The University of Washington greatly values participation by Non-Profit and Foundation entities in Sponsored Programs. Such entities are engaged in the same public mission as the UW: changing the world for the benefit of all. UW joins these Foundation/Non-Profit missions in research and programmatic endeavors in many ways. UW fiscal policies recognize a sharing of costs where appropriate while at the same time making world class facilities, researchers, scientists and other experts available on a shared basis to solve the world’s fundamental and most pressing problems. The UW also manages gifts and bequests to affect the donative intent of generous individuals and organizations.

The University has a long tradition of serving the public and its constituent partners. In an effort to continue these traditions, the University wishes to reduce the completion time for Sponsored Research agreements with non-profit and foundation entities. While research is inherently unpredictable and uncertain, the University believes that agreements to fund such activity should reflect simple principles of joint, public beneficial interest.

To those ends, UW may accept research agreements only to the extent such agreements are consistent with the following Selected Principles and Practices. UW thus intends that these Principles and Practices be incorporated into the agreements by the signature provided, and to the extent other terms are inconsistent with or contradict them, those other terms are not part of the final agreement.

**Selected Principles and Practices:**

The following selected principles underlying UW research agreements are summarized to facilitate early understanding between the UW and sponsors:

1. **Reasonable Efforts**

   Since the course of state-of-the-art research is by its nature unpredictable and research results are inherently uncertain, UW research is generally conducted on a reasonable efforts basis, performed at a standard that is consistent with research at comparable academic institutions. As a major research university, the UW has available a wide array of excellent researchers and facilities that reflect the UW's commitment to a large and varied research program that is in excess of $1 billion annually. Accordingly, the UW's extensive resources make it possible to organize research projects in a manner that is sensitive to the differing requirements of individual sponsors.

   The University intends that all sponsored programs be conducted in full compliance with applicable law, and that Washington Law specifically and irrevocably governs its operations. UW is a Washington State agency, created by Constitutional provision and statute (RCW 28B.20) and UW is unable to waive by contract any protections or requirements afforded by Washington State law.
2. **Publications**

   To fulfill its mission and meet requirements arising from the UW's status as a tax-exempt, public educational and research institution, research conducted at the UW must primarily serve public rather than private purposes. It is expected that research results will be published or otherwise be disseminated on a nondiscriminatory basis and within a reasonable period of time.

   Consistent with this, the UW also recognizes the legitimate proprietary needs of sponsors. Where appropriate, publication may be deferred for a limited time to protect intellectual property rights or to facilitate other forms of technology transfer. Similarly, on those occasions where the UW has received a sponsor's existing proprietary information in order to carry out a research project, the sponsor may be provided an opportunity to review proposed publications to request changes to prevent any inadvertent disclosure of its specifically identified nonpublic information.

   Regardless of funding sources, the results of research conducted by UW personnel, employees, agents, and students, as well as research materials in UW’s possession are public assets, and are broadly subject to disclosure as Public Records within the meaning of the Washington State Open Public Records Act, RCW 42.56. While the Act has exceptions and exclusions, the University does not institute proceedings to exempt materials from disclosure nor make an independent determination as qualified for exclusion. UW will give reasonable notice of compelled disclosures, and reasonably cooperate with a sponsor’s efforts to seek legal relief from the requirements.

3. **Intellectual Property and Technology Transfer**

   The basic objectives of the UW's intellectual property policies are to promote the progress of science and technology, assure that discoveries and inventions are utilized in ways most likely to benefit the public, provide appropriate recognition to UW researchers, and share royalty revenues received from the licensing of inventions with UW inventors.

   While the UW customarily grants a royalty-free license to the sponsor to make internal use of any written reports and data that arise from the research project, the UW retains ownership to all inventions and discoveries, arising from UW-conducted research whether or not patentable. In appropriate cases, the UW will grant a sponsor a first right to separately and subsequently negotiate a reasonable commercial license to use the technology arising from the research, which may include the right of the sponsor to obtain exclusive rights.

   UW is unable to prospectively convey a license to UW IP (either solely created or jointly created) for commercial purposes outside of the [Washington Innovation Advantage Program](https://www.washington.edu/offices/osp/). UW does not license background IP (that UW IP that existed prior to the start of a sponsored program) nor license use of UW trademarks in connection with sponsored programs.
4. **Funding and Pricing**

UW sponsored research projects are generally conducted on the basis of full cost recovery, including payment of all direct costs and facilities and administrative (F&A) costs (also “indirect costs” or “overhead”) at the UW's negotiated, established and published federal rate. F&A costs are actual costs incurred by the UW. University policy recognizes exceptions to F&A recovery for certain sponsors that meet specified criteria. Research rates do not have any allowance for profit or factors for uncertainty of payment. Prepayment or early payment may be necessary since the UW does not utilize its working capital to finance large expenditures incurred in the course of sponsored research. As a result, UW requires a payment schedule that is sufficient to assure payments keep pace with planned project expenditures. The specific payment schedule will be negotiated depending on the type and scope of the project, the length of the project, and the anticipated pace and pattern of actual expenditures. Frequently, such agreements may also specify a not-to-exceed maximum price. For cost-reimbursement arrangements, the agreement may provide that any unspent funds remaining at the end of a project will be returned to the sponsor. On limited occasions where it is deemed appropriate, pricing may be fixed or unit determined or based on achievement of well-defined, limited milestones where the research costs and goals are clear and understood.

5. **Warranties, Liability, and Risks**

The UW receives no fee or profit on its research with which to cover business risks. For this reason, and because it is inconsistent with the reasonable efforts principle, the UW generally is unable to accept contractual provisions that establish rigid deadlines or deliverables, impose penalties for failure to progress at a certain pace, or provide for withholding of payment if the sponsor is not satisfied with the results. All research is inherently uncertain, and UW disclaims all warranties as to suitability, merchantability, fitness of purpose, or non-infringement. UW cannot agree to and disclaims any liability for sponsor business losses, such as lost profits. As provided by Washington law, the UW is precluded from indemnifying anyone, including the sponsor, for any form of deliberate misconduct.

For the preceding reasons, the University expects full cost recovery for all work properly performed. Terms that exculpate a sponsor from payment if subjective quality is not realized, or if a sponsor is unable to pay because of circumstances wholly within the control of the sponsor (e.g. non-payment to the sponsor from a third party source) are unacceptable. To ameliorate such risks to a sponsor, the UW is able to offer liberal termination terms, requiring notice of no less than 30 days.