

## **Conflict of Interest and Commitment >>>**

Federal agencies that accept proposals and issue subsequent awards require compliance with financial conflicts of interest/objectivity in research. This compliance requires a principal investigator to disclose the existence of certain financial interests and also requires the institution to review those disclosures, determine whether any potential conflicts of interest may exist, and establish mechanisms to manage, reduce, or eliminate such conflicts of interest. The CNU Policy for Conflict of Interest and Commitment for Research and Sponsored Programs fulfills these requirements.



## **Conflict of Interest and Commitment for Research and Sponsored Programs**

**Christopher Newport University**

**Date: August 15, 2006**

**Responsible Office: Office of Sponsored Programs**

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### **A. PURPOSE**

This purpose of this policy is to set guidelines and procedures for officers, faculty, staff, and other employees at Christopher Newport University in reviewing and managing the disclosure and resolution of conflicts of interest and/or commitment, whether real, apparent, or potential.

### **B. INCLUDED POPULATIONS**

This policy pertains to all full-time and part-time faculty and staff members who are in any way associated with sponsored projects, programs, services, or contracts.

### **C. CONFLICT OF INTEREST & COMMITMENT**

Conflicts of interest are defined as situations in which faculty or staff members may have the opportunity to influence the University's business decisions in ways that could lead to personal gain or give improper advantage to members of their families, dependents, or associates.

A conflict of interest exists when a faculty member's responsibility for teaching, research, or service is threatened or harmed because of an external relationship which directly or indirectly affects the financial interest of the faculty member, a family member, or associate. For the purposes of this policy, "family" includes but is not necessarily limited to spouse, domestic partner, children, parents, parents-in-law, siblings, and other relatives. Similarly, "associate" includes but is not necessarily limited to both business and domestic associates. In addition, a conflict of interest exists when a faculty member makes more than a de minimus use of university academic, administrative, or other resources, or influences university decisions in such a way that could or does lead to personal gain or improper personal advantage or advantage to a family member or associate.

Conflicts of commitment are defined as situations in which external activities of faculty members or staff members interfere or appear to interfere with their paramount obligations to their students, colleagues, and the University.

## **D. VIRGINIA STATE AND LOCAL GOVERNMENT CONFLICT OF INTEREST ACT**

No information in this policy may supersede Virginia's State and Local Government Conflict of Interest Act. The current Act states that a potential conflict of interest exists whenever a faculty, administrative, or professional staff member has a significant personal (or family) financial interest in a business enterprise that could bias the design, conduct, or reporting of research or educational activities of the University. A financial interest is defined as anything of monetary value or benefit (other than salary paid by the University), including ownership, equity, intellectual property rights, and salary or other compensation. A significant personal or family financial interest is defined as more than three-percent ownership, equity, or intellectual property rights in a business enterprise, or income from other compensations, or benefits that exceed, or may be expected to exceed \$10,000 annually when aggregated for the staff member and any other person residing in the household.

## **E. DISCLOSURE AND REVIEW PROCESS**

Each faculty or staff member participating in a sponsored project, program, service, or contract covered by this policy must disclose whether he or she has external affiliations that may constitute a conflict according to sections "C" or "D" of CNU's policy on Conflict of Interest and Commitment for Research and Sponsored Programs. A disclosure should be completed prior to the submission of a proposal from the University and must be completed prior to the University's acceptance of the sponsored project or issuance of a purchase order or subcontract for the acquisition of goods and services. It is the responsibility of the lead Project Director/Principal Investigator to make sure each member of the project team has read the Conflict of Interest and Commitment for Research and Sponsored Programs policy and has disclosed any real or potential conflicts of interest. Positive disclosures will be reviewed by a Conflict of Interest (COI) Review Committee. The Committee will be chaired by the Associate Provost for Research and Graduate Studies, with other committee members consisting of the Dean of the College of Liberal Arts and Sciences, the Dean of the Joseph W. Luter, III School of Business, University General Counsel or his/her designee, and one faculty member, appointed by the Provost, serving for two years and allowed one additional two-year reappointment at the discretion of the Provost.

In reviewing the positive disclosures, the COI Review Committee will be guided by the following practices and apply them as may be appropriate.

1. Assure adherence to relevant University and Commonwealth policies such as the University Handbook, Virginia Conflict of Interest Policy, Intellectual Property Policy and other University policy as the Committee deems appropriate.
2. Consider the nature and extent of the financial interest in the relationship of the faculty or staff member and the external organization.
3. Give special consideration to the terms and conditions of sponsored project agreements that may mitigate or complicate the given situation.
4. Consult with and obtain additional information from the faculty or staff member as either the Conflict Review Committee or the faculty or staff member feel may be helpful in resolving actual or potential conflicts.
5. Act in a timely manner so as not to delay unduly the conduct of the sponsored project.
6. Conclude that the University may take one of the following actions:
  - Accept the sponsored project award.
  - Not accept the sponsored project award.
  - Accept the sponsored project subject to suitable modifications in either the sponsored project award document or the external organizational affiliation(s) of the faculty or staff member or faculty or staff member's family.

