

Frequently Asked Questions – Membership Fees, Agreement Language and IP Issues

How are membership fees handled – centrally or by institution?

Membership fees can be handled either centrally by a Lead Institution or by the individual collaborating institutions. The preferred method is centralized – while it puts the burden of reporting squarely on one institution, it also streamlines reporting to the NSF, consolidates the financial functions and presents a more unified picture of the Consortium/Center activities, income and expenditures.

How are project funds transferred between the collaborating institutions?

When the centralized method is chosen for administration of Consortium/Center financial functions, all the membership fees are collected by the Lead Institution and distributed based on the project voting funding formulas to the collaborators via subcontract. These can be issued as blanket agreements in the early stages of the Consortium/Center so that funds can be transferred quickly and easily via task orders once projects are approved for funding via the voting process.

Can memberships be paid for in payments?

At the discretion of the Consortium/Center Director, memberships can be paid for in payments, however, until such time as the total annual membership fee is paid in full, members opting to pay partial payments shall be treated as Affiliate Members and shall not have voting rights until fully paid-up dues have been received.

Can modifications be made to the Membership Agreement?

A Consortium by its very nature means that each member has equal benefits and privileges associated with payment of membership fees. Accommodation has been made for differing levels of financial commitment to the Consortium/Center by allowing three different levels of membership based on the annual fee paid. Changes to the agreement generally cannot be made in order to preserve the equality of all members in the Consortium/Center and to prevent unfair advantage to one member or another. Further, NSF has indicated its preference for the use of their template agreement and discourages modifications.

How is consortium project IP handled?

Consortium intellectual property rights are given equally to all members of the Consortium who are willing to pay a pro-rata share of the costs for protection of the IP.

How is member background IP handled?

No member background IP should be provided as part of a Consortium project or incorporated into Consortium project IP. If a Consortium member needs specific work done on a project involving their own background IP, a separate sponsored research project agreement should be negotiated and the project may be reported as related to the Consortium/Center activity, but not paid for by membership fees.

Can a member get exclusive rights to consortium IP?

Should only one member be interested in protecting Consortium IP from a specific project, that member may have an exclusive license to that IP provided they are willing to pay the costs of protection. Further, should multiple Consortium members be interested in protecting Consortium IP from a specific project, those members may have exclusive field-of-use licenses, provided the interested parties have differing fields of use and are willing to pay their pro-rata share of the costs for protection of the IP.

- Link to the NSF Industry & University Cooperative Research Program:
<http://www.nsf.gov/eng/iip/iucrc/>