

## **Conflict of Interest Policy and Procedure with Regard to Sponsored Projects**

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### **1. Introduction:**

Sponsored projects supported by governmental agencies must be conducted in an objective manner, free of any potential for undue influence arising from the private financial interests of those responsible for the conduct of the research. Public funds must be expended to advance public purposes.

Federal regulations require that the University manage, reduce, or eliminate any actual or potential conflicts of interest that may be presented by a financial interest of an investigator (i.e., principal investigator, project director, and other persons responsible for the design, conduct, or reporting of a sponsored project). Accordingly, the University must require that investigators disclose any significant financial interest that may present an actual or potential conflict of interest in relationship with a sponsored project.

The regulations also require that such disclosure occur prior to the submission of a sponsored project proposal. The investigators are required to disclose significant financial interest to the University if a significant financial interest develops after proposal submission or issuance of award, as soon as the interest comes into existence. Additionally, projects funded by the National Science Foundation (NSF) or a Public Health Service (PHS) agency will be required to disclose at least annually during the period covered by the grant. Investigators are also required to comply with any conditions or restrictions imposed on the conduct of the project in a management plan, as determined by the University, including the retention of documentation to demonstrate compliance with the plan.

### **2. Disclosure:**

This policy applies to all principal investigators, project director, and other persons, regardless of title or position, responsible for the design, conduct, or reporting of research or educational activities (funded or proposed), the investigator's spouse or domestic partner, and dependent children as determined by the Internal Revenue Service.

Financial interest is defined as anything of monetary value, whether or not the value is readily ascertainable. This includes, but is 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); or intellectual property rights (e.g., patents, copyrights, or royalties from such rights).

A significant financial interest is a financial interest held by an investigator and/or an investigator's spouse or domestic partner, or dependent children that reasonably appears to be related to the investigator's institutional responsibilities and that consists of one or more of the following:

- Remuneration (e.g., salary, consulting fees, honoraria, or paid authorship for other than scholarly works) received from a publicly traded company during the twelve-month period preceding the date on which an investigator is making a disclosure, and/or an

equity interest (e.g., stock, stock options, or other ownership interest as determined through reference to public prices and other fair market value) held in such publicly traded company, if the aggregate value of such remuneration, plus the value of the equity interest as of the date of disclosure, exceeds \$5,000;

- Remuneration (including, but not limited to, salary, consulting fees, honoraria or paid authorship for other than scholarly works) received from a non-publicly traded company during the twelve-month period preceding the date on which an investigator is making a disclosure, when aggregated, exceeds \$5,000;
- Any equity interest (e.g., stock, stock options, or other ownership interest) in a non-publicly traded company or business, regardless of value;
- Any intellectual property rights and interests (e.g., patents and copyrights), regardless of value;
- Occurrence of reimbursed or sponsored travel provided that the travel or reimbursement is not from a federal, state or local government agency, an institution of higher education, an academic teaching hospital, a medical center, or a research institute affiliated with an institution of higher education.

Significant financial interest does not include:

- An employee's salary or royalties received from the University;
- Income from seminars, lectures or teaching engagements sponsored by a federal, state or local government agency or an institution of higher education;
- Income from service on panels for a federal, state or local government agency or institution of higher education;
- Income from the authorship of academic or scholarly works; or
- Equity interests or income from investment vehicles, such as mutual funds and retirement accounts, so long as the investigator does not directly control the investment decisions made in these vehicles.

### **3. Procedures:**

The Office of Sponsored Projects will be responsible for obtaining such disclosures as part of the sponsored project proposal review and routing process. Along with the Internal Proposal Review/Approval form, the principal investigator will receive the Disclosure of Financial Interests with Regard to Sponsored Projects Form and the Key Personnel Form (i.e., if determined applicable by the Office of Sponsored Projects). The Key Personnel Form must be completed for NSF and PHS funding. On the Key Personnel Form, it is the responsibility of the principal investigator to identify other individuals involved in the design, conduct, supervision, or reporting of the research to be funded by a federal agency requiring the documentation referred to in this policy. Each investigator identified must attest to the absence of a relevant significant financial interest or disclose the existence of any relevant significant financial interest on the Disclosure of Financial Interests form and attach all required supporting documentation. The completed Disclosure of Financial Interests Forms and the Key Personnel Form (if applicable) must be submitted with the proposal and Internal Proposal Review/Approval form to

the Office of Sponsored Projects using normal University procedures. The Internal Proposal Review/Approval form will include a statement that the principal investigator has read and is familiar with the University's Conflict of Interest Policy and Procedure with Regard to Sponsored Projects and has provided the Office of Sponsored Projects with all of the required documentation stated above. Financial disclosures for sponsored projects must be updated during the period of an award, either on an annual basis (e.g., NSF or PHS agency), or within 30 days of discovering or acquiring a new reportable significant financial interests.

