

CALIFORNIA STATE UNIVERSITY, EAST BAY

DESIGNATION CODE: 07-08 CR3
DATE SUBMITTED: 1/10/08

TO: The Academic Senate

FROM: The Committee on Research

SUBJECT: Conflict of Interest Policy

PURPOSE: Action by the Academic Senate

ACTION
REQUESTED: That the Academic Senate approve the proposed updated CSUEB
Conflict of Interest Policy; effective upon the signature of the President.

BACKGROUND INFORMATION:

The State of California has investigator financial disclosure policies and procedures. CSUEB has established procedures to comply with the State requirements, but needs to update its Conflict of Interest policy to include reference to the State requirements.

At its meeting of January 10, 2008, the Committee on Research approved the attached revised Policy and voted to send the document to the Senate for final adoption.

VJ:jc
Attachments

CONFLICT OF INTEREST POLICY
CALIFORNIA STATE UNIVERSITY, ~~HAYWARD~~ **EAST BAY**

Definitions

A potential conflict of interest occurs when there is a divergence between an individual's private interests and his or her professional obligations to the university such that an independent observer might reasonably question whether the individual's professional actions and decisions are determined by consideration of personal gain, financial or otherwise. A conflict of interest depends on the situation, not on the character or actions of the individual. For purposes of this policy, a conflict of interest exists when the university, through procedures described herein, determines that a significant financial interest could directly and significantly affect the design, conduct or reporting of sponsored projects.

- Investigator
Investigator means the principal investigator/project director, co-principal investigators, and any other person who is responsible for the design, conduct, or reporting of the sponsored project. For reporting of Significant Financial Interest, "investigator" includes the investigator's spouse and dependent children.
- Significant Financial Interest
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)
 - 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 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.

(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.

- **Sponsors for which Disclosure is Required**

National Science Foundation

U.S. Department of Health and Human Services (includes National Institutes of Health)

Non-governmental entities

Guidelines

1A. FEDERAL REQUIREMENTS: Each investigator who submits a proposal to the National Science Foundation or an agency of the U.S. Department of Health and Human Services must, at the time of submission, complete a Conflict of Interest Disclosure Form and disclose the following:

(i) Any Significant Financial Interest of the Investigator that would reasonably appear to be affected by the funded project;

(ii) Any Significant Financial Interest of the Investigator in an entity whose financial interest would reasonably appear to be affected by the funded project.

1.B. STATE REQUIREMENTS: All persons employed by UC or CSU who have principal responsibility for a research project funded or supported, in whole or in part, by a contract or grant (or other funds earmarked by the donor for a specific research project or for a specific researcher) from a nongovernmental entity, must complete CSU Form 700U "Statement of Economic Interests form" and disclose any financial interest.

Research funding by certain nonprofit entities will not trigger disclosure on the Form 700-U. For a list of these exempt nonprofits, refer to <http://www.ucop.edu/research/exempt.html>.

Failure to file the required Statement of Economic Interests form or failure to report a financial interest may subject a principal investigator to civil liability, including fines, as well as University discipline. (Government Code sections 81000-91014)

2. The **NSF/DHHS** Conflict of Interest Disclosure Form **or CSU Form 700-U (as appropriate)** must accompany the internal Proposal Approval **Routing** Form submitted to the Office of Research and Sponsored Programs. Supporting documentation that identifies the business interest or entity involved and the nature and amount of the interest should be submitted in a sealed envelope marked "Confidential - Conflict of Interest Disclosure."

3. As required by Federal regulation, all Significant Financial Interests must be disclosed to the university prior to submission of the proposal to the federal agency. If an award is made, financial disclosures must be updated by Investigators during the period of the award as new reportable Significant Financial Interests are obtained or annually.