## **F. APPEAL PROCESS**

A faculty or staff member dissatisfied with the Conflict Review Committee's conclusion may appeal to the Provost who may consult with the faculty or staff member, the COI Committee, the Director of Sponsored Programs, and any others as deemed appropriate to the particular situation. The decision of the Provost shall be final.

## **G. NON-COMPLIANCE**

Non-compliance with the conflict of interest policy or these procedures may result in the suspension or termination of a sponsored project. Non-compliance could also result in restrictions on faculty, staff, or other employees with respect to future proposal submissions as well as other sanctions in accordance with University policies or other State or federal laws and regulations.

## **H. REPORTING**

Upon completion, copies of all conflict of interest forms submitted in connection with research and development relationships that are approved shall be filed with the University's Office of Sponsored Programs. The University will develop and maintain a file, available for public review, which will contain all approved relationships with applicable conflict of interest forms.

## **I. AUTHORITY**

The University reserves the right to revise, change, or eliminate these regulations as necessary and without notice.

## **J. APPENDIX**

The following list of examples serves as a set of guidelines for identifying potential conflicts of interest and commitment. It is not intended as a comprehensive list of all potential situations that could present faculty or staff members and the University with difficulty.

1. **ACTIVITIES INVOLVING SPONSORED PROJECTS THAT ARE CLEARLY PERMISSIBLE.**
  - a. Acceptance of royalties for published works and patents, or of honoraria for commissioned papers and lectures.
  - b. Service as a consultant to outside organizations, provided that the time commitment does not exceed the then existing University policy, and that the arrangement in no way alters the faculty or staff member's commitments incurred in the University's execution of a sponsored agreement on the faculty or staff member's behalf.
  - c. Service on boards and committees of organizations, public or private, that does not distract unduly from the faculty or staff member's obligations to the University or that does not interfere or appear to interfere with a faculty or staff member's ability to conduct work under sponsored agreements objectively.
2. **ACTIVITIES INVOLVING SPONSORED PROJECTS THAT PRESENT A POTENTIAL FOR CONFLICT.**
  - a. Relationships that might enable a faculty or staff member to influence the University's dealings with an outside organization in ways leading to personal gain or improper advantage for the faculty or staff member, or his or her associates or family members. For example, a faculty or staff member or family member could have a financial interest in an organization with which the University does business and could be in a position to influence relevant business decisions.

Ordinarily, making full disclosure of such relationships and making appropriate arrangements to mitigate potential conflicts would resolve such problems.

- b. Situations in which the time or creative energy a faculty or staff member may devote to external activities appear substantial enough so as to compromise the amount or quality of his or her participation in the instructional, scholarly, or administrative work of the University.
- c. Situations in which a faculty or staff member directs students into a research area from which the faculty or staff member may realize a financial gain. In such situations, the ability of a faculty or staff member to render objective, independent judgment about the students' scholarly best interests may be diminished.

3. **ACTIVITIES INVOLVING SPONSORED PROJECTS THAT ARE VERY LIKELY TO PRESENT UNACCEPTABLE CONFLICTS.**

- a. Situations in which a faculty or staff member assumes executive responsibilities for an outside organization that might seriously divert his or her attention from University duties. Faculty or staff members should consult with the appropriate dean or supervisor before accepting any outside management position. Use for personal profit of unpublished information emanating from sponsored agreements or confidential University sources, or assisting an outside organization by giving it exclusive access to such information; or consulting with outside organizations that impose obligations upon the faculty or staff member of the University that conflict with the faculty or staff member's or University's Intellectual Property Policy or with the University's obligations under sponsored projects.
- b. Circumstances in which a substantial body of research that could and ordinarily would be carried on within the University is conducted elsewhere to the detriment of the University and its legitimate interests.
- c. Any activity that a faculty or staff member may wish to undertake on an individual basis that: (a) involves or appears to involve the University significantly through the use of its resources, facilities, or the participation of academic colleagues, students, and staff, (b) involves the use of the University's name or implied endorsement, or (c) giving any outside organization the right to censor or prohibit publication rights for research, any part of which is performed under University domain.

## Conflict of Interest Disclosure Statement

### Office of Sponsored Programs

In accordance with CNU policy on conflict of interest and federal requirements relating to sponsored projects, this form must be completed with each new proposal, grant award or contract. Submission of conflict of interest disclosure statements are mandatory and must be completed by each investigator on a sponsored project.

