

Sam Houston State University

Academic Policy Statement 950809

Conflict of Interest Policy Pertaining to Sponsored Projects

1. GENERAL

1.01 This policy establishes procedures to be followed in resolving actual and potential faculty and/or staff conflicts of interest pertaining to sponsored projects. This policy applies to all sponsored projects funded by (a) commercial sponsors, (b) federal and/or state agencies with specific conflict of interest requirements and (c) subcontracts issued by Sam Houston State University as sponsored projects regardless of the source of funds.

2. DEFINITIONS

2.01 *Investigator* means the principal investigator(s), co-investigator(s), and any other personnel (including staff) at SHSU who is responsible for the design, conduct, or reporting of research or scholarly activities funded or proposed for funding by any or all of the three entities listed above.

2.02 *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 interest); and intellectual property rights (e.g., patents, copyrights and royalties from such rights).

This term *does not* include:

- a. salary, royalties or other remuneration from SHSU;
- b. income from seminars, lectures, or teaching engagements sponsored by public or nonprofit entities;
- c. income from service on advisory committees or review panels for public or nonprofit entities; or
- d. financial interests in business enterprises or entities if the value of such interests do not exceed \$10,000 or represent more than five percent (5%) ownership interest for any one enterprise or entity when aggregated for the investigator and the investigator's spouse and dependent children.
- e. salary, royalties or other payments *from sponsored projects* 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.
- f. Regardless of the above minimum requirements, a faculty or staff member in their own best interest, 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.

2.03 In those circumstances in which the university is engaged in or intends to engage in a

sponsored project with a commercial organization, or has subcontracted or intends to subcontract to an external organization under one of the university's sponsored projects a conflict of interest may occur when a faculty/staff member's affiliation with the external organization meets any of the following criteria:

- a. The faculty/staff member is an officer, director, partner, trustee, employee, advisory board member, or agent of an external organization either funding a sponsored project or providing goods and services under a sponsored project on which the faculty/staff member is participating in any capacity.
- b. The faculty/staff member is the actual or beneficial owner of more than five percent (5%) of the voting stock or controlling interest of such organization or corporation.
- c. The faculty/staff member has dealings with such an organization or corporation from which he or she derives income and/or goods/services of more than \$10,000 per year, exclusive of dividends and interest.
- d. The faculty/staff member's immediate family (spouse, parents, parents-in-law, siblings, children, or other relatives living at the same address as the faculty/staff member) meet any of the criteria stated in a-c above.
- e. Each faculty/staff member participating in a sponsored project covered by this policy must disclose whether or not he or she has external affiliations that may constitute a conflict of interest by falling within the criteria stated in paragraphs a-d above. A disclosure must be completed prior to the university's acceptance of the sponsored project or issuance of a purchase order or subcontract for the acquisition of goods and services. A disclosure form ([Attachment B](#)) is to be sent to the Office of Research and Sponsored Programs through the faculty member's department chair and academic dean. For staff members, the form should be sent through the immediate supervisor. Positive disclosures will be reviewed by a Conflict Review Committee consisting of the Associate Vice President for Research and Sponsored Programs, the Director of Contracts and Grants Administration, and the General Counsel, The Texas State University System.
- f. All financial disclosures must be updated by the investigator(s) during the period of the award as new reportable significant financial interests are obtained.

2.04 In reviewing the positive disclosures, the Conflict Review Committee will consider the following guidelines and will apply them, as appropriate:

- a. Ensure adherence to relevant university policies such as the Faculty Handbook, the Academic Policy Manual, The Texas State University System's Intellectual Property Policy, the Ethics Policy for Regents and Employees of The Texas State University System, and other university documents the Conflict Review Committee may deem appropriate.
- b. Consider the nature and extent of the financial interest in the relationship of the faculty/staff member and external organization.
- c. Give special consideration to the terms and conditions of sponsored project agreements that may mitigate or complicate the given situation.
- d. Consult with and obtain additional information from the faculty/staff member as either the

Conflict Review Committee or the faculty/staff member feel may be helpful in resolving actual or potential conflicts.

e. Act in a timely manner so as not to delay unduly the conduct of the sponsored project.

f. Recommend that the university may take one of the following actions:

1. Accepts the sponsored project award.

2. Does not accept the sponsored project award.

3. Accepts the sponsored project subject to suitable modifications in either the sponsored project award document or the external organizational affiliation(s) of the faculty/staff member or faculty/staff member's family.

2.05 If the faculty/staff member is dissatisfied with the Conflict Review Committee's conclusion, the faculty/staff member may appeal to the Vice President for Academic Affairs who will consult with the faculty/staff member and Conflict Review Committee as he/she deems necessary and appropriate to the particular circumstance. The decision of the Vice President for Academic Affairs shall be final.

2.06 Violations of this policy, such as willful concealment of financial interests, may result in sanctions being imposed upon the violating individual. Sanctions may include disciplinary action ranging from a public letter of reprimand to dismissal and termination of employment. The Conflict Review Committee will review allegations of violations and will make recommendations regarding the imposition of sanctions to the Vice President for Academic Affairs. The decision of the Vice President for Academic Affairs with regard to the imposition of sanctions shall be final.

2.07 The Office of Research and Sponsored Programs shall maintain the records pertaining to each disclosure in strict confidence. Access to such records will be limited to the faculty/staff member, the Conflict Review Committee, The Vice President for Academic Affairs and others who have a legal right to review the records.

2.08 Records will be retained for three years after the latter of:

a. the termination or the completion of the award to which they relate, or

b. the resolution of any government action involving those records.

2.09 Certain sponsors, particularly federal agencies, may have requirements that differ from this policy with regard to the timing and frequency of faculty/staff disclosures and other provisions as well. In the case of such discrepancies, the sponsors' requirements will generally prevail.

2.10 Collaborators/subrecipients/subcontractors from other academic or not-for-profit institutions must either comply with this policy or provide a certification from their institutions that they are in compliance with federal policies regarding investigator significant financial interest disclosure and that their portion of the project is in compliance with their institutional policies. Subcontractors from commercial firms need not make a certification, except when the prime award is from the Public Health Service (PHS). The PHS requires a certification from any subcontractor, including commercial firms, stating that it is in compliance with federal policies regarding investigator significant financial interest disclosure and that its portion of the project is in compliance with

company policies.

Attachment A: [Appendix](#) Attachment B: [Disclosure Form](#)

APPROVED:

Martin J. Anisman, President