

(PLEASE SEE RESEARCH AND SPONSORED PROGRAM WEBSITE FOR FORMS)

CGU POLICY ON CONFLICT OF INTEREST AND CONFLICT OF COMMITMENT

INTRODUCTION

With acceptance of a full-time appointment at Claremont Graduate University (CGU), faculty and other employees make a primary commitment to the University during the term of such appointment. Accordingly, faculty must ensure that their external obligations, financial interest, and activities do not conflict or interfere with their foremost commitment to the University.

CGU faculty have great freedom in scheduling external activities and, indeed, are expected to be involved in legitimate private and public external activities. It is understood, however, that such external activities will enhance the quality of direct contributions to the University and not interfere with faculty fulfillment of primary, full-time duties, which include teaching, conducting scholarly research under university sponsorship, serving on committees, and meeting other obligations to students and colleagues, as defined in the Institutional Handbook (See Appendix C for examples of permissible activities).

The following CGU Policy on Conflict of Interest and Conflict of Commitment provides a framework for consultation and advice on potential conflicts of commitment or interest matters. The Policy also provides procedures for resolution of situations in which a conflict may exist, approval of exceptions when warranted, and sanctions when the Policy is violated. The Policy makes every effort to balance the integrity and interests of the University with the integrity and interests of individual academic and staff members. To that end, the Policy attempts not only to identify and eliminate or manage actual conflicts of commitment or interest but, whenever possible, to prevent even the appearance of conflicts.

POLICY

Definitions

- a. Conflict of Commitment** exists when the external activities of an academic staff member are so substantial or demanding of the staff member's time and attention as to interfere with the individual's responsibilities to the unit to which the individual is assigned, to students, and to the University (See Appendices D and E for examples of potential conflicts).
- b. Conflict of Financial Interest** (referred to by the generic term Conflict of Interest), arises when an academic staff member is in a position to benefit personally from or to influence either directly or indirectly University business, research, or other decisions in ways that could lead to gain for the member, the member's family, or others. While financial interests should not and, in most cases, do not, compromise

intellectual honesty or institutional integrity, under federal law and according to CGU policy, they must not even have the appearance of compromising the University's values and missions of teaching, research, and public service.

- c. **Research** means a systematic investigation designed to develop or contribute to generalizable knowledge. The term encompasses basic and applied research and product development.
- d. **Investigator** means the Principal Investigator and any other person who is responsible for the design, conduct, and reporting of research in question and of disclosing whether or not a significant financial interest could directly and significantly affect said design, conduct, or report. For the purposes of the following procedures relating to financial interests, "Investigator" includes the Investigator's spouse and dependent children.
- e. **Disclosures by Investigators** means, prior to submission of a request to a government agency, disclosing to the CGU Office of Research and Sponsored Programs, significant financial interests that "would directly and significantly be affected by the activities funded or proposed for funding, or by the contractual relationship."
- f. **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 interests); 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 Graduate University, (2) income from seminars, lectures, or teaching engagements sponsored by public or nonprofit entities, (3) income from service on advisory committees or review panels for public or nonprofit entities, (4) an equity interest that when aggregated for the Investigator and the Investigator's spouse and dependent children, meets both of 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 (5) 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.
- g. **Institutional Reviewer** is defined by National Science Foundation (NSF) and Health and Human Service (HHS) guidelines to mean an individual, who at CGU will be appointed by the Provost, having the responsibility to determine and certify the management of any financial conflict of interest on the part of an investigator, the investigator's spouse, and dependent children.

Principles and Procedures

1. Conflict of Commitment

Recognizing the difficulty in constructing detailed, universally applicable rules and codes of ethics that strike the proper balance between University responsibilities and duties and external activities, CGU and its faculty have chosen to enunciate broad guidelines on conflicts of commitment. The University, therefore, expects an individual to seek proper and informed advice on issues that might reasonably appear to pose significant conflict of commitment, which arise when a member undertakes external commitments that burden or interfere with the member's primary obligations and commitments to CGU.

CGU faculty must maintain a significant presence on campus throughout each semester in which they are employed by CGU, consistent with the scope of their appointment.

CGU faculty must not allow other professional activities to detract from their primary allegiance to CGU. For example, faculty employed on a full-time basis must not have significant outside managerial responsibilities nor act as a principal investigator on sponsored projects that could be conducted at CGU but instead are submitted and managed through another institution.

