

## POLICY STATEMENT

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Abilene Christian University (ACU) monitors and documents significant financial interests that may conflict or be perceived to conflict with research funded by external sources, in compliance with federal requirements. All investigators are required to report to the Office of Research and Sponsored Programs (ORSP) any significant financial interests that may pose such a conflict.

All Conflict of Interest (COI) reporting shall be completed at the time of proposal submission and once per year for the life of the award. Initial Reports must be signed and submitted to ORSP with the External Funding Approval Form prior to proposal submission. Annual Reports must be signed and submitted to ORSP by the 15<sup>th</sup> of February to cover the previous calendar year. Reporting periods run from the first calendar day to the last calendar day of the year.

## REASON FOR THE POLICY

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The purpose of this Policy is to promote objectivity in the conduct of sponsored projects by ensuring the disclosure of significant financial interests and the appropriate management of COIs on externally sponsored projects in accordance with federal, state, and institutional regulations and policies.

The Uniform Guidance (2 CFR 200) states in section 112 that “The Federal awarding agency must establish conflict of interest policies for Federal awards. The non-Federal entity must disclose in writing any potential conflict of interest to the Federal awarding agency or pass-through entity in accordance with applicable Federal awarding agency policy.”

This policy is established to satisfy the requirements for reporting and managing COIs related to federally-funded activities as well as any COI requirements for projects funded by other non-federal sources.

## APPLICABILITY OF THE POLICY

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This policy applies to all ACU employees--including faculty, staff, and student workers-- trainees, interns, subgrantees, contractors, consortium participants, collaborators, and consultants responsible for the design, conduct, or reporting of research and educational programs funded by external sponsors. Subgrantees, contractors, consortium participants, collaborators, and/or consultants may follow their home institution’s policy and procedure in lieu of this policy provided that their home institution has a written and enforced policy that meets the federal and state requirements for disclosure of significant financial interests,.

## POLICY AND PROCEDURES

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### Definitions

(1) *Investigator* includes the principal investigator (PI), project director (PD), co-principal investigators (co-PIs), and any other person who is responsible for the design, conduct, or reporting of research or educational activities funded or proposed for funding by an external agency. For the purposes of the requirements of this policy relating to financial interests, “Investigator” also includes the investigator’s spouse and dependent relatives or household members, when applicable.

(2) *Manage* means to take action to address a financial conflict of interest. This can include reducing or eliminating the financial conflict of interest to ensure, to the extent possible, that the design, conduct, and reporting of research or educational activities will be free from bias.

(3) *Significant financial interest* means anything of monetary value including, but not limited to,

1. Salary or other payments for services (e.g., consulting fees or honoraria)
2. Equity interests (e.g., stocks, stock options, or other ownership interests)
3. Intellectual property rights (e.g., patents, copyrights, and royalties from such rights)

The term does not include:

- (a) Salary, royalties, or other remuneration from Abilene Christian University
- (b) Royalties and honoraria for published scholarly or creative works
- (c) Income from seminars, lectures, or teaching engagements sponsored by public or nonprofit entities
- (d) Income from service on advisory committees or review panels for public or nonprofit entities
- (e) An equity interest that, when aggregated for the investigator and the investigator's spouse and dependent relatives or household members, meets BOTH of the following tests:
  1. (1) Does not exceed \$10,000 in value, as determined through reference to public prices or other reasonable measures of fair market value
  2. (2) Does not represent more than a 5 percent ownership interest in any single entity
- (f) Salary, royalties, or other payments that, when aggregated for the investigator and the investigator's spouse and dependent relatives or household members, are not expected to exceed \$10,000 from any single entity during the next 12-month period.

(4) *Unit head* means the dean of a college, or in the case of departments that do not report to a dean, a vice president.

(n) *Designated official* means the Chief Business Officer or his/her designee.

