



University of Central Florida Research Foundation, Inc.

SUBJECT:

Revenue Distribution Guideline

Effective Date:

REV: 2024

STATEMENT AND PURPOSE

The UCF Research Foundation (UCF RF) has the authority to receive and manage revenue from intellectual property agreements generated through the Office of Technology Transfer.

GENERAL INFORMATION

As specified in the University of Central Florida's (UCF) Collective Bargaining Agreement and UCF's Intellectual Property Regulations, the inventor(s)/creator(s) of intellectual property is(are) entitled to receive a share of revenue. Revenue received from license agreements can include license fees, royalty payments and proceeds from the sale of equity in the licensee company. Revenue received as a result of a license agreement shall be distributed in such a manner as to encourage technology development within and technology transfer from UCF. The schedule for distribution of net revenues is designed to provide personal incentives to inventors.

This guideline addresses the process to receive and distribute revenue accordingly.

DEFINITIONS

Cumulative Net Income is defined as gross revenue minus Institutional Expense of patenting, copyright registration, trademark registration, licensing, legal, and other related expenses resulting from protecting and commercializing Inventions and Works¹ to which UCF or its designee, UCF RF, takes title.

Institutional Expense is defined as the costs incurred in protecting and commercializing an Invention or Work, including: 1) expenses and legal costs incurred in filing, prosecuting, registering, licensing, enforcing, maintaining, or defending any patent, trademark, or copy right and other related expenses; 2) expenses and legal costs incurred in defending or prosecuting any litigation for infringement of the intellectual property rights in said Invention or Work; 3)

¹ Works exceptions are outlined in the Collective Bargaining Agreement (<https://www.collectivebargaining.ucf.edu/completechba.asp>)

marketing costs attributable to the Invention or Work; and 4) any other expenses or outlays, including but not limited to, expenses related to agreements between UCF and UCF RF and any other parties for jointly owned intellectual property, incurred in commercializing the Invention or Work.

Revenue Sharing Agreement is defined as the agreement which the Inventor(s)/Creator(s) execute with UCF and UCF RF to allocate their respective shares of Cumulative Net Income when specifying distribution other than Equal Distribution, as defined below.

Joint Appointments are managed through the Office of the Provost – Faculty Excellence. A joint appointment is a paid appointment of a faculty or staff member to a second UCF unit (host unit) when the person will be regularly participating in the teaching, research, or graduate supervision responsibilities of more than one UCF unity. The salary of a joint appointment is shared by the host and home unit. The proportion of the salary to be shared depends upon the individual circumstance and is determined and approved by the home and proposed host unit.

The following terms used in this guideline shall have the same meaning as defined in UCF Regulations 2.029 Patents, Trademarks and Trade Secrets and 2.033 Copyrights and Works:

Invention

Works

Creator

Inventor

Independent Creative Effort

University Support

PROCEDURES

Distribution of revenue follows the standard policy in place at UCF. Cumulative Net Income resulting from Inventions and Works (excluding books) to which UCF takes title and is currently divided according to the following distribution:

Recipient	\$1-\$100K	\$101K-\$200K	>\$200K
Inventor(s)/Creator(s)	50%	40%	30%
Inventor(s)'/Creator(s)' College*	20%	24%	28%
Inventor(s)'/Creator(s)' Department	20%	24%	28%
UCF Research Foundation	10%	12%	14%

*** College means University College, Research Center, or Institute**

The Inventor(s)/Creator(s) understand and agree that UCF or UCF RF may, at its sole discretion, combine multiple Inventions or Works under a single license agreement and that the Cumulative Net Income received under such license agreement will be attributed equally to all Inventions or Works under that license unless a different allocation is agreed upon by the Inventor(s)/Creator(s) in writing and approved by their respective Colleges and Departments and the Vice President for Research or his/her designee.

Cumulative Net Income will be distributed equally among the Inventor(s)/Creator(s) listed on the Invention or Work (“Equal Distribution”). Inventor(s)/Creator(s) seeking a distribution of Cumulative Net Income other than Equal Distribution shall execute, no later than sixty (60) days after execution of an option or license agreement which incorporates the Invention or Work, a Revenue Sharing Agreement stipulating an alternate distribution.

Previous requirement for Inventor(s)/Creator(s) to waive their share of Cumulative Net Income if they owned equity in the company paying licensing income to UCF RF was removed with the following effective dates: for out-of-unit Inventor(s)/Creator(s) effective on September 15, 2016 and for in-unit Inventor(s)/Creator(s) effective on September 19, 2019. Signed waiver agreements are considered terminated as of September 15, 2016 and September 19, 2019 for out-of-unit and in-unit Inventor(s)/Creator(s), respectively.

Distributions are not affected should the Inventor/Creator: (i) transfer within UCF to another College and Department; or (ii) should the Inventor/Creator leave UCF. The Inventor/Creator will continue to receive his/her share as will the appropriate College and Department.

The Inventor(s)/Creator(s) understand and agree that in accordance with this policy, the Inventor(s)’ or Creator(s)’ College(s) and Department(s), which provided support for the creation of the Invention or Work, will receive an equal share unless the College(s) and Department(s) agree in writing to a different distribution. Inventor(s) or Creator(s) with Joint Appointments should indicate percentage attribution for each Department and College in accordance with the requirements of Faculty Excellence.

In the event an Inventor/Creator is deceased, the distributions assigned to him/her will pass to his/her estate.

Inventions and Works created under the *Industry-Sponsored Innovation Partnership Program terms* will follow the same distribution of Cumulative Net Income as described above under Procedures. However, upon award closeout, if no Inventions or Works were created or disclosed to the Office of Technology Transfer, the UCF RF will retain the funds in full and reinvest those funds into research and commercialization initiatives.

RELATED INFORMATION

[UCF RF Business Manual](#)

[UCF Collective Bargaining Agreement](#)

[UCF Regulation 2.029 Patents, Trademarks and Trade Secrets](#)

[UCF Regulation 2.033 Copyrights and Works](#)

[UCF and UCF RF Revenue Sharing Agreement](#)

[UCF Office of Technology Transfer Industry-Sponsored Innovation Partnership Program](#)