

Approved by Deans' Council, May 30, 2000

POLICY ON CONFLICT OF INTEREST IN THE DESIGN, IMPLEMENTATION, OR REPORTING OF GRANTS AND SPONSORED PROJECTS

GENERAL

The New Jersey Conflict of Interest Law (N.J.S.A. 52:13D-12, et seq.) establishes specific standards of conduct for State employees and officers. This policy supplements State law.

STATEMENT OF NEED AND PURPOSE

Sponsored projects and grants are vital parts of the Rowan University mission. As these activities grow in sophistication and complexity, they intersect increasingly with industrial explorations and entrepreneurial ventures, creating for investigators the potential for conflicting interests.

Rowan University has developed this policy to protect the integrity of grants and sponsored projects, and to comply with federal regulations. It is the intent and policy of Rowan University as an institution of higher education in receipt of federal and/or other research support to comply with present and future regulations. To that end, this policy is subject to further refinements as other rules are published.

Specifically, the intent of this policy is to identify and eliminate or manage any possible threat to grants and sponsored project objectivity at Rowan University. The main components are disclosure of investigators' financial interests that might be affected by the activity, and application of methods to minimize or eliminate the risks associated with such connections. It is not meant to discourage, but rather to safeguard the pursuit and dissemination of knowledge.

DEFINITION OF CONFLICT OF INTEREST

A conflict of interest exists when it can be reasonably determined that an investigator's personal financial and other concerns could directly and significantly influence the design, implementation, or reporting of grants and sponsored project activities. Faculty and staff of Rowan University have an obligation to scrupulously maintain the objectivity of their grants and sponsored projects, avoiding any conflict of interest.

APPLICABILITY

This policy applies to any employee of Rowan University who is responsible for the design, implementation, or reporting of grant and sponsored project activities funded or proposed for funding by any external source. The policy also includes the investigator's immediate family, which is defined as his/her spouse or domestic partner and dependent children.

Project directors and principal investigators are responsible for ensuring that all participants in a project who are involved with the design, implementation, or reporting of the activity disclose any significant financial interests that would reasonably appear to be affected by the activity. Individuals who come to work on an established project through reallocation of effort, hiring, transfer, promotion, etc., and thereby take on a responsible position in a project, must also disclose any such significant financial interests.

Collaborators, subcontractors, subrecipients, and visiting scientists must either comply with this policy or provide a certification to the Office of Government Grants and Sponsored Projects that their institutions are in compliance with pertinent federal policies and that they in turn are in compliance with their own institutional policies. Subcontractors from commercial firms need to make a certification only when the prime award is from the Public Health Service. Such certification must be included in the files on projects that are maintained in both the Office of Government Grants and Sponsored Projects and the Grants Accounting Office.

SIGNIFICANT FINANCIAL INTERESTS

Any Rowan University employee responsible for the design, implementation, or reporting of grants and sponsored project activities funded or proposed for funding by external sources must reveal all current significant financial interests that would reasonably appear to be affected by the activity.

Significant financial interest is defined as any current financial interest of the investigator and his/her immediate family that could reasonably appear to be affected by the activities proposed for funding; or any interest held by the investigator and his/her immediate family in a business entity (company, corporation, or other enterprise) whose financial interest might reasonably appear to be affected by such activities.

Specifically, *significant financial interests* might include, but are not limited to, any of the following:

- Anything of significant monetary value, including salary or other payments for services, such as consulting fees or honoraria;
- Direct equity interests, such as stock, stock options, or ownership interests;
- Intellectual property rights owned by the investigator, such as patents, copyrights, and royalties from such rights.

The term does not include:

- Financial interests in business enterprises or entities that, when aggregated for the investigator and his/her immediate family, meet both of the following tests:
 - ~ the financial interest does not exceed \$10,000 in value as determined through reference to public prices or other reasonable measures of fair market value, and
 - ~ the financial interest does not represent more than a five percent ownership interest in any single entity;
- Salary, royalties, or other remuneration from Rowan University;
- Salary, royalties, or other payments that, when aggregated for the investigator and his/her immediate family, are not expected to exceed \$10,000 during the next twelve month period;
- Income from seminars, lectures, consulting assignments or teaching engagements sponsored by public or non-profit entities;
- Income from service on advisory committees or review panels for public or non-profit entities.

An investigator may choose to disclose any other financial or related interest that might present an actual, potential, or perceived conflict of interest. Disclosure can be a key factor in protecting an individual's reputation and career from potentially harmful allegations of misconduct.

