

## 31.05.04 Outside Activities – Business Entities Having an Agreement with the System



Revised [August 29, 2018](#)

Next Scheduled Review: August 29, 2023

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### Regulation Summary

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This regulation implements the state requirements necessary to authorize employees of The Texas A&M University System (system) to participate in certain outside activities involving business entities having an agreement with the system or a member relating to research, development, licensing or exploitation of intellectual property.

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### Regulation

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#### 1. EMPLOYEE EQUITY OWNERSHIP OR PARTICIPATION

A system employee who conceives, creates, discovers, invents or develops intellectual property may own an equity interest or participate in a business entity having an agreement with the system or any member relating to the research, development, licensing or exploitation of that intellectual property if the requirements of this section are satisfied.

- 1.1 An employee owning an equity interest in a business entity having such an agreement must report the name of the business entity to the appropriate member chief executive officer (CEO) on an annual basis.
- 1.2 An employee may not serve as a member of the board of directors or other governing board or as an officer or employee of a business entity having such an agreement without approval of the system Board of Regents (system board). The employee must report the name of the business entity for which the person serves as a director, officer or employee to the appropriate member CEO on an annual basis.

#### 2. SERVICE UPON REQUEST OF THE SYSTEM BOARD

Upon request of the system board, an employee may serve as a member of the board of directors or other governing board of a business entity having an agreement with the system or any member relating to the research, development, licensing or exploitation of intellectual property in which the system has an ownership interest.

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### Related Statutes, Policies, or Requirements

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[Tex. Educ. Code § 51.912](#)

[System Policy 17.01, Intellectual Property Management and Commercialization](#)

[System Policy 31.05, External Employment and Expert Witness](#)

[System Regulation 31.05.01, Faculty Consulting and External Professional Employment](#)

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## **Member Rule Requirements**

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A rule is not required to supplement this regulation.

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## **Contact Office**

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