' option is selected. To the right of the dropdown menu, there is a text input field containing '%smith'. A red arrow labeled 'Step 2)' points to this text input field. To the right of the text input field, there is a 'Go' button. A red arrow labeled 'Step 3)' points to the 'Go' button. Below the text input field and 'Go' button, there is a table of results. The table has columns: 'ID', 'Name', 'Date Modified', and 'State'. The table contains two rows of data: one for 'Jill Smith' and one for 'Kathryn Smith'. The table also shows '2 items' at the bottom.

ID	Name	Date Modified	State
DISC-00011696	Jill Smith	3/18/2016 1:14 PM	3.0 Ne
DISC-00011574	Kathryn Smith	3/15/2016 2:04 PM	1.0 Pr

- 1.1.4 If there is no FCOE disclosure for the employee listed on the **In Progress** or **Review Completed** tabs, then this employee has not completed an FCOE disclosure in eDisclose and the license agreement cannot be executed. Contact the USF System employee and ask them to complete a FCOE disclosure in eDisclose.

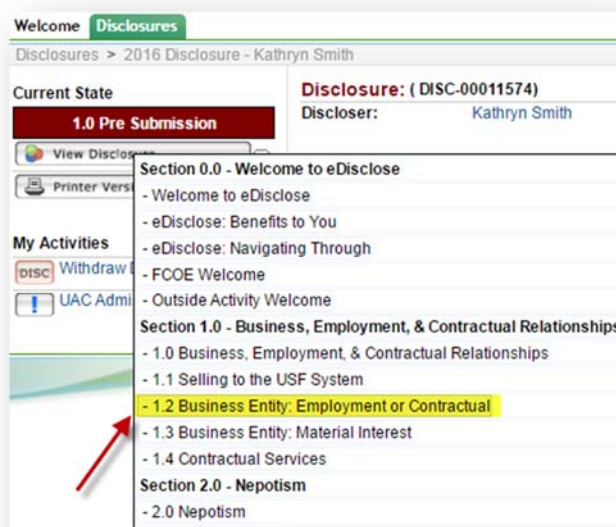
If the employee needs assistance to complete the disclosure, refer them to the eDisclose Help Desk by directing them to call 813-974-2705 or email [eDisclose@usf.edu](mailto:eDisclose@usf.edu).

- 1.1.5 If there is an FCOE disclosure in eDisclose for the USF System employee, then confirm the employee has disclosed the licensing agreement on the FCOE form as follows:

- 1) Click on the hyperlinked name of the disclosure to open the Disclosure Workspace.



- 2) Open Page 1.2 of their FCOE disclosure by choosing **1.2-Business Entity: Employment or Contractual** on the **View Disclosure** button's drop-down menu.



- 3) Confirm the employee has answered “yes” to Question 1.2 and completed subsequent 1.2 questions regarding the entity cited on the license agreement.
  - a. If the relationship has not been disclosed under Question 1.2, then the license agreement cannot be executed until the employee discloses the license agreement on their FCOE form. Contact the USF System employee and ask them to update their FCOE disclosure in eDisclose.

*TIP: FCOE disclosures listed on the **In Progress** tab can be edited. FCOE disclosures listed on the **Review Complete** tab can no longer be edited; the employee will need to submit a new FCOE disclosure.*

If the employee needs assistance editing their FCOE disclosure, refer them to the eDisclose Help Desk by directing them to call 813-974-2705 or [eDisclose@usf.edu](mailto:eDisclose@usf.edu).

- b. If the relationship has been disclosed under Question 1.2, then the license agreement can be executed.
- 1.2 Provide USF System Compliance & Ethics with a report of USF System employees with an interest in a company that is licensing USF System intellectual property (“Licensing Report”) by January 14<sup>th</sup> each year. A sample Licensing Report is provided as Appendix A.

## 2.0 USF System Compliance & Ethics

- 2.1 Determine whether or not a SRE applies to FCOE disclosures made in the eDisclose system and, if so, document said exemptions in eDisclose.
- 2.2 Confirm an FCOE disclosure has been submitted in eDisclose for all USF System employees listed on the **Licensing Report** provided by PnL by following the procedures outlined in Section 1.0 of this procedure.

If an employee listed on the **Licensing Report** does not have an FCOE disclosure in eDisclose, then notify PnL so they can follow-up with the employee.

