



Florida Agricultural & Mechanical University Board of Trustees Policy

Board of Trustees Policy Number: 2005-14	Date of Adoption/Revision: June 30, 2005
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Subject	Conflicts of Interest Governing Research
Authority	PHS Regulations “ <i>Objectivity in Research</i> ” 42CFR; Part 50; 45CFR Part 94; the National Science Foundation Grant Policy Manual at Section 510 and the National Science Foundation regulations “ <i>The Investigator Financial Disclosure Policy</i> ” Fed. Reg. Vol. 60, No 132 p.3822-3823, July 1995; Sections 1004.22 and 1001.74, F.S.
Applicability	Research/educational activities which are performed, sponsored, or administered by Florida A&M University and are applicable to all FAMU employees and students who are Investigators on sponsored projects at the University.

I. Policy Statement and Purpose

The purpose of this policy is to provide guidance to University staff responsible for compliance with Conflict of Interest. It is the policy of FAMU that any university employee (including the employee’s spouse and dependent children) who is responsible for the design, conduct, or reporting of a sponsored Project implemented by funds awarded to the university must disclose significant financial interests (1) that would reasonably appear to be affected by the research or educational activities funded or proposed for funding or (ii) in entities whose financial interests would reasonably appear to be affected by such activities.

II. Definitions

Investigator means the principal investigator, co-principal investigator, and any other person at the institution, who is responsible for the design, conduct or reporting of research or educational activities funded or proposed for funding by an outside agency.

Significant financial interest means anything of monetary value, including, but not limited to salary or other payments for services (e.g., consulting fees or honoraria); equity interests (e.g., stocks, stock options or other ownership interests); and intellectual property rights (e.g., patents, copyrights and royalties from such rights).

A. **Inclusions:**

- (i) *Income (including salary) consulting payments; honoraria, reimbursement of expenses, royalty payments, dividends, or any other payment or consideration from a simple business entity, public entity, or non-profit entity exceeding \$10,000 during the prior twelve months.*
- (ii) *Equity (in the form of stock, stock options, real estate or any other investment of ownership interests) in any enterprise. (This does not apply in the case of stock holdings such as diversified or mutual funds where the investigator is unaware of specific stock held).*
- (iii) *A position as director, officer, partner, trustee, or member of the board of directors of any business entity.*

- (iv) *Intellectual property interest on a patent filed or to be filed by a party other than the University.*

B. Exclusions:

- (i) *Salary, royalties or other remuneration from the applicant institutions;*
- (ii) *Any ownership interests in the institution, if the institution is an applicant under the Small Business Innovation Research Program or Small Business Technology Transfer Program;*
- (iii) *Income from seminars, lectures, or teaching engagements sponsored by public or nonprofit entities;*
- (iv) *Income from service on advisory committees or review panels for public or nonprofit entities;*
- (v) *An equity interest that, when aggregated for the investigator and the investigator's spouse and dependent children, meets both of the following tests: does not exceed \$10,000 in value as determined through reference to public prices or other reasonable measures to fair market value, and does not represent more than a 5% ownership interest in any single entity; or*
- (vi) *Salary, royalties or other payments that, when aggregated for the investigator and the investigator's spouse and dependent children, are not expected to exceed \$10,000 during the next twelve month period.*

Designated university official is the university official designated by the President to complete the first level review of the investigator's Disclosure of Interest Form and to determine if any reported interests reasonably appear to be affected by the project. The designated university official will be the individual with first line supervisory responsibility for the person submitting the Disclosure. In most cases, the designated university official will be the Dean of the College/School.

Disclosure of Financial Interest Form is to be completed by the investigator when a conflict of interest is declared. The completed form will show financial and other interest related to a research/education project. The Disclosure of Financial Interests Form must be updated on an annual basis during the conduct of the project. Please see the attached form.

III. Approvals/Responsibilities

If the university determines that such interest may affect the design, conduct, or reporting of the project, the university will take steps to manage or eliminate the conflict of interest. Records of financial disclosures and actions taken to manage conflicts of interest shall be retained at least three years beyond the termination or completion of the award to which they relate, or the resolution of any government action involving those records, whichever is longer.

