

## USM Bylaws, Policies and Procedures of the Board of Regents

---

### VIII 14.00 – POLICY ON INVESTMENTS AND LOANS TO MARYLAND BASED BUSINESSES THAT ARE AFFILIATED WITH USM INSTITUTIONS

(Approved by the Board of Regents, February 14, 2014; Amended December 9, 2016)

#### General

Section 12 113 of the Education Article of Maryland allows the Board of Regents "to establish, invest in, finance, and operate business entities when the Board finds that doing so would further one or more goals of the University and is related to the mission of the University." That Section also refers to Section 15 107 of the Education Article which encourages the promotion of economic development of the State through commercial application of institution owned intellectual property.

#### Investment Model, Due Diligence and Conflicts of Interest

1. In order to better protect and administer University intellectual property, enhance its commercialization and foster entrepreneurship, USM institutions and the USM Office may adopt a program to invest in or Investmc1.590Td(US)7.3(M)JT1Q1Tfr3d(ln)Tj4p3y3nDTf0.0o(M)Jj9ram

### **Post Investment Monitoring and Reporting**

4. The President or designee of each USM institution and the USM Office making such investments or loans shall provide to the Chancellor an annual Investment Report on the guidelines, investments, loans, relationship of each company receiving funds to USM institution, progress and milestones achieved, economic impact, investment returns, and use of investment income. The format of the Investment Report shall be approved by the Chancellor and the Chancellor shall report that information to the Board of Regents at least annually.
5. The annual report shall be in a format that will facilitate the annual reporting to the Governor and General Assembly required under Education Article section 12 113(d).