

FAYETTEVILLE STATE UNIVERSITY

**POLICY AND PROCEDURES CONCERNING
CONFLICTS OF INTEREST AND COMMITMENT**

A. Definition of Conflicts of Interest and Commitment

Conflicts of interest are defined as situations in which financial or other personal considerations may compromise, may involve the potential for compromising, or may have the appearance of compromising an employee's objectivity in meeting university duties or responsibilities, including research activities. The bias that such conflicts may impart can affect many university duties, including decisions about personnel, the purchase of equipment and other supplies, the collection, analysis, and interpretation of data, the sharing of research results, the choice of research protocols, and/or the use of statistical methods. An employee may have a conflict of interest when he or she, or any member of that person's immediate family, has a significant financial interest in any activity that involves his or her responsibilities as a university employee which may affect the employee's decision making with respect to university teaching, research, or administration.

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 interest (e.g. stocks, stock options); and intellectual property rights (e.g. patents, copyrights and royalties from such rights). The term does not include:

1. Salary, royalties, or other remuneration from the application institution;
2. Any ownership interests in the institution, if the institution is an application under the Small Business Innovation Research (SBIR) Program;
3. Income from seminars, lectures, or teaching engagements sponsored by public or nonprofit entities;
4. Income from service on advisory committees or review panels for public or nonprofit entities;
5. An equity interest that when aggregated for the Investigator and the Investigator's spouse and dependent children, meets both the following tests: Does not exceed \$10,000 in value as determined through reference to public prices or other reasonable measures of fair market value, and does not represent more than a five percent ownership interest in any single entity; or
6. Salary, royalties or other payments that when aggregated for the Investigator and the Investigator's spouse and dependent children over the next twelve months, are not expected to exceed \$10,000. (Ref. 42 CFR Part 50, Sect. 50.603 in Appendix A)

A Conflict of Commitment generally occurs when the pursuit of outside activities involves an inordinate investment of time that interferes with the employee's obligations to the university.

Activities that may involve conflicts of interest can be categorized under three general headings: 1) allowable activities for which no reporting is necessary; 2) allowable activities that require administrative review; and, 3) activities that are generally non-allowable.

Allowable activities: activities external to university employment that may present the appearance of a technical conflict, but they in fact do not have the potential for affecting the objectivity of the employee's performance of university responsibilities; at most, some situations could prompt questions about conflicts of commitment.

Allowable activities requiring administrative review: activities that suggest a possibility of conflicting loyalties that can impair objectivity, but with disclosure and resulting analysis of relationships may render the activities permissible, perhaps with certain types of limitation or monitoring.

Activities or relationships that generally are not allowable: activities or relationships involving situations that present obvious opportunities or inducements to favor personal interests over institutional interests. Before proceeding with such endeavors, the employee would have to demonstrate that in fact his or her objectivity would not be affected or university interests otherwise would not be damaged.

To assist in determining whether conflicts of interest exist for employees engaged in external activities or relationships, each Fayetteville State University employee will complete a Conflict of Interest and Commitment Disclosure Form annually.

B. Publicizing Institutional Policy

Fayetteville State University's policy is publicized within the academic community in a manner which insures comprehensive coverage. During the annual Pre-School Conferences, the official FSU policy governing conflicts of interest is explained and discussed. The published policy statement is distributed to all faculty and staff at FSU and is a part of the Fayetteville State University Faculty Handbook and other personnel policy manuals. The institutional policy, as well as the interpretations, are discussed and explained in all unit level meetings. The policy statement is also distributed to new faculty and staff in conjunction with the "Orientation for New Faculty and Staff" which is a regular component of the FSU Pre-school Conferences.

C. Required Disclosures of Income and Business Relationships

Completion of the attached Conflict of Interest and Commitment Disclosure Form is required of all university employees on an annual basis. The form is turned in to the employee's immediate supervisor. The form is designed to reveal income sources, business relationships, and activities

which may suggest the existence or the appearance of a conflict of interest. In addition to the annual disclosure at the start of each academic year, employees are required to resubmit the Policy on Conflicts of Interest and Commitment disclosure form at any time during the academic year when a new situation might entail conflicts of interest.