CONSULTING PRINCIPLES

There are many reasons why faculty members should engage in outside consulting work. It is desirable that they remain in close communication with the world outside the institution and especially with that part of the world concerned with their area of specialization. Consulting is a means of maintaining this liaison as well as of offering solutions to practical problems and thereby testing the soundness of theories taught in the classroom and laboratories. While consulting activities often enhance a faculty member's value to Rowan University, they can result in conflicts of interest and conflicts of commitment which compromise the faculty and the institution.

In private consulting, it must be kept clear that the faculty member does not represent the University. Private consulting activities of faculty members must be viewed in relation to their overall responsibilities to Rowan University and should not become so extensive that they interfere with those responsibilities.

DISCLOSURE PROCESS

All Disclosure Statements and related documents are considered sensitive information and only those persons involved in the implementation of this policy will have access to such records.

Each investigator who has significant financial interests possibly affected by the activity must complete a Rowan University Disclosure Statement and attach all required supporting documentation.

All significant financial interests must be disclosed prior to the time a proposal is submitted, or a contract or agreement is signed. All financial disclosures must be updated by investigators during the period of the award as new reportable significant financial interests are obtained.

REVIEW OF DISCLOSURES

A Disclosure Review Committee (DRC) will review all disclosure statements. The committee will be co-chaired by the associate provost for academic affairs and director of government grants and sponsored projects. The president will appoint three additional faculty members representing the diverse colleges, departments, and programs at Rowan University. Members will serve three year staggered terms.

The committee will be responsible for determining whether the significant financial interests of the investigator could reasonably be expected to affect the design, schedule, implementation, or reporting of the activities funded or proposed for funding. The committee may request additional clarifying information, as well as a management plan for conflict, from the individual which will be treated as non-public information to the extent allowed by law. Upon completion of its review, the committee will advise the president of the University of its findings.

MANAGEMENT PLANS FOR CONFLICT

If appropriate, the committee will review the proposed conflict management plan and approve it or add conditions or restrictions to ensure that any conflict is reduced, eliminated, or managed. Such conditions or restrictions may include, but are not limited to, the following:

- Public disclosure of significant financial interests;
- Monitoring of the research by independent reviewers;
- Modification of the planned activities (possibly subject to sponsor approval);
- Disqualification from participation in all or part of the project;
- Divestiture of significant financial interests;
- Severance of relationships creating conflict.

In all cases, resolution of the conflict or establishment of an acceptable conflict management plan must be achieved and approved by the president before expenditure of any funds under an award.

APPEALS

Appeal of the committee's decision may be made to the University president, who will consult with the investigator and the committee and make a final decision.

COMPLIANCE

As part of the Disclosure Statement, each investigator must certify that, if the Disclosure Review Committee determines a conflict exists, the investigator will adhere to all conditions or restrictions imposed upon the project and will cooperate fully with the individual(s) assigned to monitor compliance.

ENFORCEMENT

Failure to properly disclose relevant financial and other interests or to adhere to conditions or restrictions imposed by the committee will be considered a deviation from accepted standards of conducting activity at Rowan University.

Alleged violations of this policy will be investigated by the Disclosure Review Committee which will make recommendations for action to the president. Breaches of policy include failure to file the necessary disclosure statements; knowingly filing incomplete, erroneous, or misleading disclosure forms; or failure to comply with procedures prescribed by the committee. If the president determines that the policy has been violated, he/she may impose sanctions including notification of sponsor and termination of award; formal admonition; a letter to the investigator's personnel file; and suspension of the privilege to apply for external funding and/or to seek IRB approval.

RECORDS

Government Grants and Sponsored Projects and the Grants Accounting Offices will maintain records of all disclosures and associated activities securely and confidentially.

All records will be maintained for three years following the later termination or completion of the project or resolution of any government action involving the records.

Records will not be routinely provided to sponsors unless such is an agency requirement, the agency submits a written request, or Rowan University is unable to satisfactorily manage an actual or potential conflict of interest. The director of Government Grants and Sponsored Projects will be responsible for communications with sponsors. Disclosure Statements and associated information will not be released without notifying the investigator.

FEDERAL REGULATIONS REFERENCES

Department of Health and Human Services. Responsibility of Applicants for Promoting Objectivity in Research for Which PHS Funding is Sought. July 11, 1995. 60 Fr 35810, Part III.

National Science Foundation. Investigator Financial Disclosure Policy. July 11, 1995. 60 FR 35810, Part III

For additional information, contact: Associate Provost for Research
(856) 256-4053