The University further expects all faculty members to be alert to the possible effects of outside activities on the objectivity of their decisions, their obligations to the University, and the University's responsibilities to others. It is expected that faculty members will work closely with their Academic Dean to ensure that conflicts of commitments are avoided and that potential conflicts of commitment are resolved. If, however, the matter of conflict of commitment cannot be resolved, either the faculty member, the Dean, or the institutional reviewer may appeal to the Grievance Committee for guidance. In this case, the Grievance Committee shall advise the individual faculty member, the school dean, and the Provost of the University.

2. Conflict of Interest

The applicable laws of the federal government and the State of California and policies of the CGU Board of Trustees shall control CGU policies and procedures for addressing conflicts of interest. The intent of the policy is to ensure that financial interest does not "directly or indirectly" influence investigators in the design, conduct, and reporting of their funded research.

Upon applying for extramural funding, CGU investigators must fill out and sign the grant Transmittal Form, the signature on which affirms a familiarity with University Conflict of Interest Policy (See Appendix A for Transmittal Form). If potential conflict exists, investigators must merely disclose it; the government does not require that financial interest be determined at the time of disclosure, because the grant may not be funded (See Appendix B for Financial Disclosure Form).

Upon award of the grant, if a conflict of interest has been disclosed at the time of application, the CGU “institutional reviewer. . .is responsible for determining whether a significant financial interest could directly and significantly affect” funded activities. The institutional reviewer is further required “to certify that any identified conflicts of interest will be managed, reduced, or eliminated prior to the institution’s expenditure of any funds under the award.”

3. Noncompliance

Should there be a disagreement between the institutional interviewer and the Investigator, the case shall be reported to the Office of Research and Sponsored Programs and to the Grievance committee, the latter of which, in consultation with CGU Counsel and the Provost, will direct the institutional interviewer to ensure that conflicting interests can be appropriately managed, reduced, or eliminated prior to the CGU’s expenditure of grant funds.

4. Record keeping

Record keeping of Investigators’ disclosures shall be done by the Office of Research and Sponsored Programs (ORSP). Records that do not reveal potential conflicts of interest shall be kept for three years; records of disclosure of potential conflicts and management of those conflicts shall be kept for seven years. Similarly, ORSP shall keep for seven years, records of investigations into allegations of violations of these regulations. ORSP is also obligated to make this information available on request to appropriate government agencies.

5. Confidentiality

Confidentiality of all disclosures by Investigators shall be rigorously maintained to the extent allowed by law. Sanctions will be imposed for inappropriate use of information secured during disclosure.

(Approved by Faculty 2/4/97; approved by Board of Fellows, Academic Affairs Committee, 3/20/97; revised version April 2004 pending approval)