### Procedure

#### (1) Annual Disclosure

All employees planning to act as investigators shall, prior to the submission of each sponsored project application and by February 15 of each year thereafter if the project is funded, disclose to the Unit Head, Designated Official, and Director of ORSP the following significant financial interests, including interests of their spouse and dependent relatives or household members:

- (a) Any significant financial interest that would reasonably appear to be affected by the research or educational activities funded, or proposed for funding, by an external sponsor; or

- (b) Any significant financial interest in an entity whose financial interest would reasonably appear to be affected by the research or educational activities funded, or proposed for funding, by an external sponsor.

Employees planning to act as investigators who have no significant financial interests as described above shall submit a certification to that effect.

The Significant Financial Interest Disclosure Statement (for non-PHS Funds only) (Attachment A) will be used for either certification of no significant financial interests or disclosure of significant financial interests. Employees with no significant financial interests should complete and sign only Attachment A. Employees with significant financial interests or financial interests that may appear to be significant should complete and sign Attachment A and the Supplemental Disclosure Form (Attachment B) for each entity in which they have a significant financial interest.

The forms should be forwarded first to the unit head, then from the unit head to ORSP, and finally from ORSP to the designated official when conflicts have been reported. ORSP is responsible for retaining the significant financial interest disclosure forms in accordance with funding agency requirements.

If there is a change in the reported information during the year, the employee will submit an updated form within thirty (30) days of discovering or acquiring a new financial interest.

Regardless of the above minimum requirements, an employee may choose to disclose any other financial or related interest that could present an actual conflict of interest or be perceived to present a conflict of interest. Disclosure is a key factor in protecting one's reputation and career from potentially embarrassing or harmful allegations of misconduct.

Such reporting shall not predate any required submissions to the Securities and Exchange Commission, nor shall such reports contain information that would be restricted under insider information regulations of the SEC.

## (2) Certification at the Time of Proposal Submission

Prior to submitting a proposal for funding to any external agency, each investigator shall certify that he/she has disclosed any significant financial interests, including those of a spouse and dependent relatives or household members, that would reasonably appear to be affected by the project for which funding is sought. The unit head shall certify that, based on the investigator's disclosure, either: (1) no conflicts of interest exist, or (2) existing conflicts will be managed prior to the expenditure of funds under the award. These certifications shall be made by signing the Office of Research and Sponsored Projects' Grant Pre-Approval Form and submitting the appropriate forms as an attachment.

## (3) Review of Disclosures

The unit head shall initially determine whether (1) no conflicts of interest exist or (2) conflicts of interest exist or may exist. In making this determination, the unit head shall act in accordance with the guidelines provided in this policy. The unit head shall submit this determination along with the employee's disclosure form to the ORSP. When conflicts exist or may exist, ORSP will forward the report to the designated official .

The designated official shall review the disclosure and the determination of the unit head. If the designated official determines that no conflict of interest exists, the designated official shall make the appropriate notation on the form. If the designated official determines that a conflict of interest does exist,

External Funding: Conflict of Interest (COI) Disclosure

the designated official shall take actions necessary to ensure that such conflicting interests will be managed. In making this determination, the designated official may choose to seek the advice of a committee appointed by the designated official, of the Office of the General Counsel, or of other university administrators. The designated official, in concert with the investigator and his/her dean, will prepare a resolution plan for managing the conflict. This document will be signed by the investigator and the designated official. The designated official shall report in writing to the Provost or designee the determination and forward a copy of the signed plan.

If, 30 days following determination as to whether a conflict exists, the designated official and the investigator have not agreed upon a resolution plan, the investigator may seek the intervention of the Provost or designee.

The designated official shall forward all records to ORSP, which shall maintain records of all financial disclosures and all actions taken with respect to each conflicting interest for three years after the termination or completion of the award to which they relate or the resolution of any government action involving those records, whichever is longer.

The unit head, designated official, Director of ORSP, and any other individuals involved in determining and/or managing COI shall maintain, insofar as possible, the confidentiality of disclosures and resolution plans.

Disclosures may be submitted securely and marked "confidential" to the ORSP Office and/or [orsp@acu.edu](mailto:orsp@acu.edu) or uploaded to the study-specific grant repository folder in Xythos. Please contact the ORSP Office if you have any questions about submission options.