D. Management of Conflicting Interests

To resolve individual cases of possible conflicts of interest, the Chancellor will refer the issue to the Conflict of Interest Review Committee (CIRC), a standing committee of the Research Council. The committee will be responsible for implementing a process of inquiry recommending judgments in conjunction with the individual cases which cannot be resolved through regular administrative channels. Examples of conditions or restrictions that might be imposed to manage conflicts of interest include, but are not limited to:

1. Public disclosure of significant financial interests;
2. Monitoring of research by independent reviewers;
3. Modification of the research plan;
4. Disqualification from participation in all or a portion of the research funded by the Public Health Service (PHS);
5. Divestiture of significant financial interests; or
6. Severance of relationships that create actual or potential conflicts. (Ref. 42 CFR Part 50, Sect. 50.605 in Appendix A)

The immediate supervisor of the employee will analyze any possible problem situations with the employee and decide, if possible, whether the activity or affiliation presents a conflict of interest and whether remedial or corrective action is necessary. Any matter which poses difficulty, in terms of defining, detecting, or resolving possible conflicts of interest, will be taken to the attention of the next highest level supervisor for review. If the matter cannot be resolved at the appropriate vice chancellor's level, the situation will be referred to the CIRC for a recommendation to the Chancellor. The CIRC will consist of two representatives from each of the four major divisions and will be chaired by the Chairman of the Research Council. In each case, the final decision will be made by the Chancellor and will be subject to rights of appeal.

E. Recordkeeping

Complete records documenting each instance in which the policy is administered, regardless of the level at which a resolution is effected, will be kept on file in the FSU Office of Personnel.

F. Compliance with Applicable Federal Regulations

University employees are prohibited from engaging in research, grant activities, and similar endeavors which present obvious opportunities or inducements to favor personal interests over institutional interests. Recipients of grants and contracts from federal agencies must adhere to applicable federal policies and regulations. It is the responsibility of the principal investigator or researcher to seek guidance from his or her supervisor in the event a possible conflict of interest situation arises. It is also the researcher's responsibility to maintain and enforce standards of

objectivity and, at all times, protect the interests of the university. If the failure of an Investigator to comply with the conflict of interest policy of FSU has biased the design, conduct, or reporting of the PHS-funded research, the Dean of Graduate Studies and Research will promptly notify the PHS Awarding Component of the corrective action taken or to be taken. (Ref. 42 CFR Part 50, Sect. 50.606 in Appendix A)

G. Certification of Objectivity in Research

The Director of Grants and Research will certify each application for funding, whether a significant financial interest has been found in accordance with 42 CFR Part 50, Article 50.605. (See Appendix B.)

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PART III. Acknowledgment

I hereby acknowledge that I have read and understand the Policy on Conflicts of Interest and Commitment and that the aforementioned facts and situations indicate all potential conflicts of interest and commitment with regard to my position at Fayetteville State University according to the standards and guidelines of the Policy.

I acknowledge that I have a continuing obligation to file an updated form prior to filing the next annual report if changes arise that I believe may either: a) give rise to a potential conflict of interest, or b) eliminate a conflict previously discussed.

Signed this _____ day of _____, 20

Signature

**Administrative Review and Approval
Conflict of Interest and Commitment Review**

To the best of my knowledge and judgment and according to the standards and guidelines of the Policy:

- a. 9 No conflict of interest or commitment exists.
- b. 9 A conflict of interest or commitment may exist, but does not appear to be significant.
(Attach explanation)
- c. 9 A conflict of interest or commitment may exist that warrants further review.

Chair Date Department

Date Dean

(If Approval is Required According to the Policy)

Chancellor Date Vice
(If applicable)

APPENDIX B
Certification of Objectivity in Research

Fayetteville State University has in effect a written and enforced administrative process to identify and manage, reduce or eliminate Significant Financial Interests as outlined in 42 CFR Part 50 (amended), article 50.605.

Fayetteville State University:

_____ has not found a Significant Financial Interest in this research

_____ has found a Significant Financial Interest in this research. Actions will be taken prior to the award of funding to manage, reduce or eliminate that interest in accordance with 42 CFR Part 50; and will notify PHS of such action prior to issuance of the Notice of Grant Award.

Further, Fayetteville State University agrees to make information available, upon request, to Health and Human Services regarding all Significant Financial Interests identified by the institution, and how those interests have been managed, reduced or eliminated to protect the research from bias.

**Dean,
Graduate Studies and Research**

Note: This certification page will be attached as an appendix to all PHS proposals per FSU's request.