Appendix A: Transmittal Form

<p>1. Project Title:</p> <p>2. PI/Co-PI _____ Dept/School _____ Phone/e-mail _____</p> <p>3. Funding Agency</p> <p>_____</p> <p>Agency RFP#, BAA#, RFQ#, Program Announcement # _____</p> <p>4. Deadline Date: _____ <input type="checkbox"/> Receipt <input type="checkbox"/> Postmark</p> <p>5. Term and Amounts Requested:</p> <p>From _____ to _____; From _____ to _____; _____ <small>(project year one or next period) (entire project) (total years)</small></p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;"></th> <th style="width: 20%; text-align: center;">Year One</th> <th style="width: 20%; text-align: center;">Entire Project</th> </tr> </thead> <tbody> <tr> <td>a) Agency funds requested (direct)</td> <td style="text-align: center;">\$ _____</td> <td style="text-align: center;">\$ _____</td> </tr> <tr> <td>b) Agency funds requested (salaries and wages)</td> <td style="text-align: center;">\$ _____</td> <td style="text-align: center;">\$ _____</td> </tr> <tr> <td>c) Agency funds requested (indirect)</td> <td style="text-align: center;">\$ _____</td> <td style="text-align: center;">\$ _____</td> </tr> <tr> <td>d) Total Agency funds requested</td> <td style="text-align: center;">\$ _____</td> <td style="text-align: center;">\$ _____</td> </tr> <tr> <td colspan="3"><i>Cost-sharing (complete section 7)</i></td> </tr> <tr> <td>e) CGU cost-sharing</td> <td style="text-align: center;">\$ _____</td> <td style="text-align: center;">\$ _____</td> </tr> <tr> <td>f) External cost-sharing (<i>attach letter of confirmation</i>)</td> <td style="text-align: center;">\$ _____</td> <td style="text-align: center;">\$ _____</td> </tr> <tr> <td>g) Total Project Cost ([d through f] = g)</td> <td style="text-align: center;">\$ _____</td> <td style="text-align: center;">\$ _____</td> </tr> </tbody> </table> <p>6. University Approvals (signatures to be secured by PI): I am familiar with the conflict of interest policies of CGU and I have notified OSRP in writing of all possible conflicts of interest, as defined in CGU policies as they may relate to this proposal or contract. I certify that all work in this proposal is original.</p> <p>_____ Principal Investigator</p> <p style="text-align: right;">Date: _____</p> <p>_____ School Dean</p> <p style="text-align: right;">Date: _____</p> <p>_____ Research Administration Analyst</p> <p style="text-align: right;">Date: _____</p> <p>_____ Authorizing Institutional Signature</p> <p style="text-align: right;">Date: _____</p>		Year One	Entire Project	a) Agency funds requested (direct)	\$ _____	\$ _____	b) Agency funds requested (salaries and wages)	\$ _____	\$ _____	c) Agency funds requested (indirect)	\$ _____	\$ _____	d) Total Agency funds requested	\$ _____	\$ _____	<i>Cost-sharing (complete section 7)</i>			e) CGU cost-sharing	\$ _____	\$ _____	f) External cost-sharing (<i>attach letter of confirmation</i>)	\$ _____	\$ _____	g) Total Project Cost ([d through f] = g)	\$ _____	\$ _____	<p>8. Type of Grant or Contract:</p> <p><input type="checkbox"/> New <input type="checkbox"/> Renew <input type="checkbox"/></p> <p><input type="checkbox"/> Supplement <input type="checkbox"/> Continuation</p> <p><input type="checkbox"/> Revised <input type="checkbox"/> Competing</p> <p><input type="checkbox"/> Subcontract: Original Agency _____</p> <p>Previous Award Number, if applicable _____</p> <hr/> <p>9. Purpose of Project:</p> <p><input type="checkbox"/> Research <input type="checkbox"/> Applied Research</p> <p><input type="checkbox"/> Education/Training <input type="checkbox"/> Equipment Only</p> <p><input type="checkbox"/> Public Service <input type="checkbox"/> Other _____</p> <p>10. Is subcontract required?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>If yes, proposal must include subcontractor's Scope of work, Budget, and Authorized Administrative approval.</p> <hr/> <p>11. Agency type:</p> <p><input type="checkbox"/> Federal <input type="checkbox"/> State <input type="checkbox"/></p> <p><input type="checkbox"/> Nonprofit <input type="checkbox"/> For Profit</p> <hr/> <p>12. Compliance:</p> <p><input type="checkbox"/> IRB <input type="checkbox"/> Intellectual Property</p> <p><input type="checkbox"/> Consultants <input type="checkbox"/> Copyright Issues</p> <p><input type="checkbox"/> Conflict of Interest</p> <p><input type="checkbox"/> Equipment Acquisition Only</p> <p><input type="checkbox"/> Space (must attach letter confirming that additional space will be available)</p> <hr/> <p style="text-align: center;">To be completed by OSRP</p> <p>Date sent: _____</p> <p>Via <input type="checkbox"/> U.S. Mail Certified <input type="checkbox"/> FedEx</p> <p><input type="checkbox"/> Express Mail <input type="checkbox"/> Hand delivered by PI</p> <p><input type="checkbox"/> Other</p> <hr/> <p><input type="checkbox"/> Funded <input type="checkbox"/> Not Funded</p> <p>Date _____</p>
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7. Is cost sharing required by sponsor? No Yes

If yes, what percentage is required? _____%

Cost Sharing Detail for Entire Project Period (real dollar match indicated with [M])

	<i>Department</i>	<i>School</i>	<i>University*</i>	<i>Other**</i>
Personnel	_____	_____	_____	_____
Equipment	_____	_____	_____	_____
All Other	_____	_____	_____	_____

* University representative authorizing cost sharing and/or matching funds must sign Section 6.

** Must attach letter committing the external funding source for all monies shown in this category

All cost sharing whether mandatory/statutory or voluntary, must be documented and traced in accordance with OMB Circular A-21. Signature in Section 6 confirms commitment to internal cost sharing.

Full Amount Funded: Yes No

Amount Funded: _____

Indirect Costs Recovered: _____

Appendix B
Significant Financial Interest Disclosure Form
Pertaining to Applications for NSF and HHS Research Support

The NSF and HHS financial disclosure regulations are designed to ensure that the design, conduct, and reporting of research funded under HHS or NSF grants, cooperative agreements or contracts will not be biased by any conflicting financial interest of those investigators responsible for the research. Under these regulations, faculty applications must disclose to the University potential conflict of interest.

