

Addendum FAQs

Q: What are applicable Cornell Policies regarding potential conflicts of interest and commitment?

A: COI and COC Policy 4.14 <https://policy.cornell.edu/policy-library/conflicts-interest-and-commitment-excluding-financial-conflict-interest-related>
Policy 1.7 Financial COI Related to Research <https://policy.cornell.edu/policy-library/financial-conflict-interest-related-research>

Q: Where can I find general information about issues surrounding potential external activity (e.g., consulting, advising, board service) for external entities?

A: <https://researchservices.cornell.edu/policies/coi-guidance-consulting-and-other-external-engagements>

Q: Where can I find the Contract Addendum and further information about its required use?

A: The contract Addendum can be found here: *[insert link here]*
Further information about its use can be found here:
<https://researchservices.cornell.edu/forms/contract-addendum>

Q: I'll be on Sabbatical at another institution or research center, is a contract addendum required?

A: Cornell has developed a required "Sabbatical Agreement" to be used for Sabbaticals, in place of the Contract Addendum.

Q: Are there any types of contracts for which the addendum is *NOT* needed?

A: If there is any doubt whether a contract requires the addendum, it is best to assume it does.

If you are a full time member of the faculty, tenured or non-tenured, any contract related in any way to your work for the university, or your position as a faculty member, including your research, your knowledge gained as a result of your work for the university, or work done using university resources, requires the addendum with these specific exceptions:

- Sponsored research agreements (funds flow through Cornell);
- Contracts with Cornell University or any of its units such as employment agreements and royalty agreements as an inventor of Cornell IP;
- Contracts specifically about educational materials (e.g. book deals);
- Contributions to your field that are an expected part of your work as a faculty member. For example, pro bono legal work or external review of departments in your field at other universities;
- Contracts for Law faculty in which the the terms of the contract fall under attorney client privilege;
- CU Part time faculty (currently, may change with COI policy rationalization); and
- Expert witness for court cases.

Contracts unrelated to your work for the university do not require the addendum. For example, property contracts such as using your house as an Airbnb, or business contracts completely unrelated to your university work or position, do not require the addendum.

Q: If I use the addendum in all my contracts, do I still need to disclose my external relationships in the COI survey?

A: Requirement to use the addendum is separate from the requirement to disclose. All external relationships, including those governed by contracts with the addendum, must be disclosed.

Q: Once signed, does the addendum need to be filed with Cornell?

A: Faculty of units on the Ithaca campuses do not need to file their contracts or contract addenda with Cornell. However, you are required to disclose all external relationships and to confirm that any contract you have with the external entity includes the addendum.

At the time these FAQs were developed, faculty of WCM are strongly encouraged to file all external contracts, including the required Cornell addendum. WCM may require contract upload in the future.

Q: I'm doing the work pro-bono, does the addendum apply?

A: Yes, except for law professors who are expected to do pro-bono legal work, the contract addendum applies regardless of the financial arrangement. (See the FAQ on "Why is the addendum required?" for further information.)

Q: What are the primary issues implicated when I enter into a consulting or advising arrangement with an external entity?

A:

- Real or perceived conflicts of interest or commitment;
- Ethical disclosures surrounding perceived or real influences to related university research in publications or presentations;
- The need for a conflicts management plan where the external activities implicate university related research;
- Potential invention disclosures or and/or intellectual property (IP) related clauses and language (*depending upon the subject scope of work for external entity, IP may not be implicated*); and
- Disclosure or non-disclosure commitments that conflict with the faculty member's pre-existing and primary responsibilities to Cornell or the federal government (*i.e., foreign influence disclosures in future proposals, export controls regs, anti-bribery and anti-corruption requirements*).

Q: What are the ramifications if I sign a consulting agreement but don't have the addendum signed?

A: As a Cornell faculty member, you have many obligations to the university that may be violated by a contract that does not contain the addendum. You also have obligations as to the federal government related export control law and possibly related to your research funding.

Without the addendum you may unwittingly violate both university policy and federal law. (See the FAQ on “Why is the addendum required?” for further information.)

Q: What are the benefits of having the addendum signed?

A: The addendum ensures that any clauses in a contract that violate your obligations to the university or under export control law are rendered null and void. (See the FAQ on “Why is the addendum required?” for further information.)

Q: How can I tell if my contemplated counterparty is a restricted party?

