I. Overview
Computer software is a form of intellectual property and is usually covered under the same provisions of copyright law—and occasionally by patent law—that protect music, books, and film from unauthorized copying, sharing, or distribution. When U-M or its constituents license access to software, it does not own the software and does not mean that any use of that software is acceptable. It is often the case that an agreement governs the software’s use. Violating the copyright, patent, or contract rights of software transgresses the law, university policy, and our shared institutional ethic. It can also result in damages and reputational harm to individuals or the university.

II. Purpose
This Standard
- Is designed to support proper software asset management by assisting departments, faculty, and staff in procuring and managing university software while staying in legal compliance with licensing agreements;
- Articulates appropriate use expectations for all members of the university community with respect to licensed and copyrighted software.

Proper Use of Information Resources and Networks (SPG 601.07) and Purchasing Services: General Policies and Procedures (SPG 507.01) serve as the overarching policies on which this Standard is based. This Standard establishes additional requirements to ensure compliance with key provisions of SPG 601.07.

For more background and specifics on software licensing, as well as a catalog of U-M licensed software available to the university community, go to Software Licensing and Distribution and the umichITAM consortium.

III. Scope
This Standard
- Applies to all software used for U-M activities, including administrative, academic, classroom, clinical, and research;
- Applies to all software that is purchased and licensed from third-party vendors, developers, or companies irrespective of the university entity or individual that did the purchasing;
- Applies to all faculty, staff, workforce members, principal investigators, students, and sponsored affiliates.

When software is purchased under U-M auspices, it is important to carry out due diligence, including:
- Determine which type of software license is needed based on location and purpose of use, volume of end users (single or multi-users), and number of concurrent users, among other considerations.
- Determine whether license permits use by U-M contractors and staff of affiliated entities.
- Be clear on total costs of software license, including associated maintenance fees.
- Read and understand the EULA (end user license agreement), whether the software is being installed on a university or personally owned computer or device.
• Comply with all regulatory requirements; for example, some software code may fall under export control statutes.

IV. User, Department, or Unit Requirements

It is the responsibility of software users to use software in a manner that strictly adheres to all licensing provisions, including installation, use, copying, number of simultaneous users, maintenance, service, and other terms of the license.

• Departments, units, and users must understand and comply with all terms and conditions that apply to licensed software, including limitations on transfer or sale when assets or equipment are divested or decommissioned.
• Software licensing and maintenance agreements are designated by Procurement Services as restricted commodities. Written approval from a Procurement Services procurement agent is generally required prior to purchasing restricted commodities. This requirement does not apply to software obtained through ITS Software Licensing and Distribution and the umichITAM consortium.
• Signature authority to contractually bind the university to terms and conditions of a software license is delegated to Procurement Services.
• Personal credit or debit cards should not be used to purchase software for institutional use.
• Users who access university licensed software on personally owned devices (including home computers) must comply with all provisions of the licensing agreement and are further expected to comply with the provisions of Security of Personally Owned Devices that Access or Maintain Sensitive Institutional Data (SPG 601.33) when accessing sensitive institutional data on such devices; some licensing agreements do not permit use on personally owned devices. The university reserves the right to inspect an employee’s personally owned device in instances where university licensed software may be misused, according to provisions of Privacy and the Need to Monitor and Access Records (SPG 601.11).
• Users should exercise caution in loading personally licensed or unlicensed software onto U-M computing resources.
• Users should be aware that free and open source software usually has licensing terms and conditions with which they have responsibility to comply.
• All software acquired for or on behalf of the university or developed by university employees is deemed university property unless specified differently in Who Holds Copyright at or in Affiliation with the University of Michigan (SPG 601.28) and Technology Transfer Policy (SPG 303.04) (implements Section 3.10 of the Bylaws of the Board of Regents).
• Departments, units, and users must comply with Acquisition, Use and Disposition of Property (SPG 520.01) when disposing of licensed software; all non-transferable licensed software should be permanently deleted before any electronic device or media is disposed of or transferred within U-M.

V. Violations of Software Licenses and Enforcement

Individuals at U-M are ultimately responsible for any infringing software on their computer or devices. Departments or units where infringing copies are located are responsible for any fines or fees associated with the non-compliance of software license agreements.

Violations of this Standard may result in disciplinary action up to and including suspension or revocation of computer accounts, non-reappointment, discharge, dismissal, and/or legal action. Disciplinary action for faculty and staff for violation of this Standard shall be consistent with Discipline (SPG 201.12). Disciplinary action for students shall be consistent with the Statement of Student Rights and Responsibilities. In addition to U-M disciplinary actions, individuals who commit copyright infringement are personally subject to civil and/or criminal fines and sanctions under the U.S. Copyright Act.
VI. Related Policies:

Ownership of Patents, Copyrights, Computer Software, Property Rights, and Other (Regents Bylaw, Sec. 3.10)

Technology Transfer Policy (SPG 303.04)

General Policies and Procedures: Purchasing Services (SPG 507.01)

Proper Use of Information Resources, Information Technology, and Networks at the University of Michigan (SPG 601.07)

Privacy and the Need to Monitor and Access Records (SPG 601.11)

Who Holds Copyright at or in Affiliation with the University of Michigan (SPG 601.28)

Statement on Student Rights and Responsibilities

Procurement Policies