4. The ~~Director~~ **Associate Vice President (AVP)** of Research and Sponsored Programs shall conduct an initial review of each financial disclosure. If the review reveals a potential for conflict

of interest covered by this policy, the ~~Director~~ **AVP** of Research and Sponsored Programs shall, in consultation with the Investigator, the Dean of the Investigator's school or equivalent administrative officer, and the Provost and Vice President, Academic Affairs, draft a Resolution Plan that details steps that will be taken to manage, reduce, or eliminate any actual or potential conflict of interest presented by a Significant Financial Interest.

The Resolution Options may include, but are not limited to:

- Public disclosure of significant financial interests;
- Monitoring of the project by independent reviewers;
- Modification of the project plan;
- Disqualification from participation in all or a portion of the project;
- Divestiture of significant financial interests;
- Severance of relationships that create actual or potential conflicts.

5. The Resolution Plan shall be incorporated into a Memorandum of Understanding between the university and the Investigator that details the conditions or restrictions imposed upon the Investigator in the conduct of the project or in the relationship with the Business Enterprise or Entity. The Memorandum of Understanding shall be signed by the Investigator and, on behalf of the university, by the Provost and Vice President, Academic Affairs. Actual or potential conflicts of interests will be satisfactorily managed, reduced or eliminated in accordance with the Memorandum of Understanding and these Guidelines prior to expenditure of any funds under this award.

6. Records of investigator financial disclosures and of actions taken to manage actual or potential conflicts of interest shall be retained by the Office of Research and Sponsored Programs until 3 years after the date of the termination or completion of the award to which they relate, or the resolution of any government action involving these records, whichever occurs later.

7. Alleged violations of this policy or of the Memorandum of Understanding will be reported to the ~~Director~~ **AVP**, Office of Research and Sponsored Programs. The ~~Director~~ **AVP**, Office of Research and Sponsored Programs will conduct a review to determine whether the allegations warrant submission of the matter to the Provost and Vice President, Academic Affairs. Upon submission, the Provost and Vice President, Academic Affairs will establish a Review Committee to review the matter and recommend sanctions to the Provost and Vice President, Academic Affairs. Such sanctions may range from a formal reprimand to the imposition of disciplinary action as defined in Article 19 of the Memorandum of Understanding (MOU) between The California State University and the California Faculty Association.

8. Collaborators, sub-recipients, and subcontractors from other academic or not-for profit institutions must either comply with this policy or provide a certification from their institution 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 policy. Subcontractors from commercial firms need not make a certification, except when the prime award is from the Public Health Service. 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 policy.

Attachments:

- **NSF/DHHS Conflict of Interest Disclosure Form**
- **CSU Form 700 U**

CALIFORNIA STATE UNIVERSITY, EAST BAY
OFFICE OF RESEARCH AND SPONSORED PROGRAMS (ORSP)

NSF/DHHS CONFLICT OF INTEREST DISCLOSURE FORM

(Required for all proposals submitted to the National Science Foundation
and agencies of the U.S. Department of Health and Human Services)

Investigator:	Funding Agency:
Title of Project:	

Effective October 1, 1995, all proposals submitted to the National Science Foundation and agencies of the U.S. Department of Health and Human Services must comply with the Investigator Financial Disclosure Policies of these agencies. California State University, East Bay has adopted a Conflict of Interest Policy in conformity with the federal requirements. This policy requires each **Investigator** to disclose the following:

- Any Significant Financial Interest of the Investigator (including spouse and dependent children) that would reasonably appear to be affected by the funded project;
- Any Significant Financial Interest of the Investigator (including spouse and dependent children) in an entity whose financial interest would reasonably appear to be affected by the funded project.

Investigator means the principal investigator/project director, co-principal investigators, and any other person who is responsible for the design, conduct, or reporting of the sponsored project.

This information will not be revealed to the funding agency. If a potential conflict of interest exists, the university policy prescribes a resolution process that must be completed if an award is made.

