

INTERNAL DOCUMENT

University of South Alabama Guidelines: Use of Space by External Entities for Research Purposes

It is, from time to time, beneficial to the University of South Alabama (the "University" or "USA") to allow use of non-clinical research facilities and/or equipment by non-University entities and/or individuals (an "External Entity"). An External Entity includes, but is not limited to, companies external to the University and/or individuals who are employed by the University but would be operating independently from the University in their use of the requested facilities or equipment. Use by an External Entity would generally be allowed for start-up operations that do not fit into the University's Coastal Innovation Hub, the Technology and Research Park or local commercial space. It is the policy of the University that each situation or request to use facilities or equipment will be addressed on a case-by-case basis to determine if, in fact, the specific situation is beneficial to USA and consistent with its mission.

An assessment must be made to determine if the benefit to the University is specific, reasonably quantifiable and sufficient to justify allowing an External Entity to use the University facilities or equipment requested. It is generally expected that every allowed use of the facilities or equipment will enhance the operations of the University beyond the revenue from the use. A statement regarding benefit to the University must be included in the request.

University funds or federal funds) are only being used for University projects. Any potential conflict of interest will be handled in accordance with existing University conflict of interest policies and processes.

A periodic review must be performed and documented to ensure that only facilities or equipment covered by the agreement with the External Entity are being used and that such use is only for the purposes described in the formal request and agreement. For example, if an External Entity has agreed to use 250 square feet of a facility, then it must be documented that departmental personnel have determined that the External Entity is only using 250 square feet.

All employees of the External Entity shall, at the discretion of the University, be subject to criminal background checks. USA, if it so chooses to proceed with the background checks, will incur the costs associated with them.

Environmental Health and Safety

Prior to entering into any agreement for use, it must be determined whether or not the External Entity

s28

If the use is at a level sufficient to impact the tax status of the debt, the requested use will not be allowed.

Impact on the University's Facilities and Administration rate

An analysis should be performed, in conjunction with the Director, Tax Accounting and the Director, Grants and Contracts Accounting Office, to determine and quantify the impact of the use on the University's calculated facilities and administration (F&A) rate. Where possible, the use agreement should be structured to minimize the F&A impact; however, where

External Entity