

Ethical Principles and Considerations for Mixed Entrepreneurial Teams

In recent years, faculty engagement in successful entrepreneurship has become a major goal for universities nationwide and an integral part of evaluation metrics for academic accolades. The entrepreneurship impetus on university campuses and their associated research parks has also captured the energy, imagination, and talent of the young generation, including graduate and undergraduate students, Post-Docs, and other trainees. This environment is full of potential and opportunities for mixed entrepreneurial teams that include any possible combination of faculty members, graduate and undergraduate students, Post-Docs/trainees, and highly skilled technicians working in Purdue laboratories.

The following are just some of the guiding principles for thoughtful and productive engagement in entrepreneurship for such mixed teams that will promote objectivity in research and integrity of scholarship, and preserve public trust in research and entrepreneurship based on university discovered and owned technologies.

1. **Commitment to integrity of research, discovery, teaching, and engagement and to providing student opportunities for professional growth.** Purdue University and its employees are committed to their academic pursuits and the integrity of their research, discovery, teaching, and engagement mission. The university is also committed to providing students opportunities for intellectual, professional, and personal growth.
2. **Students and trainees' commitment to educational goals and professional growth.** Students and trainees are committed to their educational and professional goals, personal and professional development, and responsible conduct of research. Participation in entrepreneurship activities with their colleagues and professors/advisers could be a powerful tool to achieving student overall growth and individual success.
3. **Voluntary participation and the right to withdraw.** Students and trainees should never be or feel coerced to participate in faculty entrepreneurial activities. Joining in these activities is entirely a voluntary choice. If during the engagement in collaborative entrepreneurship activities with faculty advisors and supervisors a student finds that these activities are in conflict with their own academic or educational progress at the university, the student or trainee can withdraw from participation at any time (and notify the company and their faculty advisor and the Department Head/Oversight Manager of their decision to do so).
4. **No negative impact on student/trainee educational and professional progress.** The work students/trainees perform in the course of entrepreneurship activities should aid

and promote educational and professional growth and must not interfere with their educational/academic progress towards a degree. Student responsibilities at the university (e.g., teaching assignments, research assistance on funded projects) should not be negatively impacted by engagement in entrepreneurial activities.

5. **No (unreasonable) delays in publications/graduation.** Publication of research outcomes should not be unreasonably restricted or delayed by authors' entrepreneurial activities or the business interests of the company. Graduation dates should not be unreasonably delayed because of entrepreneurial activities of the students and/or faculty/advisors. Some sponsored research agreements may include provisions for review and removal of sponsor confidential or restricted information before publication, and/or delays in publications to protect intellectual property and submit applications for patents, etc. Advisors and Principal Investigators should inform their students and trainees of these restrictions and possible delays before student engagement in respective research projects. Students and trainees should work with their faculty advisors to ensure that their academic and professional requirements are met in case publication delays and restrictions are imposed on their projects.
6. **Appropriate recognition of work/effort.** Students/trainees should be designated as authors (of publications), inventors (of technologies/patents), and/or owners (of companies) whenever their work/contributions deserve such designations.
7. **Need for additional faculty oversight and FCOI management plans.** In cases where a faculty/advisor is a business partner of the student/advisee/trainee, another faculty member with no financial ties/interests in the respective company/entity, should be appointed as a co- adviser and supervisor of the student/trainee (e.g., for coursework evaluation, thesis work, etc.). Disclosure of business interests related to academic work must be disclosed to members of a student's academic committees (e.g., Ph.D. committee, undergraduate thesis committee). The Department Head and/or Oversight Manager for the faculty FCOI Management Plans will be responsible for providing this additional oversight and the appointment of Co-Advisors/supervisors of student/trainee work at the university. Students who are Investigators on research projects (i.e., responsible for the design, conduct, or reporting of research/outcomes) are also required to disclose related Significant Financial Interests (i.e., ownership interests and/or remuneration > \$5,000 received from the outside entity/company) and may need an FCOI management plan for their engagement in entrepreneurship activities.

8. **Disclosure of associated financial interests: faculty and students/trainees who are designated as Investigators** on sponsored research projects should disclose their outside financial interests to the university, their colleagues and collaborators participating on company sponsored projects or projects funded by other sponsors that are relevant, or related to, the business scope and activities of their companies.
9. **Access to a Departmental Ombudsperson.** All students and trainees involved in joint faculty-student-trainee entrepreneurial activities, and other students/trainees in faculty research labs, should have access to a Departmental Ombudsperson (the Department Head or his/her designee) who can advise the students/trainees whenever concerns arise that may be related to such outside entrepreneurial activities.
10. **Management of real or apparent FCOIs.** If the financial interests may lead to (real or apparent) financial conflicts of interest, these conflicts must be managed through an FCOI management plan for the faculty and all other Investigators with real or apparent FCOIs. If the conflicts cannot be managed, they must be eliminated.
11. **Use of University resources.** University resources are to be used for university activities and cannot be used for entrepreneurial activities without explicit agreements in place with the university. Companies/entities that wish to contract for research services from the university must do so through regular, fully costed, sponsored research or testing projects, the use of a re-charge center (an external rate will be charged for these services), other specific contractual relationships with the university.
12. **Appropriate transfer of technologies, IP, software, data, other materials to the company.** For university owned Intellectual Property (IP) and copyrightable materials, transfer of IP, technologies, software, data and other materials must be accomplished through executed licensing agreements with Purdue Research Foundation and the Office of Technology Commercialization (OTC); transfer of Purdue data or materials will be accomplished through executed materials or data transfer agreements with Purdue Contracting in Sponsoring Program Services. The university IP policy allows student ownership of IP or copyrightable materials, if such materials/IP were developed using only university resources that are available to all students at Purdue. IP developed with specialized university resources or equipment is owned by Purdue and must be disclosed to OTC.
13. **Prior approval of subcontracts to, and purchases from, the company.** Transfer of funds from the university to employee-owned companies (through transactions such as sub-

contracts and purchasing) are subject to the Indiana State Statute on Conflicts of Interest. Employees must obtain prior approval for such transactions from the Board of Trustees.

14. **Recommended reading before engaging in entrepreneurship.** Review applicable Purdue policies, other resources and guidance for entrepreneurs; complete training on Responsible Conduct of Research (RCR) and FCOI Training.

Relevant University Policies

- [Individual Financial Conflicts of Interest \(III.B.2\)](#)
- [Conflicts of Commitment and Reportable Outside Activities \(III.B.1\)](#)
- [Effort Reporting \(II.C.1\)](#)
- [Nepotism \(III.B.3\)](#)
- [Charitable Donations to the University \(II.B.2\)](#)
- [Intellectual Property \(I.A.1\)](#)
- [IT Resource Acceptable Use \(VII.A.2\)](#)
- [Regulations Governing the Use and Assignment of University Facilities \(IV.B.1\)](#)

Other resources

- Purdue Employee Decision Tree on Conflicts of Interest and Commitment
<https://webapps.ecn.purdue.edu/VPR/PDD>
- Responsible Conduct of Research (RCR) and Financial COI Training for Researchers/Entrepreneurs
- RCR/CITI Training: <https://about.citiprogram.org/en/series/responsible-conduct-of-research-rcr/>
- NIH FCOI training tutorial:
<https://grants.nih.gov/grants/policy/coi/tutorial2011/Financial%20Conflict%20Of%20Interest%20-%20FCOI.pdf>

Questions and Suggestions

Please contact Assistant Vice President for Research Voichita Dadarlat for clarifications of any of the above points and/or for assistance: voichi@purdue.edu or foi@purdue.edu.