



## Financial Conflict of Interest Policy

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**Implemented: July, 2008**

### POLICY

SFSU requires Principal Investigators (PI's) and key personnel on a sponsored project to disclose a listing of significant financial interests (and those of their spouse and dependent children) that could be reasonably expected to bias the design, conduct, or reporting of the project.

All PI's, Co-PI's and Key Personnel listed in a proposal for external funding must complete a disclosure form before expenses can be charged to an award.

According to the University Executive Directive #UED 96-20, it is the responsibility of the Office of Research and Sponsored Programs to maintain documentation on all possible conflict of interest issues.

### DEFINITIONS

**Investigator:** Defined as Principal Investigator, co-Principal Investigator, and any other person who is responsible for the design, conduct or reporting of the sponsored project or of any related agreement. In addition, disclosure must be made for each investigator's spouse and dependent children.

**Significant Financial Interest:** The term "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 interest (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 applicant institution;
2. any ownership interests in the institution, if the institution is an applicant under the Small Business Innovation Research Program or Small Business Technology Transfer Program;
3. income from seminars, lectures, or teaching engagements sponsored by public or nonprofit entities;
4. income from service on advisory committees or review panels for public or nonprofit entities;
5. 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 5% ownership interest in any single entity; or
6. salary, royalties or other payments that when aggregated for the investigator and the investigator's spouse and dependent children, are not expected to exceed \$10,000 during the next funded twelve-month period.

## SCOPE

### A. Financial Conflict of Interest Disclosure Forms

1. Federal Awards: SFSU has developed a Disclosure of Financial Interests Related to Projects Sponsored by NSF, PHS, or other Agencies Adopting the Federal Requirements (see attachment).
2. Non-Federal Awards: SFSU uses California Form 700 U (Statement of Economic Interest for Principal Investigators) for disclosure of financial interest for all non-governmental sponsors (see attachment).

### B. Financial Conflict of Interest Exemption Policy

1. Non-governmental Entities Exempt from Disclosure requirements: Principal Investigators are not required to complete a disclosure form if their project is sponsored by a non-governmental agency listed in Appendix A.
2. Principal Investigators are not required to complete a disclosure form if their project is a master, internally funded or cost sharing account.

### C. California State University Conflict of Interest Policy

In addition, SFSU requires the annual completion of a Statement of Economic Interests Form 700, for all university positions whose decisions “may foreseeably have a material effect on financial interests” of the University. Some faculty and MPP directors at SFSU may be required to complete both a project specific disclosure form for ORSP and a statement of economic interests form for Human Resources. Further information on the annual SFSU requirement can be found on the HR website:

[http://www.sfsu.edu/~hrwww/emp\\_relations/hr\\_Directives/P203.html](http://www.sfsu.edu/~hrwww/emp_relations/hr_Directives/P203.html)

### D. Institutional Certification

1. Certification will be performed by the Associate Vice President of Research and Sponsored Programs (AVP ORSP), or his/her designee, and will be based on information provided by the Investigator on the Conflict of Interest Disclosure Form for each entity that may be involved. The AVP ORSP, or his/her designee, will review disclosures, assess their potential for conflicts of interest, and develop resolution strategies with the investigator to manage, reduce or eliminate such conflicts.
2. Before spending on the award, SFSU will notify the sponsor of any Financial Conflict of Interest and a plan to address the conflict. If a financial conflict of interest is identified after an award has started, SFSU will notify the sponsor within 30 days of discovering a conflict of interest.

### E. Resolution Plan

1. If the designated official(s) determine a conflict of interest exists, a Resolution Plan must be developed with the Principal Investigator and implemented prior to the award being activated. The Resolution Plan must be in writing and approved by the Associate Vice President for Research and Sponsored Programs, the College Dean, and the Vice-President for Academic Affairs.

2. Resolution options may include but are not limited to:
  - a. Public disclosure of significant financial interests
  - b. Monitoring of research by independent reviewers
  - c. Modification of the research plan
  - d. Disqualification from participation in the portion of the project that is affected by the significant financial interest
  - e. Divestiture of significant financial interests
  - f. Severance of relationships that create actual or potential conflicts

#### **F. Enforcement Mechanisms and Sanctions**

Potential violations of the Conflict of Interest Resolution Plan shall be handled by the Conflict of Interest Resolution Committee made up of the Internal Auditor, the Compliance Officer, the Associate Vice President for Research and Sponsored Programs, and the Dean from the affected Principal Investigator's College. This committee will establish and enforce appropriate sanctions based on the specific conduct of an investigator failing to follow the agreed upon Resolution Plan.

#### **G. Reporting**

1. For National Science Foundation awards, the Associate Vice President for Research and Sponsored Programs will inform the National Science Foundation's Office of the General Counsel if San Francisco State University is unable to satisfactorily manage a conflict of interest.
2. In the case of the Public Health Service, the Associate Vice President for Research and Sponsored Programs will notify the PHS Awarding Component of the corrective action taken or to be taken if the failure of an Investigator to comply with the policy of San Francisco State University has biased the design, conduct, or reporting of the PHS-funded research.