It will be the responsibility of the Division of Research to file with the requisite Federal agency an inability of the university to satisfactorily manage a conflict of interest.

IV. Investigator's Responsibility

- a) Persons covered under this policy are expected to govern their professional activities in accordance with the University mission and with integrity.
- b) Covered persons are expected to identify and, when possible, avoid financial conflicts of interest. If a conflict cannot be avoided, the Disclosure of Financial Interests Form must be completed to allow for elimination or management of the financial conflicts.
- c) In accordance with III(b) covered persons must disclose any significant financial interest that involves themselves, spouse, and dependent children in organizations or

companies whose financial interests may reasonably appear to affect or be affected by their sponsored activities.

- d) Covered persons shall ensure the disclosure of all significant financial conflicts of interests prior to the submission of their application to the Office of Sponsored Programs. Persons shall update the Disclosure of Financial Interests Form whenever a new significant financial interest evolves, or when the existing interest ends or is materially altered. In addition, disclosures shall be updated annually.

V. Disclosure Requirements

The principal investigator must fully disclose all significant interest for each sponsored research/education project prior to the time a proposal is submitted. The principal investigator must ensure that all investigators in the proposal disclose significant financial interests.

- a) Each covered person is obligated to disclose real or apparent conflicts of interest.
- b) Covered persons shall disclose annually all significant financial conflicts which are covered under this policy. Covered persons shall also update their disclosure forms whenever a new significant financial interest evolves, or when the existing interest ends or is materially altered.
- c) Prior to submission of an application to the Office of Sponsored Programs, covered persons shall ensure that all significant financial interests have been disclosed.
- d) Disclosure should be made to the Dean of the affected College/School.
- e) Disclosure documents shall be destroyed at the end of the retention period.

VI. Review and Appeal Process

When a conflict of interest is declared, the Disclosure of Financial Interests Form should be submitted to the appropriate Dean of the College/School. If a potential conflict of interest is identified in the initial review, the Disclosure material will be reviewed by the Conflict of Interest Committee (COIC), a standing committee appointed by the Vice President of Research and managed by the Office of Research Services. The committee will offer recommendations for compliance to the principal investigator. The principal investigator may appeal the decision of the COIC to the Vice President for Research and, ultimately, to the President of the University if the recommendations are deemed to be unjustified.

VII. Management of Conflicts of Interest

An investigator has a conflict of interest when the COIC reasonably determines that a significant financial interest could directly and significantly affect the design, conduct, or reporting of sponsored research/educational activities. In such circumstances, the COIC may recommend that the proposal shall not be submitted for funding (or terminated, if funded prior to the development of a conflict). In situations where reasonable doubt may exist about the conflict of interest, certain conditions or restrictions may be imposed. These may include, but are not limited to:

- a. public disclosure of significant financial interests;
- b. monitoring of research by independent reviewers;
- c. modification of research plan;
- d. disqualification from participation in the portion of the funded research/education that would be affected by the significant financial interest.
- e. divestiture of significant financial interest(s); or
- f. severance of relationships that create conflicts.

If the COIC determines that imposing conditions or restrictions would either be ineffective or

inequitable, and that the potential negative impact that may arise from a significant financial interest are outweighed by interest of scientific progress; technology transfer, or the public health and welfare, then the COIC may allow the research/educational activity to go forward without imposing such conditions or restrictions.

Failure to file a complete Disclosure of Financial Interest for a sponsored project, or adhere to the guidelines developed by the COIC will be grounds for disciplinary action under the BOR contract (Article 16.1, Disciplinary Action, pp 31-32). In addition, sponsors may terminate current awards and/or contracts and may determine an investigator ineligible to receive future awards if university policy is violated.

VIII. Sanctions

Failure to file a complete Disclosure of Financial Interest for a sponsored project, or adhere to the guidelines developed by the COIC will be grounds for disciplinary action under the BOR contract (Article 16.1, Disciplinary Action, pp 31-32). In addition, sponsors may terminate current awards and/or contracts and may determine an investigator ineligible to receive future awards if university policy is violated.