

STAR



STRENGTHENING
ADMINISTRATION
OF RESEARCH

2021 Workshop Series

-
- Welcome! Thank you for joining us. The workshop will begin shortly.
 - Please check that you are on mute and your video is off.
 - This workshop will be recorded.
 - Have your case study nearby

2021 Workshop Series

Understanding Agreements: Research vs. Service

November 3, 2021, 1:30 pm – 3:00 pm

- Tara Train, Manager, Partnerships, Division of the Vice-President, Research & Innovation (VPRI)
- Kristina Dinevska, Research Partnerships Officer, Partnerships, VPRI

Land Acknowledgement

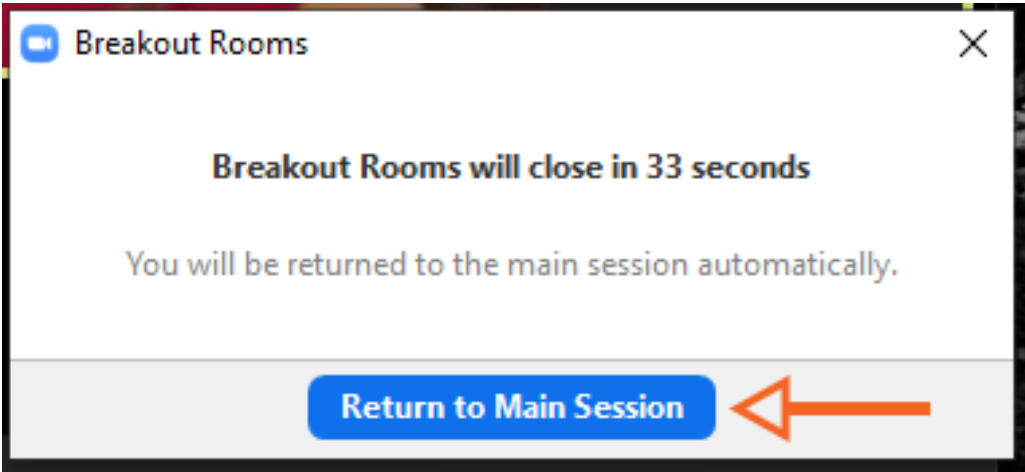
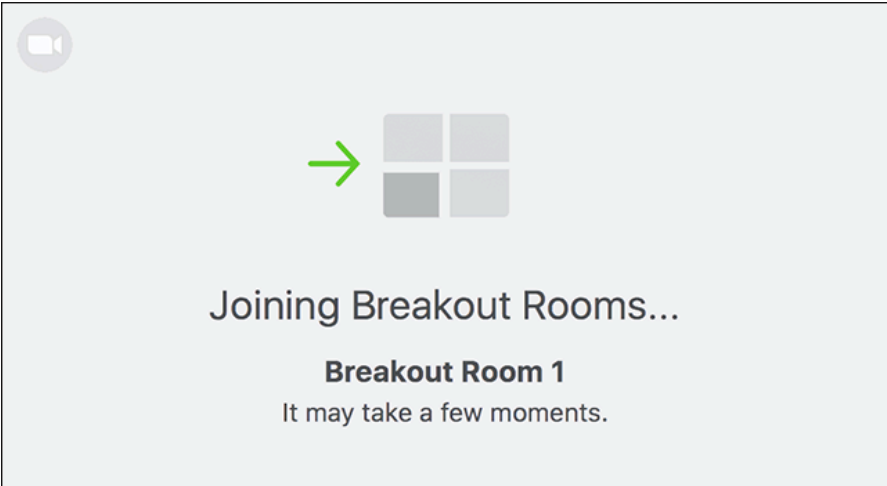
"I (we) wish to acknowledge this land on which the University of Toronto operates. For thousands of years it has been the traditional land of the Huron-Wendat, the Seneca, and the Mississaugas of the Credit. Today, this meeting place is still the home to many Indigenous people from across Turtle Island and we are grateful to have the opportunity to work on this land."

Access Check

Access is a shared responsibility between everyone in this workshop.

- Is there anything (presenter screen, sound) that may affect your participation in this session?
- For any other general access issues, please use the Zoom chat to send a private chat message to *Abigail Warnock*

Breakout Rooms



Agenda

- Understand the distinction between service agreements and research agreements
- Identify which agreement is most appropriate for a given funding opportunity
- Explain the respective procedures for reviewing, approving and executing a service or research agreement
- Group case study & discussion
- Q & A

PARTICIPANT POLL: Why does identifying the right agreement to use matter?



What are research agreements?

- Any form of research engagement with an external partner requires an agreement. The Division of the Vice-President, Research & Innovation (VPRI) manages funded and non-funded research agreements to ensure all research activity is performed in compliance with UofT policies.
- Non-funded research agreements include confidentiality agreements, transfer agreements (material/data), and collaboration agreements.

What are research agreements?