#### **H. Documentation and Records Maintenance**

The SFSU Office of Research and Sponsored Programs, and when appropriate, the University Corporation, San Francisco State University, will maintain records of all financial disclosures and of all actions taken to resolve conflicts of interest for at least three years beyond the termination or completion of the grant to which they relate, or until the resolution of any federal action involving those records, whichever is longer.

### **ROLES AND RESPONSIBILITIES**

#### **Office of Research and Sponsored Programs**

- **Proposal Specialist (PS)**
  - Works with the Principal Investigator to obtain the disclosure forms and then submit the documentation to the sponsor if a sponsor requires disclosure of Financial Conflict of Interest before making an award.
  - If a financial conflict of interest does exist, the PS brings this information to the attention of the Associate Vice President for Research and Sponsored Programs.

- **Grants Administrator (GA)**
  - Ensures that Conflict of Interest Disclosure forms have been completed or revised by the PI, if appropriate, prior to setting up a new project for an award.
  - Notifies the Compliance Officer of any emerging conflicts of interest on the project.
  
- **Compliance Officer (CO)**
  - Ensures that Conflict of Interest Disclosure forms are completed for all projects for which these are required.
  - Ensures that appropriate conflict of interest documentation procedures are being followed.
  - Distributes annual Conflict of Interest Disclosure forms to PI's whose projects require annual recertification.
  - Participates as a member of the Conflict of Interest Resolution Committee.
  
- **Associate Vice President of Research and Sponsored Programs (AVP for ORSP)**
  - Reviews and certifies all Conflict of Interest Disclosure forms.
  - Develops resolution strategies with the PI to manage, eliminate or reduce conflicts of interest.
  - Participates as a member of the Conflict of Interest Resolution Committee.
  - Serves as liaison to federal agencies regarding unresolved conflicts of interest.
  - Contacts the University Counsel when legal questions arise related to an identified conflict of interest.

### **University Counsel**

- **University Counsel**
  - If a plan of action to address a financial conflict of interest has legal ramifications, the Associate Vice President for Research and Sponsored Programs contacts the University Counsel to review the plan and provide assistance with any legal questions.

### **Academic Department or Responsible Unit**

- **Principal Investigator (PI)**
  - Discloses any financial conflict of interest on a sponsored project by completing and submitting a Financial Conflict of Interest Disclosure Form to ORSP.
  - Notifies ORSP immediately of any change in disclosure.
  - Recertifies Financial Conflict of Interest Disclosure Form on an annual basis.
  - Assists ORSP in obtaining disclosure forms from key project personnel and if necessary assists with obtaining verification of disclosure forms from sub-contract personnel.
  - Works with the AVP for ORSP to develop a plan of action to address the conflict of interest if one exists.

- **Key Personnel on the Project**
  - Discloses any financial conflict of interest on a sponsored project by completing and submitting a Financial Conflict of Interest Disclosure Form to ORSP.
  - Notifies ORSP immediately of any change in disclosure.
  - Recertifies Financial Conflict of Interest Disclosure Form on an annual basis.
  - Works with the AVP for ORSP to develop a plan of action to address the conflict of interest if one exists.
- **College Dean**
  - Reviews and approves any resolution plan developed by the PI and the AVP for ORSP.
  - Participates as a member of the Conflict of Interest Resolution Committee.

#### **RELATED DOCUMENTS**

- [University Executive Directive #UED 96-20](#)
- [Disclosure of Financial Interests Related to Projects Sponsored by NSF, PHS, or other Agencies Adopting the Federal Requirement](#)
- [Fiscal Affairs Closeout Checklist](#)
- [California Form 700 U-Statement of Economic Interest for Principal Investigators](#)
- [SFSU HR Directive](#)
- [Title 42 Code of Federal Regulations \(CFR\) Part 50 Subpart F](#)
- [Title 45 CFR Part 94 \(Research Contracts\)](#)

Appendix A:

**SPONSORS OF RESEARCH EXEMPTED FROM UNIVERSITY NON-GOVERNMENTAL ENTITY  
FINANCIAL DISCLOSURE REQUIREMENT**

*These research sponsors are approved by the University and the Fair Political Practices Commission for exemption from the University's non-governmental entity financial disclosure requirement. Principal investigators are not required to fill out financial disclosure statements for research that is sponsored by these organizations.*

**All non-profit, tax-exempt educational institutions**

Alzheimer's Disease & Related Disorders Association  
American Academy of Dermatology  
American Academy of Pediatrics  
American Association for the Advancement of Science  
American Association for State & Local History  
American Association of Colleges of Pharmacy  
American Association of Obstetricians & Gynecologists  
American Association of Retired Persons  
American Cancer Society  
American Chemical Society  
American College of Obstetricians & Gynecologists  
American College of Radiology  
American Committee for the Weizmann Institute of Science  
American Council of Learned Societies  
American Diabetes Association  
American Foundation for Pharmaceutical Education  
American Fund for Dental Education, Inc.  
American Gastroenterologic Association  
American Health Assistance Foundation  
American Heart Association  
American Kidney Fund  
American Library Association  
American Liver Foundation  
American Lung Association  
American Lupus Society, The  
American Nurses Foundation  
American Parkinson Disease Association  
American Philological Association  
American Philosophical Society  
American Red Cross  
Amyotrophic Lateral Sclerosis Society of America  
Arthritis Foundation  
Asthma & Allergy Foundation of America

