

The substantive policies governing the ownership, protection and commercialization of intellectual properties discovered, invented, authored or created in the course of employment involve matters of public policy and are not subject to collective bargaining negotiations. These policies are set for in Board Policy No. 4:34. Policies with respect to royalty distribution to faculty unit members are set forth below in section 6 of Board Policy No. 4:34.

**SOUTH DAKOTA BOARD OF REGENTS**

**Policy Manual**

**SUBJECT:** Intellectual Property

**NUMBER:** 4:34

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**6. Intellectual Property Income Distribution Policy**

Where the institution retains title to an intellectual property that has been commercialized and yields income, the creator will receive 50 percent of all net revenues realized by the institution from commercialization of the property. Net revenues will equal gross revenues reduced by taxes or other governmental fees, charges or assessments and commercially reasonable direct costs that the institution may have incurred to protect and to develop the property and to realize the property's commercial value. Where two or more employees contributed to the creation of the property, the creator's share of revenues will be divided among them equally, unless the employees agree upon a different distribution among themselves and notify the institution in writing of their agreement.