- Sponsored research agreements (SRAs) govern the funded research partnerships between UofT and an external sponsor.
- SRAs formally set out the obligations of each party and typically include the following: confidentiality obligations; intellectual property ownership and licensing terms; publication rights; and other legal terms. They also outline the scope of the project, milestones/deliverables, and budget commitments and payment schedule.
- The scope of the research project is determined by the Principal Investigator (PI) or collaboratively between the PI and the sponsor.

What are service agreements?

- A service agreement is between an external organization and UofT under which the PI agrees to provide work on a transactional, fee-for-service model.
- As indicated on our website: “*the goal of a service activity is to apply existing knowledge towards a particular problem or to generate data of limited application.*” Service agreements are used for well-defined activities that are solicited and directed by the client, for the PI to apply their expertise or use existing resources to achieve a specific outcome.
- This may include the use of established testing protocols, analytical services, or existing research tools.

What are service agreements?

- The scope and nature of the proposed work is largely defined by the client.
- Typically, there will be no expectation that the project activities will be publishable in peer-reviewed journals or generate patentable inventions. In this regard, these activities are not considered “research”.

So far, in 2021 the Innovations & Partnerships Office (IPO) has received and negotiated 20 Service agreements, and over 180 Sponsored Research Agreements



Identifying whether a service agreement or research agreement is appropriate

It's an art, not a science



A rose by any other name...



Who is driving the bus?



Intellectual property and deliverables

- If any **new or novel** intellectual property will be developed, a service agreement is likely not appropriate.
- The report or deliverable in a service agreement will usually be owned by the client. The report or deliverable may have IP embedded in it – i.e. it may describe a modification or an improvement to the client’s existing IP or interpret sponsor data. However, work under a service agreement should not result in stand-alone new and novel IP.
- For both types of agreements, the PI should identify any background IP they’re using in the performance of research or service.

Publication

- If the PI intends to publish on the results of the research, a research agreement is more appropriate.
- Research agreements must comply with the University's Publications Policy, which states that *“the dissemination of knowledge is one of the primary functions of the university, university research should be such that the results may be freely published or otherwise promptly disseminated.”*
- Under a service agreement, the client will have an expectation that they own the reports and deliverables, so this may conflict with the PI's desire to publish.
- A client could, however, permit publication.

Other considerations

Students

- If a student is working on a service agreement it should not encompass work they are doing for their thesis or degree requirements. Service agreements often provide ownership of deliverables and may contain restrictions on publications. Generally, students are discouraged from working on service contracts as they should be focused on their studies.
- Students can perform research under a research project, under the direction of the PI. Students and other project participants should read and sign a Confidential Information & Intellectual Property (CIIP) Agreement. Research agreements specifically address student theses and requires that academic progress not be limited or delayed.

Other considerations

Work involving human participants or animal subjects

- If a project requires an institutional ethics permit or protocol, the funding needs to be held in a restricted research fund. The release of funding is based on the approval of protocols/permit.

Problematic terms in service agreements

- Indemnities and warranties and non-compete clauses, oh my!
- Client service agreements are often intended for large commercial transactions and they can sometimes be inflexible.
- Problematic terms must be escalated – the Chair/Dean can agree to underwrite the risk.



Procedure: Sponsored Research Agreements

The VPRI facilitates and administers all University research partnerships.

1. Submit

The researcher (or delegate) submits a Research Agreement online through [My Research Applications & Agreements \(MRA\)](#)

2. Review

Agreement undergoes internal review and is routed to the relevant VPRI office:

- Innovations & Partnerships Office (IPO) **or**
- Research Services Office (RSO)

Procedure: Sponsored Research Agreements

3. Negotiation

VPRI staff (RSO or IPO) review the agreement, negotiate the terms with the sponsor, and execute the agreement

4. Sign-Off

Only **designated authorized signatories** of the University can sign on behalf of U of T.

(See [Policy on Approval and Execution of Contracts and Documents*](#))

5. FIS Fund established

VPRI staff establish a restricted research fund in the Financial Information System (FIS)

Procedure Quiz: True or False

- IPO can approve a service agreement

Procedure: Service Agreements

- **IPO does not approve service agreements.** IPO provides a “service” by reviewing service agreements, but it is not a requirement to have them reviewed at this office.
- IPO does not review all “service-type” agreements (*e.g. purchase of external goods or services; work undertaken by faculty members independently from the University*).

Procedure: Service Agreements

- Academic service agreements are subject to the [Provostial Guideline for Academic Divisions on Contracts](#)*.
- The offices of the Dean/Associate Dean, Research and CAO should be consulted before engaging in a service.
- **It is important to obtain the appropriate level of divisional approval before submitting the service agreement to IPO for review.**



Procedure Quiz: True or False

- The University's standard 40% for overhead/indirect costs does not apply to service agreements

Procedure: Service Agreements

- U of T standard ask for **OH is 40%** including service agreements.
- Only your Chair or Dean can approve a reduction in OH and the approval should come in an email.