(c) External Reporting

The Director of ORSP shall be responsible for all reporting requirements to external agencies. These include the following:

1. Signing or obtaining signatures for institutional certifications required in proposals.
2. Ensuring that reports of the existence of a conflict and its management plan are forwarded to the Provost or designee.
3. Notifying the sponsoring agency in the event an employee has failed to comply with university policy.
4. Notifying the sponsoring agency in the event that ACU is unable to manage a conflict of interest satisfactorily.
5. In the event that a conflict of interest is identified after the expenditure of funds under an award, the Director of ORSP will, within 60 days of identifying the conflict (less time if required by the sponsoring agency), notify the agency when required of the existence of the conflict and ensure that the conflict has been managed.
6. Upon request from any sponsoring agency or other authorized government entity, the Director of ORSP will provide information regarding all conflicting interests identified by ACU and describe how those interests have been managed.
7. In the event that an investigator fails to comply with the university's conflict of interest policy and has biased the design, conduct, or reporting of an externally funded project, the Director of ORSP will notify the agency of corrective action taken by the Provost or his/her designee.

## **Guidelines**

A conflict of interest exists when the designated official reasonably determines that a significant financial interest could directly and significantly affect the design, conduct, or reporting of externally funded research, service, or educational activities.

Significant financial interests in companies submitting proposals to Small Business Innovation Research Programs and Small Business Technology Transfer Programs are specifically excluded from the federal definition of conflict of interest.

- (1) Examples of manageable conflicts of interest include, but are not limited to, the following:
  - (a) Situations in which the outside activity will conflict with previously established responsibilities to the university;
  - (b) Situations that might allow a university employee to influence the university's dealings with an outside organization such that personal gain for the employee or improper advantage for anyone is the result; and
  - (c) Supervision of student research activities when research in that area might lead to financial or personal gain for the faculty member.
- (2) Examples of unacceptable conflicts of interest include, but are not limited to, the following:
  - (a) Use for personal profit of unpublished information originating from university research or other confidential university sources;
  - (b) Consulting under arrangements that impose obligations that conflict with the university's intellectual property policy or with the university's obligations to research sponsors or that inhibit the publication of research results obtained within the university; and
  - (c) Circumstances in which a substantial body of research that could and ordinarily would be carried on within the university is conducted elsewhere to the disadvantage of the university and its legitimate interests.
- (3) Examples of conditions or restrictions that might be imposed to manage conflicts of interest include, but are not limited to:
  - (a) Public disclosure of significant financial interests;
  - (b) Review of research protocol by independent reviewers;
  - (c) Monitoring of research by independent reviewers;
  - (d) Modification of the research plan;
  - (e) Disqualification from participation in the portion of the externally funded research that would be affected by the significant financial interests;
  - (f) Divestiture of significant financial interests; or
  - (g) Severance of relationships that create conflicts.

In some cases, the reviewer(s) may determine that imposing conditions or restrictions would be either ineffective or inequitable and that the potential negative impacts that may arise from a significant financial interest are outweighed by interests of scientific progress, technology transfer, or the public health and welfare. In such cases, the reviewer(s) may allow the research to go forward without imposing such conditions or restrictions. These cases should be reported to the funding agency.

## **Compliance**

No proposals will be submitted without the required certifications. If a conflict is identified, the proposal may be submitted before the resolution plan is implemented if the designated official determines that the conflict can be managed or eliminated prior to the award of funds. No awarded funds will be spent until the conflict is resolved.

If breaches of the policy occur, sanctions will be imposed. Breaches include, but are not limited to: failure to file; intentionally filing an incomplete, erroneous, or misleading disclosure form; failing to provide additional information as required by the unit head or designated official; or violation of terms outlined in the resolution plan.

