

1. Title

Business Participation and Reporting

2. Rule and Regulation

Sec. 1 Approval to Serve as Officer or Director. Any individual subject to [Rule 90101](#), Section 2 who conceives, creates, discovers, invents, or develops intellectual property may serve, in his/her individual capacity, as a member of the board of directors or other governing board or as an officer or an employee (other than as a consultant) of a business entity that has an agreement with the U. T. System or any U. T. System institution relating to the research, development, licensing, or exploitation of that intellectual property only so long as the institution where the intellectual property was developed is in full compliance with the requirements to have, implement, and enforce for that individual an effective conflict of interest management plan approved by the institution's president as set forth in the U. T. System's [Procedure for Obtaining Approval of Plan to Manage Conflicts of Interest](#). In any case where actual conflict of interest is found, the individual may be required to terminate the business relationship or the relevant research.

Sec. 2 Request for Employee to Serve as Officer or Director. When requested by the Board of Regents, an employee may serve on behalf of the Board of Regents as a member of the board of directors or other governing board of a business entity that has an agreement with the U. T. System or any U. T. System institution relating to the research, development, licensing, or exploitation of intellectual property, but may not accept any consideration offered for service on such board.

Sec. 3 Report of Equity Interest and Service as Officer or Director. Any individual subject to Regents' *Rules and Regulations*, [Rule 90101](#), Section 2; [Rule 90103](#), Section 2; and Sections 1 or 2 above must report in writing to the president of the institution the name of any business entity in which the person has an interest or for which the person serves as a director, officer, or employee and shall be responsible for submitting a revised written report upon any change in the interest or position held by such person in such business entity. The Office of Technology Commercialization will file a report by October 1 of each year with the Board of Regents for transmittal to the Comptroller of

Public Accounts as required by [Section 51.912](#) and [Section 51.005](#), *Texas Education Code*.

3. Definitions

None

4. Relevant Federal and State Statutes

Texas Education Code [Section 51.005](#) – Reports

Texas Education Code [Section 51.912](#) – Equity Ownership: Business Participation

5. Relevant System Policies, Procedures, and Forms

Regents' *Rules and Regulations*, [Rule 90101](#) – Rules for Intellectual Property: Purpose, Scope, Authority

Regents' *Rules and Regulations*, [Rule 90102](#) – Intellectual Property Rights and Obligations

Regents' *Rules and Regulations*, [Rule 90103](#) – Equity Interests

Regents' *Rules and Regulations*, [Rule 90105](#) – Execution of Legal Documents Related to Intellectual Property

Regents' *Rules and Regulations*, [Rule 90106](#) – Income from Intellectual Property

6. Who Should Know

Administrators
Faculty
Staff
Students

7. System Administration Office(s) Responsible for Rule

Office of General Counsel

8. Dates Approved or Amended

November 10, 2011
Editorial amendments made October 6, 2011

Editorial amendment to Sec. 3 made September 29, 2011
Editorial amendment to Sec. 3 made September 1, 2010
Editorial amendment to Sec. 3 made November 3, 2009
February 8, 2007
December 10, 2004

9. Contact Information

Questions or comments regarding this Rule should be directed to:

- bor@utsystem.edu