Procedure Quiz: True or False

- The researcher/PI can sign the service agreement on behalf of the University

Procedure: Service Agreements

- The **Chair or Dean has the authority to sign** service agreements.*
- Legal or party name for U of T is typically “The Governing Council of the University of Toronto as represented by the [Division name]”.
- Service agreements are administered at the divisional level and each division is responsible for their own budgets. However, funding for service agreements requiring Research Ethics Board (REB) approval will be held in a restricted research fund and invoicing managed by a Research Accountant.

Procedure: Service Agreement

Submission to IPO:

- 1) Complete the **Service Project Summary Questionnaire** available on the VPRI website*
- 2) Email the completed questionnaire to IPO at innovations.partnerships@utoronto.ca
- 3) Reference “Service Contracts” in the subject line and attach the draft service agreement provided by the client and any other relevant documentation
- 4) Please indicate if IPO is to draft the agreement

NB: If REB review is required, submit an MRA

Service Agreement: Project Summary Questionnaire



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Service Contracts and Agreements Project Summary Questionnaire

This questionnaire is used to obtain preliminary information about your project and will help accelerate the review/negotiation/approval timeline. Please provide answers to the questions outlined and include this form, along with any draft contracts, in an email to the Innovations and Partnerships Office.

Please return the completed questionnaire to innovations.partnerships@utoronto.ca.

1. Principal Investigator: _____
Administering Department/Division: _____

2. Name of Sponsor: _____

3. Proposed Budget: _____

Is 40% overhead included in the budget? Yes No

If not, please indicate why (i.e., max allowable by Sponsor).

4. Have you discussed the proposed project with your Chair/Dean/CAO? Yes No

If yes, please indicate the individual(s) consulted with.

5. Will students be involved in the proposed project? Yes No

If yes, please describe their role.

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6. Are any research protocols/permits required for performance of the project?

7. Do you anticipate any new knowledge or intellectual property being developed in the course of the project?

8. Do you anticipate publishing the research results?

9. Please briefly describe the project or attach a *Scope of Work*.

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Participant Poll – Yes or No

Did you know that there is information available on the U of T VPRI website about Service Contracts & Agreements*?

Resources*

- Policy on Approval and Execution of Contracts and Documents
 - <https://governingcouncil.utoronto.ca/system/files/import-files/ppnov1720085693.pdf>
- Provostial Guideline for Academic Divisions on Contracts
 - <https://www.provost.utoronto.ca/wp-content/uploads/sites/155/2018/06/Provostial-Guideline-for-Academic-Divisions-on-Contracts.pdf>
- Your Division's guidelines on Service Agreements
- Service agreements including access to questionnaire:
<https://research.utoronto.ca/research-innovation-agreements/service-contracts-agreements>

Case Study & Group Discussion

- Get ready! You will now have a chance to implement your new knowledge.
- You will be placed in a breakout room with two or three other colleagues.
- Once in the room, unmute yourself, turn on your video and take the chance to introduce yourselves and discuss the case study.
- When we return, we will discuss the scenario together.

Case Study & Group Discussion

- Professor Smith from the Department of Biological Sciences, University of Toronto has been contacted by Company X to perform cell culture, total RNA isolation, and ELISA testing. Prof. Smith has special laboratory equipment and facilities that allow him to complete this work.
- Company X will pay a fee based on the number of samples tested. They have agreed to pay 25% overhead.
- In return, Prof. Smith will submit a report to Company X at the end of the project describing the results of the testing. The project is expected to be completed in four months.
- Prof. Smith has agreed to perform this work. He has contacted IPO to review and execute the draft service agreement provided by Company X and submit the initial invoice. He has also indicated that he intends to involve his PhD student and publish on the methods used to complete the testing.

What issues/questions need to be addressed before Prof. Smith can begin the project? What approvals need to be sought?

Group Case Study & Discussion

Possible answers:

- Who is defining the work and directing the project?
- Is this work going to result in any stand-alone new and novel IP?
- Has Prof. Smith contacted his Chair/Dean to obtain divisional approval?
- Company X is providing 25% overhead. Has this been approved by the Chair/Dean?
- In what capacity is the student involved?
- What are Company X's expectations in terms of publishing?

Group Case Study & Discussion

Possible answers (...continued)

- Has Prof. Smith completed the questionnaire for review by IPO?
- Does the project require any REB or other research permits or protocols? If so, has the MRA been submitted?
- Prof. Smith asked IPO to sign off on the agreement. Who is going to execute the agreement?
- Who is going to manage the invoicing and receivables process?
- Is a Faculty Member Remuneration form required?

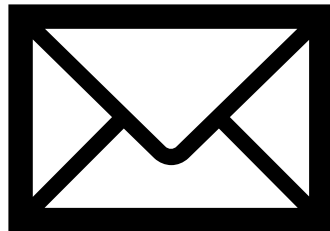
Questions?



Contact Information

Innovations & Partnerships Office

innovations.partnerships@utoronto.ca



Feedback, please!



2021 STAR Workshop Series: One last workshop!

Research Budget Management

Wed. Nov. 24,
10:00 am - 11:30 am

Coming soon...

2022 STAR Program Consulting Group: Call for Applications!



Thank you for participating!