- 2.3 Prepare a list of companies and associated USF System employees based on the **Licensing Report** and FCOE disclosures granted a SRE in eDisclose for the preceding calendar year as follows:

- 2.3.1 Based on the Licensing Report, list the companies and associated USF System employee(s) involved in licensing agreements executed in the previous calendar on the table on the SRE memo.

- 2.3.2 Based on the SRE report in eDisclose, list the companies and associated USF System employee(s) for business relationships granted an SRE in the previous calendar year. This report is available on the eDisclose reporting tool accessed with your NetID and password: <https://reports.research.usf.edu/Report>.

**IMPORTANT:** Each company should only be listed once on the SRE memo and counted only once as part of the SRE reports to the Governor and Legislature, e.g., if Company X involves three USF System employees, count it as one SRE; rather than three SREs.

- 2.3.3 Cross-reference the companies and employees on the resultant list against SREs reported for previous calendar years to guard against redundant or duplicative reporting. SREs are reported once during the year in which the SRE was granted. Previous SRE reporting can be found on the UAC share drive at the following location:

[O:\Compliance Program\01\\_eDisclose-FCOE-OA\SponsoredResearchExemption](#)

- 2.4 Draft the SRE memo and SRE reports using the SRE templates available on the UAC share drive as provided below.

- 2.4.1 SRE memo from UAC to USF System Board of Trustees Chair:  
[O:\Compliance Program\01\\_eDisclose-FCOE-OA\SponsoredResearchExemption\Templates\TEMPLATE-Cover Memo-BOT\\_Chair.docx](#)



- 2.4.2 SRE report from the USF System Board of Trustees Chair to the State of Florida Governor: [O:\Compliance Program\01\\_eDisclose-FCOE-OA\SponsoredResearchExemption\Templates\TEMPLATE-Annual Sponsored Research Exemption Reporting-GOVERNOR.docx](O:\Compliance Program\01_eDisclose-FCOE-OA\SponsoredResearchExemption\Templates\TEMPLATE-Annual Sponsored Research Exemption Reporting-GOVERNOR.docx)
- 2.4.3 SRE report from the USF System Board of Trustees Chair to the Florida House of Representatives: [O:\Compliance Program\01\\_eDisclose-FCOE-OA\SponsoredResearchExemption\Templates\TEMPLATE-Annual Sponsored Research Exemption Reporting-Legislature-HOUSE.docx](O:\Compliance Program\01_eDisclose-FCOE-OA\SponsoredResearchExemption\Templates\TEMPLATE-Annual Sponsored Research Exemption Reporting-Legislature-HOUSE.docx)
- 2.4.4 SRE report from the USF System Board of Trustees Chair to the Florida Senate: [O:\Compliance Program\01\\_eDisclose-FCOE-OA\SponsoredResearchExemption\Templates\TEMPLATE-Annual Sponsored Research Exemption Reporting-Legislature-SENATE.docx](O:\Compliance Program\01_eDisclose-FCOE-OA\SponsoredResearchExemption\Templates\TEMPLATE-Annual Sponsored Research Exemption Reporting-Legislature-SENATE.docx)
- 2.5 Email the draft SRE memo and reports to the Office of the General Counsel by February 14<sup>th</sup>.
- 2.6 Maintain USF System records for the submission of the annual Sponsored Research Exemption Report to the State of Florida Governor and the Legislature as follows:
  - 2.6.1 Save correspondence and files relating to the SRE reporting for the calendar year in which it was reported to the State of Florida Governor and Legislature in the UAC Shared drive under **Compliance Program\ 01\_eDisclose-FCOE-OA\SponsoredResearchExemption** in a subfolder in the following format: YYYY Reporting.

*E.g., Correspondence and files for SRE reporting in 2016 to the State of Florida Governor and Legislature were filed in the following subfolder: [O:\Compliance Program\01\\_eDisclose-FCOE-OA\SponsoredResearchExemption\2016 Reporting](O:\Compliance Program\01_eDisclose-FCOE-OA\SponsoredResearchExemption\2016 Reporting)*
  - 2.6.2 Save the final, signed version of the SRE memo and SRE reports to State of Florida Governor and Legislature in pdf format as a single file. Post this file to the UAC shared drive under Compliance Program\ 01\_eDisclose-FCOE-OA\SponsoredResearchExemption\YYYY Reporting\FINAL Report-YYYY.



