



Overview of the External Contract Addendum February 10, 2022

New Federal External Contract Requirements

- [OSTP, January 4, 2022](#) - Guidance on implementation of National Security Presidential Memorandum-33 (Jan. 14, 2021)
 - “...research agencies will require that individuals disclose contracts associated with participation in programs sponsored by foreign governments, instrumentalities, or entities, including foreign government-sponsored talent recruitment programs...”
 - [NSF, as of January 10, 2022](#)
 - PIs must identify all current and pending projects regardless of source of funding.
 - [NIH, January 25, 2022](#)
 - PIs and Key Personnel must upload copies of external foreign contracts related to research.
- **“Foreign” entity means**
 - Any organization or its representatives with headquarters outside the United States, or subsidiaries of foreign registered parent companies.
 - **External contract means**
 - Any external contract that is not part of a faculty member’s Cornell employment duties.

Why a Contract Addendum?

1. Faculty have pre-existing and primary employment obligations to Cornell
e.g., Invention Disclosure and Assignment, Conflict of Interest and Commitment (CoI/CoC)
2. Faculty have federal disclosure and regulatory obligations
e.g., federal funder disclosure requirements, CoI/CoC, Export Control and anti-bribery and anti-corruption requirements.
3. Federal sponsor scrutiny of external research support implicates new potential liabilities (incl. criminal sanctions) for faculty and Cornell due to either poorly constructed or overly broad external agreement clauses.
4. Cornell is NOT a party to or responsible for faculty external arrangements such as consulting contracts, however, Cornell has a vested interest in assisting our faculty comply with these pre-existing and concurrent obligations.
5. Faculty remain responsible for negotiating their external activity arrangements; Cornell is not taking on the responsibility for negotiating contract details, but is providing an Addendum to simply and cleanly address these compliance and employment obligations.
6. Adding the addendum to all new external contracts protects both the faculty and Cornell without requiring further scrutiny as to each contract or agreement.

Note:

- WCM already requires all external contracts to include the Addendum;
- The Addendum has been used by Ithaca faculty who have asked for OGC's review of their agreements; and
- All Cornell faculty already need to satisfy COC and secure approval of their Chair for external consulting.

Why does my External Activity implicate 'pre-existing obligations'?

Entering an external employment or consulting arrangement can raise many issues. Primarily:

- Real or perceived conflicts of interest or commitment;
- Prospective federal funding proposal disclosures surrounding potential foreign influence
e.g., Current and Pending Support, foreign entity connections, or Other Support and Biosketch info;
- Potentially conflicting inventions and intellectual property (IP) assignment clauses;
- Non-disclosure obligations that conflict with pre-existing responsibilities to Cornell or the federal government
e.g., confidentiality applied to the agreement itself; and
- Export Controls requirements that apply regardless of the agreement's omission of such regulatory implications.

Exceptions

- Part-time faculty will not be required to use the addendum.
- Contracts unrelated to your work for the university
 - e.g. using your house as an Airbnb.
- Contracts with Cornell or its units
 - e.g., sponsored research, employment and royalty agreements for Cornell IP.
- Traditional scholarship activities
 - e.g., publishing agreements and book deals.
- Serving as consulting or expert witness in litigation.

The Addendum is Accepted by Corporations

- *Brookhaven Science Associates, LLC*
- *Honda*
- *ETH Zurich*
- *Samsung*
- *Syngenta*
- *Intel*
- *Waymo*
- *Weizmann Institute*
- *SHY Therapeutics LLC*
- *Neurosciences Cognitive Laboratory*
- *Cross Chem LLC*
- *Stratuscent Inc*
- *Symbrosia Inc.*
- *BirdgeBio Pharma*