Chapter 6.3: Faculty Consulting: Short Term Faculty Engagement with Industry

The COE Dean’s Advisory Board has recommended that the College “engage the private sector in our technology transfer process, realizing technological solutions that truly can have a global impact.” One of the specific recommendations is that faculty be able to engage more readily with the industrial clients on projects. Another specific recommendation was to develop a business model that attracts industry to support research at CSU.

The short term “Faculty Engagement Program” through the COE Industry Office will enable faculty to engage more easily with industry for relatively short duration projects. A contracting mechanism with associated support from the Industry Office is key so that faculty and staff can demonstrate value to the company with an expedited contracting protocol along with the ability to expand the relationship for future tasks.

Engagement by faculty through the University can be a win-win scenario. Project-based learning (university and/or student consulting) is popular among students and professors. Schools with these programs may find it easier to attract high-quality students and faculty. These schools also will have closer ties to their community – through the clients engaged in these projects – and to the business and nonprofit communities at large.

However, implementing a faculty engagement program needs to address specific barriers that may be faced by the faculty interested in pursuing short-term industry projects. Faculty engagement projects with industry require significant support and an expedited contracting environment. In addition, the work involved in sourcing and screening potential clients, plus helping each client create a specific and realistic project scope can be a considerable task – especially on a recurring basis. To overcome this obstacle, the COE Industry Office will provide the support needed by faculty and industry.

Faculty Engagement with Industry

Objective: Encourage and enable faculty/staff members to engage with private sector (i.e., businesses and non-profits) for short term arrangements through the University.

Goal: Create an effective contract mechanism and efficient workflow process to support short duration contracts with faculty and staff.

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Strategies

• Create an administrative structure (i.e., Industry Office) within the College of Engineering that provides for faculty, staff and student engagement with business and non-profits (DAB recommendation).

• Pre-award process management from initial contact through contract signing that includes engagement documents (i.e., NDAs), contract mechanisms, contract terms, contracts negotiation, resource awareness, resource identification, resource qualification, project execution capability, understanding of resource needs/wants, and engagement as a solution provider.

  ▪ Faculty and administrative professionals can use this ability to contract and may employ students for teaching and research purposes.
  ▪ Create a process to manage the workflow to facilitate: initial discussions, rapid contract negotiations, limited College-level decision-making on agreements, provide for project management, provide for account flexibility between educational business activity (i.e., 22 account) and sponsored programs (i.e., 53 account), provide for seamless billing and accounts receivable on collections and provide for a single point of contact.
  ▪ Develop agreements that can facilitate the execution of the workflow process including NDA, umbrella agreements like the Master Research and Development Agreement (MRDA), and task orders (with project contact information, project duration, Gantt chart depicting key events, fixed price, and signatures).
  ▪ An initial fix-priced task or per task hourly billing rate agreements will be presented to the company.
  ▪ Project management support for the duration of a project up and through the final deliverables on a scope of work.
  ▪ Relationship management and coordination of internal units interested in the company/industry relationship.
  ▪ Provide for an indirect cost recovery mechanism to cover all direct costs including risk pool (bad debt and loss coverage), program management, space accommodation, billing operations, relationship management, etc.
  ▪ A comprehensive cost recovery mechanism will be built into the agreement with a suggested indirect rate for industry agreements being 75 percent on all direct expenses. Management fee can also be built into the project budget. No detailed budgets need be presented to the customer; just the fixed price for the initial task on the project or per task pricing using a billable hour rate including all benefits and indirect costs. At least five percent of the ICR will go towards a common risk pool maintained in the Industry Office.

• Post-award process management to provide a seamless interface to customer for accounts receivable, contract modifications, identification of IP, project closure and follow on projects.
  ▪ The Associate Dean for Research and Economic Development (ADRED) will head the Industry Office and manage the faculty resources and back office functions for Faculty Engagement. ADRED will be the named university contact person overseeing the project and named on the MRDA.
- The Industry Office will be responsible for all contractual correspondence with the company. As such, the Industry Office will coordinate the internal interactions between purchasing, sponsored programs, VPR, Engagement, and GCO.

**Metrics**

- Number of faculty industry engagement agreements
- Total industry faculty engagement revenue
- Follow on contracts and agreements
- Engagement with companies interested in exclusive intellectual property rights

**Targets**

- One faculty consulting agreement implemented successfully in FY12.
- Industry Office established in FY12
- Generate $100K in revenue from increased indirect cost in FY13
- Finalize one pre-paid IP agreement with the private sector