**Principal Investigator:** \_\_\_\_\_ **Dept:** \_\_\_\_\_  
**Funding Agency:** \_\_\_\_\_ **Contract /Grant No.:** \_\_\_\_\_  
**Title of Research Project:** \_\_\_\_\_

**Reason for Disclosure:**  **New Proposal**       **Additional Support**       **Revisions to Contract**  
 **Contract Extension**       **New Investigator**

By signing below, each individual certifies that either no financial interest exists or that a complete listing of financial interest is provided on the attached Disclosure Supplement form. It is the responsibility of the individuals listed below to disclose to the Office of Sponsored Programs any new financial interest obtained during the term of the award.

**Financial Interests include but are not limited to:**

- Income including salary, consulting payments, honoraria, reimbursement of expenses, royalty payments, dividends, loans from an entity, or any other payments or consideration with value, including payments made to a health sciences compensation plan, during this fiscal year;
- Equity in the form of stock, stock options, warrants, business or commercial real estate, business or commercial loans to or from an entity, or any other investment or ownership interest;
- A management position, whether paid or unpaid, such as a board member, director, officer, partner, advisor, or trustee;
- Ownership or other interest in an entity that is proposed as a subcontractor, consortium member, leaser or otherwise involved in the project;
- Intellectual property interest on a patent, patent application or copyright assigned or licensed to a party other than the University.

**A. Do you, your spouse, or dependents have a financial interest in an external entity related to the work being conducted under the project or an external entity interested in the outcome or results of the project?**

No     Yes, Supplement Form Attached    Signature:(PI)\_\_\_\_\_

No     Yes, Supplement Form Attached    Signature:(Co):\_\_\_\_\_

No     Yes, Supplement Form Attached    Signature:(Co):\_\_\_\_\_

**B. If the project is funded, does any Christopher Newport University employee have a financial interest, including ownership or equity interest, in the sponsor?**

No     Yes, Supplement Form Attached    Signature:(PI)\_\_\_\_\_

No     Yes, Supplement Form Attached    Signature:(Co):\_\_\_\_\_

No     Yes, Supplement Form Attached    Signature:(Co):\_\_\_\_\_

**I acknowledge that this form will be maintained as a public record at Christopher Newport University and hereby state that the contents of this disclosure statement are true and correct to the best of my knowledge, information and belief.**

Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
 Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
 Signature: \_\_\_\_\_ Date: \_\_\_\_\_

## Conflict of Interest Disclosure Supplement

### Office of Sponsored Programs

This form is to be completed by all *Principal investigators and personnel who have reported a financial interest* on the COI Disclosure Statement form. This form will be maintained as a public record at Christopher Newport University and may be released to the sponsor upon request, and as per the Virginia Public Records Act, may also be released to the public upon request.

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**Principal Investigator:** \_\_\_\_\_ **Dept:** \_\_\_\_\_  
**Funding Agency:** \_\_\_\_\_ **Contract /Grant No.:** \_\_\_\_\_  
**Title of Research Project:** \_\_\_\_\_

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1. If you have financial interest in an external entity, please provide the following:

Name of Entity: \_\_\_\_\_

Type of Business: \_\_\_\_\_

2. Are you a director, officer, partner, trustee, or employee of, or do you hold any position of management, paid or unpaid, in the entity listed above?

No  Yes, Title \_\_\_\_\_

3. Do you, your spouse, or dependent have any of the following?

A. An investment of \$10,000 or a 3% or more ownership interest in the entity listed above?

No  Yes, Estimated Current Value: \_\_\_\_\_

Type of investment:  Stock  Stock Options  Bonds  Other (Specify): \_\_\_\_\_

B. Income, including any payment, such as salary or consulting fees, of \$10,000 or more received from the entity listed above within the last fiscal year? (Do not include funds paid by the University with funds provided by the entity.)

No  Yes, Amount: \_\_\_\_\_

C. Do you anticipate receiving income of \$10,000 or more from the entity within this fiscal year?

No  Yes, Anticipated Amount: \_\_\_\_\_

D. Loans received from the entity listed above for which the outstanding balance exceeds \$10,000 in the last fiscal year?

No  Yes, Balance: \_\_\_\_\_

4. If you received income, or anticipate receiving income, please specify the type of income (e.g., consulting, honoraria, salary, payment-in-kind, reimbursement for travel, per diem, or other) and describe the reason payment will be received:

Payment Type: \_\_\_\_\_

Description: \_\_\_\_\_

\_\_\_\_\_

5. Whether or not you, your spouse, or dependent already have an existing investment in the entity, do you anticipate obtaining a new interest, through stock purchase plan, an employee stock option plan, or by other means?

No  Yes, Description: \_\_\_\_\_

\_\_\_\_\_

**I acknowledge that this form will be maintained as a public record at Christopher Newport University and hereby state that the contents of this disclosure statement are true and correct to the best of my knowledge, information and belief.**

**Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_