

July 16, 2020

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Mr. Brian Reilly
Audit Director
Office of the New York State Comptroller
110 State Street – 11th Floor
Albany, New York 12236

Dear Mr. Reilly:

On behalf of The Research Foundation for The State University of New York (RF), I am responding to the **Final Report (2019-S-10) Technology Transfer Program and Royalty Payments** released by your office on January 17, 2020.

The following are actions that the RF has taken, or will be taking, to implement the recommendations contained in the report.

Recommendation 1:

“Develop monitoring mechanisms to provide reasonable assurance that the royalty payments received comply with licensing agreements.”

Consistent with our response dated December 4, 2019, RF has implemented License Agreement Monitoring Guidelines, which are available from the RF website. RF’s new guidelines incorporate various best practices and recommendations based on guidance from the Association of University Technology Managers (AUTM). Beyond the aforementioned guidelines, we are committed to exploring ways to optimize existing information technology to develop and implement additional controls to ensure a robust license agreement monitoring function.

Recommendation 2:

“Work with Downstate Medical University to develop policies and procedures for the use of funds in the campus project account and for the distribution of future royalty revenue.”

Downstate Health Sciences Center has drafted a royalty revenue distribution policy. The policy includes provisions to ensure that the institution’s share of royalty is reinvested locally to support research and innovation. Downstate’s new senior vice president for research will oversee the implementation and management of the policy.

Again, we greatly appreciate and value the time and commitment invested by OSC to perform its work. The audit results and recommendations will continue to be used as a resource in

effectively managing SUNY's interests in the transfer of technology to serve as an engine for New York State's innovation economy.

Sincerely,



Jeff M. Cheek, Ph.D.
President and Chief Executive Officer

Cc: Kristina M. Johnson, Chancellor, SUNY
Heather Hage, Vice President, Industry and External Affairs, RF
David J. Christini, Senior Vice President for Research, Downstate Health Sciences
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