If research is carried out through a subrecipient on a NSF or PHS funded project it will be established in writing whether the financial conflict of interest policy of WIU or that of the subrecipient's institution will apply to the subrecipient's investigators. If the subrecipient must comply with the WIU's Conflict of Interest Policy and Procedure with Regard to Sponsored Projects a specific time period will be established for the subrecipient to report all identified financial conflict of interests which are directly related to the subrecipient's work for WIU. Alternatively, certification will be required if the subrecipient's investigators will comply with the subrecipient's financial conflict of interests policy and a specific time period will be specified for the subrecipient to report all identified conflict of interest to WIU. WIU will report the identified financial conflict of interest of the subrecipient to the funding agency prior to the expenditure of funds and within 60 days of any subsequently identified financial conflict of interest.

#### **4. Review, Reporting, and Monitoring:**

The Disclosure of Financial Interests Forms will be reviewed by the Compliance Specialist to determine whether a sponsored project would reasonably appear to be directly and significantly affected by the reported financial interest. In the event that the Compliance Specialist concludes that a conflict exists, the issue will be forwarded to the Provost and Academic Vice President's Office for consideration. A final recommendation will then be made as to whether the project should proceed and whether any conditions or restrictions should be placed on the project to manage, reduce or eliminate the conflict of interest.

The Office of Sponsored Projects will report all significant financial interest disclosures to the relevant sponsoring agency and its subrecipients prior to the issuance of an award. For new and existing investigators, if a new or newly identified significant financial conflict of interest is identified, the sponsoring agency and its subrecipients will be notified within 60 days of identification. Until the completion of the project, the Office of Sponsored Projects will notify the sponsoring agency and its subrecipients at least annually and/or at the time of an extension of the status of the financial conflict of interest and any changes to the management plan.

If it is found that a person has failed to complete a Disclosure of Financial Interest form or to comply with any conditions or restrictions imposed on the conduct of the project, notification will be made to that person, the responsible Dean or supervisor, and the responsible Vice

President. The person will be given a period of 30 days from the date of notification to come into compliance with the policy. The Office of Sponsored Projects is required to and will promptly notify the funding agency if an investigator fails to comply with the University's Conflict of Interest Policy and Procedure with Regard to Sponsored Projects. If an investigator fails to comply with a management plan, within 120 days of the noncompliance determination the University will complete a retrospective review of the investigator's activities to determine if during the time period of the noncompliance there was any bias in the design, conduct or report of such research. The Office of Sponsored Projects will report to the funding agency if any bias is found with the design, conduct or reporting of funded research and submit a mitigation report to address the bias. Sponsors may suspend or terminate the award and/or debar an investigator from receiving future awards in the event of failure to comply with applicable Federal regulations on disclosure and review of significant financial interests related to federally sponsored projects.

To the extent permitted by University policy and state and federal laws, all records of financial interest will be kept confidential and maintained in the Office of Sponsored Projects for at least five years from the date the final expenditures report is submitted to the funding agency, or until resolution of any action by the sponsoring agency involving the records, whichever is longer.

#### **5. Waivers:**

If the pending project involves funding from a source other than the NSF or PHS agencies, the University may grant waivers when it can be demonstrated that a financial interest is so insignificant that the Government, public, or objectivity of the results would not be compromised. The University may also grant waivers if it determines that a financial interest does not have the potential for influencing the research results, the reporting of the results, or no advantage could be derived because of information available from the research results. All waivers will be reviewed by the University in a timely manner by a panel of University members.

#### **6. Training:**

Prior to engaging in any research activities supported by the National Science Foundation (NSF) or a Public Health Service (PHS) agency the investigators must complete training on conflict of interest. Thereafter, conflict of interest training for all investigators must occur every four years. Investigators supported by other governmental agencies are not required to complete the training, but it is strongly recommended.

#### **7. Public Accessibility:**

Prior to the expenditure of funds, the institution will respond to any requestor within five business days of the request, regarding information concerning any significant financial interest that meets the following criteria:

- a) The significant financial interest was disclosed and is still held by the investigator;
- b) A determination has been made that the significant financial interest is related to the funded research; and
- c) A determination has been made that the significant financial interest is a financial conflict of interest.

#### **8. Regulatory Authority:**

This policy implements the requirements of 42 CFR 50 and 45 CFR 94; where there are substantive differences between this policy and the requirements, the requirements shall take precedence.