A: Screen your counterparty in the Consolidated Screening List Tool: <https://www.trade.gov/consolidated-screening-list> and/or consult with the University Export Control Office (exportcontrols@cornell.edu).

Q: Why is the addendum required?

A: There are two primary reasons the addendum is now required.

One reason is that entrepreneurial activities are leading to a larger number and wider variety of external contractual relationships than have been typical in the past. Commercial entities and many others tend to assert rights in contravention of the faculty member’s pre-existing obligations to Cornell. Terms of this type are easily overlooked by a member of faculty not well versed in commercial contracting and can cause problems for both the faculty member and the university.

The second reason is that sponsoring agencies are requiring increased disclosure of PI and Key Personnel sources of funding, including consulting and other funding regardless of any relationship to a particular research proposal. Contracts that violate Cornell’s obligations to the funding agencies, whether intentionally or not, put continued funding at risk.

The addendum resolves these difficulties by asserting Cornell’s pre-existing rights and the faculty member’s pre-existing obligations in a way that overrules any contrary statements that may be in the contract and supplies language acknowledging Cornell’s and the faculty member’s rights and obligations if they are not stated elsewhere in the contract.

Specific types of clauses that are overruled by the addendum include:

- Attempts to assert ownership of intellectual property without regard to the faculty’s pre-existing employment obligations to Cornell;
- Overly broad IP assignment / capture clauses that effectively subsume rights to what may be Cornell pre-existing, background, or contributed IP;
- Required invention disclosures only to the external entity, to Cornell’s exclusion;

- Attestations that the Cornell faculty member has not entered into any agreement or commitment in conflict with the subject consulting, advising or board service agreement.

Specific rights and obligations spelled out in the addendum include:

- The faculty member's primary and pre-existing employment obligations to Cornell;
- IP developed at Cornell or utilizing Cornell resources, or conceived or reduced to practice at Cornell, belongs solely to Cornell;
- Acknowledgement of the faculty member's (immutable) federal disclosure and regulatory obligations *i.e. export control, anti-bribery, or federal foreign influence disclosures or regulations surrounding external activities, support resources, and relationships.*

Q: What do I need to be aware of before consulting with an external entity?

A:

- Ensure your invention disclosures are up to date.
- If you pursue the external activity, update your Conflicts Disclosure with any changes.
- Maintain separation between your Cornell related research activity and the activity for an external entity.
- Do not agree to terms in an agreement committing or imposing obligations or liability upon Cornell.
- Do not compromise Cornell IP or your disclosure obligations to Cornell.
- Do not involve Cornell staff or students for whom you have direct supervisory or academic responsibilities in your consulting activities, that would create a conflict between your academic or supervisory responsibilities relative to students or staff and your external advising work.
- Refrain from the use of Cornell letterhead, name, or other indicia implying University support for your external activities, or your personal opinion or viewpoint.
- Don't use University resources to conduct or support consulting or other external engagements, *except: the use of library resources or your use of your assigned office, office computer, or software routinely provided to all faculty.*
- Don't provide access to University resources to external entities or individuals with whom you have an external consulting / advisory relationship.
- Do not agree to clauses requiring the non-disclosure of the consulting relationship or the agreement itself – federal funding agencies may require disclosure of these relationships and any form of support (including the agreement itself) as a condition precedent to a future proposal's submission.
- Do not engage or consult with entities/companies on the "Restricted Party" list.

<https://www.trade.gov/consolidated-screening-list>

Q: Is there an easy solution to avoid possible entanglements over intellectual property?

A: The easiest solution is to maintain complete separation between your Cornell related research activities and the external engagement activities – often, that may not be possible. That is when the use of the Contract Addendum becomes critical. The Addendum reconciles all your primary employment responsibilities to Cornell and preserves your compliance with applicable federal regs and laws (*ex. export control regs, anti-bribery and anti-corruption laws*),

potential conflicts issues, as well as existing and emerging federal funding agencies' disclosure and reporting obligations.

Q: Aside from the Contract Addendum, does Cornell have additional requirements for external activities?

A: Cornell has the following requirements for faculty members wishing to engage in external activities, including consulting:

1. The total effort for all external activities cannot exceed 20% or the equivalent of one 8-hour day per week;
2. You must receive your department chair or head's approval;
3. The Addendum must be incorporated to your external contract; and
4. The activity must be disclosed on your COI Survey within thirty (30) days;

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