1. Do you, your spouse, and your dependents, in the aggregate, have, in any outside entity related to the proposed sponsored project, any ownership interests (stock, stock options, and/or any debt, security or capital holding) that have a current market value of \$10,000 or more or that represents 5% or more of the total equity? (Do **not** report holdings in mutual funds, TIAA/CREF, or other retirement plans.)

NO _____ **YES** _____ (please describe)

2. Do you, your spouse, and your dependents, in the aggregate, receive salary or other remuneration or financial considerations equal to or more than \$10,000 per year as an employee, consultant, officer, or board members of any outside entity related to the proposed project?

NO _____ **YES** _____ (please describe)

Certification

I have read and understood the University's Policies Relating to Research and Other Professional Activities Within and Outside the University and, to the best of my knowledge, I have made all required financial disclosures. If awarded this grant, I will comply with any conditions or restrictions imposed by the University to manage conflicts of interest.

Should my outside financial or managerial interests, or those of my spouse or dependents, change during the next calendar year so as to change my answer on any of the above questions, I agree to submit a revised Disclosure Form.

This disclosure pertains to:

An application for a **grant, contract, or cooperative agreement** (circle one)

Title _____

CGU Investigator (s) _____

Program and Agency _____

Investigator's Signature: _____ Date: _____

Primary Review:

Institutional Reviewer's Signature _____ Date: _____

Potential Conflict of Interest: **NO** _____ **YES** _____ (Please Describe)

Provost's Signature _____ Date: _____

Potential Conflict of Interest: **NO** _____ **YES** _____ (Please Describe)

Appendix C

Activities that usually are permissible without consultation, but for which disclosure and review (possibly resulting in steps to resolve conflicts) are required when disclosure is federally mandated:

1. Acceptance of royalties for published scholarly works and other writings, and of honoraria for commissioned papers and occasional lectures. (Some federal agencies mandate the disclosure of honoraria from for-profit organizations that exceed a specified threshold.)
2. Service as a consultant to outside organizations, provided that the time and energy devoted to the task is not excessive and the arrangement does not inhibit publication of research results obtained with the University. (Some federal agencies mandate the disclosure of consultancies for which compensation exceeds a specified threshold.)
3. Service on the boards and committees of organizations so long as it does not distract unduly from University obligations. (Some federal agencies mandate disclosure of payments from for-profit organizations that exceed a specified threshold).

Appendix D

Activities that must be discussed with the school dean and reported in writing to the Provost even though no irreconcilable conflict of interest or commitment is likely to be involved:

1. Relationships that might enable a member to influence the University's dealings with an outside organization in ways leading to personal gain or to improper advantage for anyone. For example, a member could have a financial interest in an enterprise with which the University does business and be in a position to influence relevant business decisions. Ordinarily, such problems can be resolved by full disclosure and by making arrangements that clearly exclude that member from participating in the decisions.
2. Situations in which the time or creative energy a member devotes to extramural activities appears large enough to compromise the amount or quality of his or her participation in the instructional, scholarly, and administrative work of the University itself.
3. Activities (research projects, conferences, teaching programs, consulting agreements, etc.) that faculty members wish to undertake on an individual basis that both (a) involve or might reasonably be perceived to involve the institution, and (b) violate or might reasonably be perceived to violate any of the principles governing research supported by funds administered through the University insofar as these principles are relevant to individual behavior.
4. Situations in which a faculty member directs a student's dissertation or thesis work into a research area from which the member hopes to realize direct financial gain. The difficulty, in such circumstances, of making an objective independent judgment about the student's scholarly best interest, is obvious.

Appendix E

Activities that seem likely to present an unacceptable conflict of interest or commitment, and that must be discussed with the school dean and reported in writing to the Provost:

1. Situations in which the individual assumes executive responsibilities for an outside organization that might seriously divert his or her attention from University duties, or create other conflicts of loyalty. (Individuals should consult the school dean before accepting such an outside management position.)
2. Use for personal profit of unpublished information emanating from University sponsored research or other confidential University sources, or assisting an outside organization by giving it exclusive access to such information; or consulting under arrangements that impose obligations that conflict with University obligations to research sponsors.
3. Circumstances in which a substantial body of research that could and ordinarily would be carried on and supported within the University is conducted elsewhere to the significant disadvantage of the University and its legitimate expressed interests.