Bush Foundation, The

California Association for Neurologically Handicapped Children  
California Division of the American Cancer Society  
California Heart Association  
California Lung Association  
Cargill Foundation  
Carnegie Corporation of New York

Carnegie Foundation for the Advancement of Teaching  
Cerebral Palsy Foundation  
Chicago Community Trust, The  
Childs Memorial Fund, The Jane Coffin  
Christian Children's Fund  
Clark Foundation, The Edna McConnell  
Columbia Foundation  
Commonwealth Fund, The  
Cooley's Anemia Foundation  
Council on Library Resources  
Culpeper Foundation, Inc., Charles E.  
Cystic Fibrosis Foundation

Deafness Research Foundation, The  
Donner Foundation, William H.  
Dover Fund, Inc.  
Dreyfus Foundation, Inc., The Camille & Henry  
Dreyfus Foundation, The Max & Victoria  
Dysautonomia Foundation

Earhart Foundation  
Easter Seal Research Foundation  
Epilepsy Foundation of America  
Eye Research Institute of Retina Foundation

Fight for Sight  
Ford Foundation, The  
Foundation for Child Development  
Fuller Fund, The Anna

German Marshall Fund of the U.S.  
Giannini Foundation  
Grant Foundation, The William T.  
Guggenheim Foundation, H.F.  
Guggenheim Memorial Foundation, John Simon

Haas Fund, The Walter & Elise  
Hartford Foundation, John A.  
Haynes Foundation, The John Randolph & Dora  
Hearst Foundation, William R.  
Hewlett Foundation, The William & Flora

Institute for Educational Affairs  
International Research & Exchanges Board

Japan Foundation  
Johnson Foundation, The Robert Wood  
Juvenile Diabetes Foundation

Kade Foundation, Inc., The Max  
Kaiser Family Foundation, The Henry J.  
Keck Foundation, William M.  
Kellogg Foundation, W.K.  
Klingenstein Fund, The Esther & Joseph  
Knights Templar Eye Foundation

Kresge Foundation, The  
Kunstadter Family Foundation, The Albert

Leakey Foundation, The L.S.B.  
Leukemia Society  
Levi Strauss Foundation  
Lilly Endowment, Inc.  
Luce Foundation, Inc., The Henry  
Lupus Foundation of America

MacArthur Foundation, John D. & Catherine T.  
McKnight Foundation, The  
March of Dimes  
Markle Foundation, The John & Mary R.  
Mellon Foundation, The Andrew W.  
Mott Foundation, Charles Stewart  
Muscular Dystrophy Association  
Myasthenia Gravis Foundation

National Academy of Sciences  
National Collegiate Athletic Association  
National Council of Teachers of English  
National Foundation for Ileitis & Colitis  
National Foundation for Infectious Diseases  
National Fund for Medical Education  
National Geographic Society  
National Head Injury Foundation  
National Hemophilia Foundation  
National Kidney Foundation  
National Leukemia Association  
National Migraine Foundation  
National Multiple Sclerosis Society  
National Research Council  
National Retinitis Pigmentosa Foundation  
National Society to Prevent Blindness  
national Sudden Infant Death Syndrome Foundation  
National Tuberos Sclerosis Association  
Northern California Society to Prevent Blindness  
Noyes Foundation, Inc., Jessie Smith

Organization for Tropical Studies

Packard Foundation, The David & Lucille  
Paralyzed Veterans of America  
Pardee Foundation, Elsa U.  
Peierls Foundation, Inc., The  
Picker Foundation, James  
Population Council  
Presiding Bishop's Fund for World Relief  
Project HOPE

Research Corporation  
Research to Prevent Blindness  
Resources for the Future, Inc.  
Retirement Research Foundation



Richardson Foundation, Smith  
Rippel Foundation, Fannie E.  
Rockefeller Brothers Fund  
Rockefeller Foundation  
Rosenberg Foundation  
Rubin Foundation, Inc., Samuel  
Runyon-Walter Winchell Cancer Fund, Damon

Sage Foundation, Russell  
San Francisco Foundation  
Scaife Foundation, Inc., Sara  
Schiff Foundation  
Scottish Rite Schizophrenia Research Program  
Sherman Foundation, Nate H.  
Skaggs Foundation, L.J. & Mary C.  
Skin Cancer Foundation  
Sloan Foundation, Alfred P.  
Social Science Research Council  
Spencer Foundation, The

Teagle Foundation  
Tinker Foundation, Inc., The  
Treadwell Foundation, Nora Eccles

United Cerebral Palsy  
United Scleroderma Research Foundation  
U.S. Olympic Committee

Webb Foundation, Del E.  
Weingart Foundation  
Wenner-Gren Foundation for Anthropological Research, Inc.  
Whitehall Foundation  
Whitney Foundation, the Helen Hay  
Wood Charitable Trust, W.P.  
Woods Hole Oceanographic Institution

Zellerbach Family Fund