If sanctions are necessary, they will be imposed in accordance with the university's operating policies and procedures (e.g., Misconduct in Research). The potential sanctions may include, but are not limited to, the following: Letter of admonition; Ineligibility of the employee for grant applications or supervision of graduate students; Suspension; Non-renewal of appointment; and/or Dismissal

Impending actions may be appealed by the employee to the university in accordance with procedures outlined in Policy No. 530 Compliant Procedures.

**Significant Financial Interest Disclosure Statement for Research (non-PHS)**

Investigator Name/Title:

Project Title:

Funding Agency:

Department/Unit:

College/Unit:

I hereby certify that I, my spouse, and dependent children in aggregate:

(will)  (will not) receive salary, royalties or other payments for services (e.g., consulting fees or honoraria) in excess of \$10,000 from an external entity that would reasonably appear to be related to or affected by the research or educational activities funded, or proposed for funding, by an external sponsor;

(do)  (do not) hold an equity interest in a publicly traded entity in excess of \$10,000 in value in an external entity that would reasonably appear to be related to or affected by the research or educational activities funded, or proposed for funding, by an external sponsor;

(do)  (do not) hold an equity interest that represents more than a 5 percent ownership interest in an entity that would reasonably appear to be affected by the research or educational activities funded, or proposed for funding, by an external sponsor; and

(do)  (do not) have other significant financial interests that possibly could affect, or be perceived to affect, the research or educational activities performed by me as part of a sponsored project.

I agree to update this request and disclosure on an annual basis or at any time there is a change in the information reported.

\_\_\_\_\_  
Investigator's Signature (not delegated)

\_\_\_\_\_  
Date

Acknowledgement of negative disclosure:

\_\_\_\_\_  
Unit Head  
(Dean or Vice President)

\_\_\_\_\_  
Date

\_\_\_\_\_  
Director, ORSP

\_\_\_\_\_  
Date

If only negative statements are checked above, no further information is required. If any positive statement is checked, complete the form "Supplemental Disclosure for Non-PHS Funded Research" for each interest and attach it to this form.

**Supplemental Disclosure Form for Research (non-PHS)**

This form must be completed for each entity that would reasonably appear to be affected by any sponsored project in which you are involved and which you, your spouse and/or dependent children in aggregate receive in excess of \$10,000 in income, hold equity interest in excess of \$10,000 in value, or hold a 5 percent ownership interest. The form may be submitted via email to [orsp@acu.edu](mailto:orsp@acu.edu), delivered confidentially to the ORSP Office, or uploaded to the Grant Repository folder on Xythos.

Name and address of entity:

Annual income from this entity: \_\_\_\_\_

Basis for income to you or a member of your family (check all that apply):

Participation as an employee    Gift    Dividends    Consulting    Lecturing  
Service on Advisory/Directors' Board    Income related to royalties on patents & copyrights

The value of ownership interest in external entity is: \_\_\_\_\_

Nature of ownership:    Equity Interest    Partnership    Other (explain)

Percentage of ownership: \_\_\_\_\_

If you or a family member has received a consulting fee, describe the nature of the consulting activities. Indicate how they relate to proposed or sponsored projects on which you serve as principal investigator, co-investigator, or senior personnel. Explain how you are keeping your interests and obligations to the entity separate from your university activity (please attach additional pages, if necessary).

If you are receiving income from royalties on patents and copyrights, explain the circumstances which resulted in this income (please attach additional pages, if necessary).

In my judgment, this disclosure of significant financial interest (does) (does not) constitute a conflict of interest.

\_\_\_\_\_  
Signature (not delegated)

\_\_\_\_\_  
Date

**Determination of the Unit Head (Dean or Vice President):**

I have reviewed the significant financial interest disclosure and in my judgment:

No conflicts exist.

Conflicts of interest exist or may exist. \_\_\_\_\_  
Signature Date

**Determination of the Designated Official (Chief Business Officer or his/her designee):**

I have reviewed the significant financial interest disclosure and in my judgment:

No conflicts exist.

Conflicts of interest exist or may exist.\* \_\_\_\_\_  
Signature Date

\*A resolution plan will be developed.