

Use of University Resources in Competition with Private Sector

Recognizing that the primary purposes of the University of Arkansas are teaching, research and service; and also recognizing the University of Arkansas is a public institution that is largely supported by the taxpayers of Arkansas, and to a lesser extent, by all taxpayers in the United States, the following policy will be followed:

I. **TEACHING.** Traditionally, private and public institutions have competed in providing education of all types to all those desiring it. In this area, competition between the public and private sectors of the economy has been beneficial to the public interest, and is deemed appropriate

II. **RESEARCH.** Historically, there has been competition among public universities, private universities, private foundations and private companies. As is the case with teaching, competition in research which expands the frontiers of knowledge is deemed to be in the public interest and is appropriate. The special role of public universities requires that the results of research be made available to all. However, it is acknowledged that relationships between private firms and public universities may also be in the public interest. The policy of this University in establishing such relationships should generally conform to the following principles:

A. Research contracts between the University and private business firms are appropriate provided that the area of research is within the scope of the University's general mission, and that the results of the research be made available to all.

B. Research contracts between the University and private business firms, where the results are to become property of the firm, are appropriate only when the contracting firm pays the full costs of the research effort. Failure to adhere to this principle will result in the use of public funds to benefit a specific private firm. Since the results of such research would be considered proprietary, and thus not publishable, the assignment of the following to this type of research should be avoided:

Graduate students needing thesis material

Non-tenured faculty in a tenure-track status

Post doctorals pursuing research in a specialized field as further training.

III. **SERVICE.** Service is defined to include those activities that are in the public interest and which are available to all and is within the general research and teaching mission of the University.

IV. **DIRECT COMPETITION WITH PRIVATE FIRMS IN THE SALE OF GOODS AND SERVICES.** The University may provide services to the University community, even though private firms may also provide competing services. The University at all times will be sensitive

to the existence of private entities and will not develop or support programs which do not directly fall within its educational mission. However, disposition of products produced by research is not considered competition with private enterprise.

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