

**Management Agreement Between
Western Kentucky University
and the
Western Kentucky University Research Foundation, Inc.**

1. This agreement serves as the umbrella agreement to establish the operating relationships between the Western Kentucky University (hereinafter referred to as "University") and the Western Kentucky University Research Foundation, Inc. (hereinafter referred to as "Foundation").
2. In that the University desires to enhance and expand its sponsored research and economic development and outreach programs by enabling the University to compete favorably with other public and private research universities by taking advantage of the services of a university connected research foundation, and
3. The University recognizes that the Foundation as an IRS-approved, arms-length, not-for-profit corporation, chartered for the exclusive benefit and support of the University can offer a range of services that can facilitate the University's objectives, and to the extent it is contractually legal and allowable under State of Kentucky law and desirable for the University to utilize the foundation to:
 - a. Contract for University-requested sponsored research which may include terms and conditions that may not be allowable for the University, but are appropriate for the Foundation, and that if awarded to the Foundation the research work would be assigned to the University for performance to the extent allowable by the University.
 - b. Serve as a separate legal entity for sponsored research, external contracts, and economic development programs for the University wherever appropriate.
 - c. Provide selected services in support of sponsored research operations that could facilitate the timely completion of such programs/projects.
 - d. Accept the assignment of all research-related intellectual property and to manage the intellectual property created by the University to ensure the proper protection, expedite the licensing/commercialization of such intellectual property, and manage any resulting licenses in compliance with all established intellectual property policies.
 - e. Develop incentive or other facilitating programs to encourage and expand sponsored research and contract activities at the University.
 - f. Facilitate University economic development programs/activities to assist the economic and social programs of the Bowling Green area and/or the State of Kentucky.

4. In that the Foundation has been chartered to exclusively support the University and desires, to the extent it is legal and allowable, to support the broad range of University needs as outline in paragraph 3 above, and to the extent requested by the University will provide the following services:
 - a. Provide sponsored research contracting and administration.
 - b. Obtain Foundation risk management services (i.e., general liability, excess liability, workers compensation, directors and officers, employee dishonesty, etc.) as well as any specific project-unique insurance.
 - c. Provide legal services in defense of the Foundation.
 - d. Establish an intellectual property management office/program for all assigned University research-related intellectual property.
 - e. Provide purchasing services to the extent that the University services do not support specific contract requirements.
 - f. Establish other facilitating programs to manage any funds on deposit with the Foundation, obtain equipment and facility financing or long-term leases, or other related activities.
 - g. Assist the University and the local community to establish needed economic development programs such as skill training, economic analysis and impact studies, new business incubation, licensing technology for product/production improvement or start-ups, etc.
5. In consideration of the exclusive relationship between the University and the Foundation, and for services rendered by the Foundation, the following is agreed:



The University shall provide:

- a. Appropriate office space to include all utilities (including telephone and computer networking) on campus for the Foundation.
- b. Selected employees on a reimbursable basis (including costs for all benefits) to include managers, accountants, computer technicians, and other administrative and support personnel as required.
- c. Agreement for the Foundation to retain a portion of all collected indirect/facilities and administrative costs to cover all Foundation operating costs. Retained funds surplus to Foundation operating costs and any Board-approved reserve amounts will be available to support University-requested and Foundation-approved programs.
- d. OMB A-133 audit report and annual financial report to the Foundation.

The Foundation shall provide:

- a. Creation and maintenance of financial records and accounts to provide all of the agreed services. Such records will be audited annually to confirm accuracy and compliance with all accepted accounting practices.
 - b. Maintenance of a risk management program that will ensure appropriate coverage.
 - c. Operating policies for all sponsored research contracting and administrative, technology licensing, and economic outreach programs that are consistent with the intent of appropriate University formal and operating policies.
6. It is the intention of both parties that this document will govern University and Foundation relationships in perpetuity. It is assumed that University and Foundation operating personnel will execute numerous individual agreements to govern specific programs authorized under this agreement.
 7. Amendment to this agreement may be made by mutual agreement with either party giving thirty (30) days notice for any requested/proposed changes.
 8. This agreement may be cancelled by giving ninety (90) days notice of intent to terminate the agreement.

Approved by the following senior officials of the University and the Foundation effective the date of the last signature.

	6/13/01		6-20-01
Western Kentucky University President	Date	Western Kentucky University Research Foundation Chair, Board of Directors	Date