*E.g., The final SRE approval memo and reports in 2016 to the State of Florida Governor and Legislature were filed in the following subfolder: [O:\Compliance Program\01\\_eDisclose-FCOE-OA\SponsoredResearchExemption\2016 Reporting\FINAL Report-2016](#)*

### **3.0 Office of the General Counsel**

- 3.1 Review the draft SRE memo and SRE reports for form and legality, editing as needed.
- 3.2 Print the SRE memo and SRE reports on USF System letterhead.
- 3.3 Provide the SRE memo to the USF System President for review, approval, and signature.
- 3.4 Provide the SRE memo—signed by the USF System President—and the SRE reports to the USF System Board of Trustees Chair for review, approval, and signature.
- 3.5 Submit the final, signed SRE reports to the State of Florida Governor and the Legislature on behalf of the USF System Board of Trustees Chair by March 1<sup>st</sup>.
- 3.6 Email a pdf version of the final, signed SRE memo and SRE reports to USF System Compliance & Ethics and maintain a copy for GC records.

### **Effectiveness Criteria:**

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- License Agreements involving USF System employees are not executed by PnL unless and until the involved employee has disclosed the relationship on the FCOE form eDisclose.
- Sponsored Research Exemptions are specifically approved by the USF System President and the USF System Board of Trustees Chair.
- Sponsored Research Exemptions are reported to the State of Florida Governor and the Legislature by March 1 of each year for business transactions so approved during the preceding year by the USF System Board of Trustees Chair.

## References:

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**USF System Policy 0-027, Florida Code of Ethics for Public Officers and Employees; Compliance and Disclosure:**

<http://regulationspolicies.usf.edu/policies-and-procedures/pdfs/policy-0-027.pdf>

**Florida Code of Ethics for Public Officers and Employees (see §112.313(12)(h)):**

<http://www.usf.edu/audit-compliance/documents/fcoe-chapter-112-2013.pdf>

## Revision History:

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The below chart summarizes the revision history of this Standard Operating Procedure.

Revision	Date	Description of Changes	Requested By
0.0	3/13/2017	Inception	Caroline Fultz-Carver

## APPENDIX A: SAMPLE Licensing Report

Faculty Involved Licenses 3-7-16.xls [Read-Only] [Compatibility Mode] - Excel

	A	B	C	D	E	F	G
	Licensee/Other	Status	Inventor Involved	Effective Date	Expiration Date		
2	Claro Scientific, LLC	Active	Luis Garcia-Rubio	06/30/2004	1/1/2099		
3	Culture Fuels, Inc.	Active	George Philippidis	07/20/2015			
4	CuPRx, LLC	Active	Wesley Brooks, Kenyon Daniel, ?Wayne Guida?	07/01/2015	7/1/2016		
5	Formerics, LLC (f/k/a Applied Composites Modeling, LLC (ACM))	Active	Daniel Simkins	04/15/2013	1/1/2099		
6	Gordian Biotechnologies, Inc.	Active	?Yu Chen?	01/10/2014	1/1/2099		
7	Innovatia Medical Systems, LLC	Active	Richard Gitlin	07/31/2013	7/31/2050		
8	KeriCure, Inc.	Active	Edward Turos	05/02/2011	1/1/2099		
9	Micro Concepts Research Corporation *	Active	Daniel Lim	01/06/1987	1/1/2099		
10	MicroMaterials, Inc.	Active	Nicholas Djeu	01/01/1999	1/1/2099		
11	Modelithics, Inc.	Active	Lawrence Dunleavy	02/01/2007	1/1/2099		
12	Modulation Therapeutics, Inc.	Active	?Lori Hazlehurst	01/20/2012	1/1/2099		
13	My Reviewers	Active	Joseph Moxley	06/30/2014	1/1/2099		
14	Natura Therapeutics, Inc. (f/k/a Nutritherapeutics, Inc.)	Active	Paul Sanberg and	06/18/2013	6/17/2014		
15	NeuroEM Therapeutics, Inc. (f/k/a NeuroMod Corp.)	Active	Gary Arendash	06/30/2013	1/1/2040		
16	PureMolecular LLC	Active	John Paul	11/16/2015			
17	Saneron CCEL Therapeutics, Inc	Active	Paul Sanberg	09/06/2000	1/1/2099		
18	Spyglass Technologies, Inc. (f/k/a VODA, LLC)	Active	David Fries	06/30/2008	1/1/2099		
19	Transformair, Inc.	Active	Yogi Goswami	07/15/2015			
20	Transgenex Nanobiotech, Inc.	Active	Shyam Mohapatra	05/23/2014	5/23/2099		
21	Western Autotroph Company LLC	Active	Peter Stroot	03/01/2015	3/1/2016		
22							