

# Funding Arrangements with Nonprofit, Individual, and Governmental Sources – Host-based Sites

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## Scope

This policy applies to all host-based HHMI laboratories.

It does not apply to laboratories and shared research facilities at HHMI's Janelia Research Campus.

This policy is effective for any nonprofit, individual, or government funding arrangements for support of research in an HHMI laboratory.

## Policy

### Overview

HHMI's host institutions may accept funding from nonprofit, individual, and governmental sources to support research in the laboratories of HHMI Investigators and Freeman Hrabowski Scholars. The terms of any such arrangement must be consistent with HHMI's mission as a medical research organization devoted to promoting knowledge and advancing human health through discovery research in the basic biomedical sciences. Each arrangement must satisfy the HHMI requirements described in this policy, including any required advance review, before the host institution accepts the funding for the HHMI laboratory. HHMI may object to a host institution proceeding with a proposed funding arrangement for an HHMI laboratory if it concludes that the arrangement would not be consistent with HHMI's mission or would not be in the best interests of HHMI.

Funding for HHMI laboratories from nonprofit, individual, and governmental sources is received and administered by the host institution, consistent with its internal policies and approval process. HHMI is not a party to funding agreements between host institutions and nonprofit, individual, and governmental sources and does not receive payments under these agreements, but such arrangements are subject to HHMI's prior review under the circumstances described below.

HHMI Investigators and Freeman Hrabowski Scholars are employees of HHMI and are subject to HHMI policies. Third party funding arrangements for HHMI laboratories must be consistent with the status of Investigators or Freeman Hrabowski Scholars as HHMI employees whose salaries are paid by HHMI. For example, organizations other than the host institution cannot employ Investigators or Freeman Hrabowski Scholars, or fund any portion of their salaries or benefits. In addition, as discussed below, except with HHMI's prior written approval, the terms of third party funding arrangements cannot interfere with the application of HHMI policies to Investigator or and Freeman Hrabowski Scholar research.

## **Nonprofit and Individual Funding Arrangements**

HHMI review and approval of funding arrangements with nonprofit and individual funders is not required in the case of no-strings-attached gifts. In addition, HHMI's review and approval of funding arrangements with nonprofit and individual funders is not required unless the proposed arrangement (1) applies broadly to the HHMI laboratory and is not limited to a designated project, (2) would affect the conduct of research in an HHMI laboratory or by an Investigator, Freeman Hrabowski Scholar, or other HHMI employee, or (3) contains intellectual property, commercialization or other provisions that are inconsistent with HHMI's arrangement with the host institution that would receive and manage the funding.

### **Arrangements Affecting the Conduct of Research**

A funding arrangement with a nonprofit or individual funder affects the conduct of research in an Investigator's or Freeman Hrabowski Scholar's laboratory if it restricts the Investigator, Freeman Hrabowski Scholar, or other lab members from engaging in customary research and academic activities or affects the ability of the Investigator, Freeman Hrabowski Scholar or other lab members to comply with HHMI policies such as those relating to intellectual property, publications, sharing published materials and materials transfer. For example, a funding arrangement affects the conduct of research if it limits the Investigator's or Freeman Hrabowski Scholar's ability to collaborate with other scientists or restricts the Investigator's or Freeman Hrabowski Scholar's ability to publish the laboratory's research findings.

### **Arrangements Inconsistent with HHMI's Host Agreements**

HHMI enters into a collaboration agreement with each of its host institutions that governs the relationship between HHMI and the host institution (the "HHMI-Host Agreement"). The HHMI-Host Agreement addresses issues such as the ownership, retained research use rights, and licensing of intellectual property to which Investigators, Freeman Hrabowski Scholars and other HHMI employees who are covered by such agreement contribute as inventors ("Inventions"). The HHMI-Host Agreement also specifies the allocation between HHMI and the host institution of costs and income arising from Inventions. HHMI provides further guidance to its host institutions around protection and licensing of intellectual property in [HHMI's Intellectual Property Protection and Licensing at Host Institutions Policy](#) (the "Licensing Policy").

A funding arrangement is inconsistent with the HHMI-Host Agreement if it adversely affects the host's ability to comply with its obligations to HHMI under such agreement. For example, a funding arrangement is inconsistent with the HHMI-Host Agreement if it requires an Investigator or Freeman Hrabowski Scholar to assign ownership in an Invention to the third party funder, or gives the third party funder control over decisions about whether and how to commercialize Inventions, or purports to negate or alter HHMI's retained research use rights.

Under the HHMI-Host Agreement, a host institution may not assign, grant, or otherwise transfer its ownership rights in any Invention to any third party, including a nonprofit or individual funder, without HHMI's prior written consent. HHMI will not grant approval except in exceptional circumstances, and any such approval will not relieve the host institution of its obligations to HHMI under the HHMI-Host Agreement.

HHMI expects that its host institutions generally will take the lead on commercialization of Inventions. However, with HHMI's prior approval, for example when a nonprofit funding organization also has personnel who have made an inventive contribution towards an invention, a host institution may enter into an inter-institutional agreement ("IIA") with the nonprofit funding organization, and the IIA may provide that the funding organization will take the lead on commercialization. In this situation, the IIA must provide that the lead organization will include HHMI's required license provisions in any license of the Invention and permit the host institution to submit a close-to-final draft of any such license to HHMI for review prior to execution. HHMI's review is for the purpose of confirming that HHMI's required provisions are in the license and otherwise ensuring that such license is consistent with HHMI's [Licensing Policy](#).

HHMI recognizes that host institutions may be asked by a nonprofit or individual funder to share with the funder a portion of the income received by the host institution from commercialization of an Invention supported by the funder's gift or grant. As provided in the [Licensing Policy](#), host institutions may fund such royalty-sharing from their institutional share of income from the Invention. HHMI's institutional share may not be reduced, unless HHMI specifically agrees otherwise in advance.

## **Government Funding Arrangements**

While HHMI does not seek or accept funding from any government agency, Investigators and Freeman Hrabowski Scholars may apply for and receive government research support through their host institution. Historically, the terms under which host institutions receive research funding in support of Investigator or Freeman Hrabowski Scholar research from government agencies have not imposed requirements on the conduct of research or conditions that interfere with the host's obligations to HHMI. For this reason, prior HHMI review and approval of funding arrangements with government agencies is not required unless the arrangement includes non-standard terms that are inconsistent with the HHMI-Host Agreement.

Funding for HHMI laboratories pursuant to the Small Business Innovation (SBIR) program or the Small Business Technology Transfer (STTR) program is treated under HHMI policies as company funding and each such arrangement must comply with [HHMI's Company Funding Arrangements Policy](#). Under each of these programs the United States government provides funding to small businesses for research and development projects. If a small business grantee proposes to collaborate with an HHMI laboratory without providing funding, HHMI reviews the proposal under the HHMI [Research Collaborations Policy](#).

## **Procedures**

Any funding agreement for an HHMI Investigator or Freeman Hrabowski Scholar that requires HHMI prior review and approval under this policy should be sent to the [HHMI attorney](#) responsible for the site well in advance of the proposed effective date of the agreement.

## **Related Procedures, Forms and Policies**

[Intellectual Property Protection and Licensing at Host Institutions Policy](#)

[Company Funding Arrangements Policy](#)  
[Research Collaborations Policy](#)

## Contact

Any questions about HHMI's policy regarding funding from nonprofit, individual, and governmental sources to support research in the laboratories of HHMI Investigators or Freeman Hrabowski Scholars may be raised with the [Senior Scientific Officer](#) or [HHMI attorney](#) responsible for the site.

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