

POLICY TEMPLATE

SUBJECT Pre-approved Payment Schedule Options for Industry Research Agreements	Effective Date 07/01/2021	Policy Number	
	Supersedes	Page	Of
	Responsible Authority CECS-Dean		

APPLICABILITY/ACCOUNTABILITY

This policy applies to all industry partners (domestic and foreign) who enter into a research agreement (including federal flow through) negotiated and executed by the Office of Research and the Research Foundation on behalf of the College of Engineering and Computer Science (CECS), Center for Research in Computer Vision (CRCV) and Advanced Materials Processing and Analysis Center (AMPAC).

BACKGROUND

UCF has experienced several A/R (accounts receivable) issues of non-payment from industry partners who have entered into a research agreement with our faculty. This ranges from late payments or partial payments to non-payment despite the completion of the project as expected between the two parties. This has resulted in the Office of Research requesting College and Department approval for assumption of the financial risk on each individual research agreement with an industry partner. This delays the agreement process and award setup. This policy hopes to reduce the delay by providing some pre-approved payment schedule options to the Office of Research.

POLICY STATEMENT

If there are no outlying factors CECS (and departments) have agreed to automatically assume the financial risk on a research agreement with an industry partner who agrees to one of the following payment options:

- 1) Full payment upfront (upon execution of the agreement usually within 30 days)
- 2) 50% of the payment at the time of execution and the remaining 50% at the midway point.
- 3) For fixed price projects one year or longer, equal monthly or quarterly payments through the life of the award
- 4) For shorter period of performances (PoPs), a large upfront payment (80-90%) and the remainder upon receipt of final deliverable.

Any other payment options will require review on a case-by-case basis and approval from both the college Budget Director and the PI's Chair.

The Office of Research on behalf of UCF is still the sole unit for award negotiation and contract execution. Under their purview, they may request additional restrictions or approvals where outlying factors cause a heightened risk (i.e known entity who has had payment issues in past or other risky terms in the agreement).

INITIATING AUTHORITY College of Engineering and Computer Science Dean