

UNIVERSITY OF CENTRAL ARKANSAS
BOARD POLICY

Policy Number: 320

Subject: Conflict of Interest for Sponsored Programs

Date Adopted: 10/95 Revised: 06/96, 03/02

The purpose of this policy is to promote objectivity in scholarly activities by establishing standards for identifying and managing significant financial conflicts of interest in sponsored scholarly activities. The expected result of the implementation of this policy is that the design, conduct, and reporting of sponsored scholarly activities will not be biased by any conflicting financial interest of an investigator.

DEFINITIONS:

- **Conflict of Interest:** A significant financial interest in a business, or other personal considerations provided by a business, that could directly and/or significantly affect the design, conduct, or reporting of a funded scholarly activity.
- **Immediate Family:** The investigator's spouse and dependent children as defined by the IRS.
- **Investigator:** The principal investigator, the co-principal investigators, and any other persons at the university who are responsible for the design, conduct, or reporting of scholarly activities. This definition includes research assistants, such as graduate assistants and post-doctoral fellows, but does not include those clerical or technical employees whose work cannot reasonably be expected to influence the design, conduct, or reporting of the sponsored scholarly activities.
- **Significant Financial Interest:** 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); and intellectual property rights (e.g., patents, copyrights, and royalties from such). The term does not include:
 - Salary, royalties, or other remuneration from the university;
 - Income from seminars, lectures, or teaching engagements sponsored by public or nonprofit entities;
 - Income from service on advisory committees or review panels for public or nonprofit entities;
 - An equity interest that when aggregated for the investigator and the investigator's immediate family does not exceed \$10,000 in value and does not represent more than 5% ownership interest in any single entity;
 - Salary, royalties, or other payments that when aggregated for the investigator and the investigator's immediate family over the next 12 months, are not reasonably expected to exceed \$10,000; or

- Any ownership interests in the university, if the university is an applicant under the Small Business Innovation Research program.

PROCEDURES:

1. The research compliance coordinator in the Sponsored Programs Office will be responsible for implementing this policy for the university.
2. Investigators must submit a financial disclosure statement before submitting a proposal for funding of scholarly activities. It is the responsibility of the principal investigator to name other persons on the project who meet the regulatory definition of investigator. All financial disclosures must be updated during the period of the award, either on an annual basis or as new reportable significant financial interests are obtained.
3. The financial disclosure statements shall be submitted to the research compliance coordinator in the Sponsored Programs Office for review to determine whether a conflict of interest exists. Any statement revealing a possible financial conflict of interest shall be forwarded to the dean of the appropriate college.
4. The college dean shall review the financial disclosure statement and determine whether an actual or potential conflict of interest exists. The dean will determine what conditions or restrictions, if any, should be imposed in order to manage, reduce, or eliminate the conflict of interest. The dean shall transmit the final determination in writing to the investigator, and supply a copy of the determination, financial disclosure statement, and action taken to the research compliance coordinator in the Sponsored Programs Office. The investigator shall comply with the determinations prior to the university's expenditure of any funds under the award.
5. Examples of conditions or restrictions that may be imposed to manage, reduce, or eliminate an actual or potential financial conflict of interest include:
 - a. public disclosure of significant financial interest;
 - b. monitoring of scholarly activity by independent reviewers;
 - c. modification of the scholarly activity plan; and
 - d. disqualification from participation in all or that portion of the scholarly activity that would be affected by the significant financial interest.
6. If the college dean determines that an actual or potential conflict of interest exists, but that imposing conditions or restrictions would be either ineffective or inequitable, and that the potential negative impact that may arise from a significant financial interest are outweighed by interests of scholarly progress, technology transfer, or the public health and welfare, then the college dean may recommend that the scholarly activity go forward without imposing such conditions or restrictions. Such a recommendation will be forwarded for review and approval to the graduate dean. The graduate dean may choose to be advised by an ad hoc committee consisting of three members chosen from the University Research Council. The graduate dean shall transmit the results and determination of the review in writing to the

investigator, and supply a copy to the research compliance coordinator in the Sponsored Programs Office. Any significant financial interest that cannot be managed, eliminated or reduced shall be disclosed to the sponsor of the scholarly activity.

7. If an actual or potential conflict of interest is identified at any time subsequent to the university's initial certification to the sponsor, sponsored programs will report to the awarding agency the existence of the conflict of interest and assure that the conflicting interest has been managed, reduced or eliminated; and, for any actual or potential conflict of interest that the university identifies that occurs subsequent to the initial report under the award, a new report will be made and the conflicting interest managed, reduced, or eliminated, at least on an interim basis, within sixty days (60) of identification.
8. If any failure of an investigator to comply with the university's conflict of interest policy should result in a bias to the design, conduct, or reporting of the scholarly activities, the sponsor will be promptly notified by the Sponsored Programs Office of the conflict and of the corrective action taken or to be taken.
9. If any of the sponsored scholarly activities are performed by sub-grantees, contractors, or collaborators, the Sponsored Programs Office shall ensure that such entities provide appropriate financial assurances, either by requiring the entities to comply with this policy or providing similar financial disclosure information sufficient to allow the research compliance coordinator in the Sponsored Programs Office to make the necessary certifications to the sponsor.
10. Records of all financial disclosure statements and all recommendations and actions taken concerning an actual or potential conflict of interest shall be maintained in the Research Compliance Office, Sponsored Programs Office, until at least three years after the termination or completion of the applicable sponsored scholarly activity award or the resolution of any government action involving the records.
11. The university will make information available, upon request, to the sponsor regarding all conflicting interests identified by the institution and how those interests have been managed, reduced, or eliminated to protect the scholarly activities from bias.
12. Failure of any university employee to comply with this policy shall constitute grounds for disciplinary action consistent with the *Faculty Handbook* and/or *Staff Handbook*, as applicable.