<p>1. Do you, your spouse and your dependent children have equity interests that, when aggregated, total more than \$10,000 or represent more than a five percent ownership interest (by reference to public prices or other reasonable measures of fair market value) in any entity that would reasonably appear to be affected by the funded project?</p> <p style="text-align: center;"><input type="checkbox"/> YES <input type="checkbox"/> NO</p>	<p>2. Do you, your spouse and your dependent children expect to receive, over the next twelve months, salary, royalties or other payments that, when aggregated, will exceed \$10,000, from any entity that would reasonably appear to be affected by the funded project?*</p> <p style="text-align: center;"><input type="checkbox"/> YES <input type="checkbox"/> NO</p>
<p>3. In addition to the interests and payments covered above, do you, your spouse or your dependent children have any significant financial interests, including intellectual property rights (e.g., patents, copyrights and royalties from such rights) that would reasonably appear to be affected by the funded project?*</p> <p style="text-align: center;"><input type="checkbox"/> YES <input type="checkbox"/> NO</p>	<p>If you answered "YES" to any of the these questions:</p> <p>➤ On a separate sheet, describe the business interest or entity involved, the nature of the financial interest and the amount of the financial interest.</p> <p>➤ Submit this information to ORSP in a sealed envelope, with the Investigator's name and the following notice on the front of the envelope: CONFIDENTIAL - CONFLICT OF INTEREST DISCLOSURE.</p>

*Do not include: (1) Salary, royalties, or other remuneration from the 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.

Signature of Investigator _____
Date

**STATEMENT OF ECONOMIC INTERESTS
 FOR
 PRINCIPAL INVESTIGATORS**

Date Received
 Campus Use Only

Campus: CSU East Bay
 ID No: ORSP #

Please type or print in ink

NAME (LAST)	(FIRST)	(MIDDLE)	TELEPHONE NUMBER ()
ACADEMIC UNIT OR DEPARTMENT		MAIL CODE	E-MAIL ADDRESS
TITLE OF RESEARCH PROJECT			

1. Information Regarding Funding Entity:
 (Use a separate Form 700-U for each funding entity.)

Name of Entity: _____

Address of Entity: _____

Principal Business of Entity: _____

Amount of Funding: \$ _____

Estimated Actual

2. Type of Statement (Check at least one box)

Initial (for new or renewal funding)

Date of Funding: ____/____/____

Completion Statement
 The research project expired on: ____/____/____

3. Filer Information

A. Are you a director, officer, partner, trustee, consultant, employee, or do you hold a position of management in the entity listed in Part 1? No Yes

Title: _____

B. Do you, your spouse, or your dependent children have an investment of \$2,000 or more in the entity listed in Part 1 above? No Yes - value is:

\$2,000 - \$10,000 \$10,001 - \$100,000
 \$100,001 - \$1,000,000 Exceeds \$1,000,000

If you have sold or divested yourself of investments:
 Date Divested: ____/____/____

C. Have you received income of \$500 or more from the entity listed in Part 1 within the last 12 months? No Yes - amount is:

\$500 - \$1,000 \$1,001 - \$10,000
 \$10,001 - \$100,000 Exceeds \$100,000

Was income received through your spouse?
 No Yes

3. Filer Information - Cont.

D. Have you received loans from the entity in Part 1 for which the balance exceeds \$500 in the past 12 months? No Yes - balance is:

\$500 - \$1,000 \$1,001 - \$10,000
 \$10,001 - \$100,000 Exceeds \$100,000

If you checked "yes," was the loan:
 Secured Unsecured Interest rate: _____%

Was the loan entirely repaid within the last 12 months?
 No Yes

E. Have you received gifts from the entity listed in Part 1 within the last 12 months valued at \$50 or more? No Yes - describe below.

Description of Gift: _____

Value: \$ _____ Date Received: ____/____/____

F. Has the entity in Part 1 paid you for your travel? No Yes - describe below.

Type of Payment: (check one) Gift Income

Amt: \$ _____ date(s): ____/____/____ ____/____/____
 (If applicable)

Description: _____

4. Verification

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information contained herein and in any attached schedules is true and complete. I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Date Signed _____
 (month, day, year)

Signature _____
 (File the originally signed statement with your university.)