



## Federal Grant Conflict of Interest Policy

In accordance with federal requirements applicable to National Science Foundation (NSF), National Institutes of Health (NIH), and other federal agencies, Cornell College has established and will administer a financial conflict of interest disclosure policy for investigators, and a program for training investigators on that policy. This is designed to ensure appropriate management of actual or potential financial conflicts of interest. The objective of the Policy and the federal regulations on which it is based is to promote "objectivity in research by establishing standards to ensure there is no reasonable expectation that the design, conduct, or reporting of research funded under [federal grants] will be biased by any conflicting financial interest of an Investigator". 45 CFR 50.601.

### GUIDELINES

"Significant Financial Interest" (SFI) means one or more of the following interests of the Investigator (and those of the investigator's spouse or dependent children), if the interest reasonably appears to be related to the Investigator's institutional responsibilities, including all research, teaching and/or service to the College:

- With regard to any publicly traded entity, a SFI exists if the value of any remuneration received from the entity in the 12 months preceding the disclosure and the value of any equity interest in the entity as of the date of disclosure, when aggregated, exceeds **\$5,000**. Remuneration includes any salary and any payment for services not otherwise identified as salary (e.g. consulting fees, honoraria, paid authorship); equity interest includes any stock, stock option, or other ownership interest, as determined through reference to public prices or other reasonable measures of fair market value.
- With regard to any non-publicly traded entity, a SFI exists if the value of any remuneration received from the entity in the 12 months preceding the disclosure, when aggregated, exceeds **\$5,000**, or when the Investigator (or spouse or dependent children) owns any equity interest, regardless of dollar value.
- Intellectual property rights and interests (e.g. patents and copyrights) upon receipt of income related to such rights and interests.

- Any occurrence of reimbursed or sponsored travel related to your institutional responsibilities must also be disclosed (i.e., that which is paid on behalf of the Investigator and not reimbursed to the Investigator so that the exact monetary value may not be readily available); provided however that this disclosure requirement does not apply to travel that is reimbursed or sponsored by a Federal, state, or local government agency, an Institution of higher education as defined at 20 U.S.C. 1001(a), an academic teaching hospital, a medical center, or a research institute that is affiliated with an Institution of higher education.

"Significant Financial Interest" does not include:

- Salary, royalties, or other remuneration from Cornell College;
- Income from seminars, lectures or teaching engagements sponsored by a Federal, state, or local government agency, an Institution of higher education as defined at 20 U.S.C. 1001(a), an academic teaching hospital, a medical center, or a research institute that is affiliated with an Institution of higher education;
- Income from investment vehicles such as mutual funds or retirement accounts, as long as the Investigator does not directly control the investment decisions made in those vehicles;
- Income from service on advisory committees or review panels for government agencies, institutions of higher education, academic teaching hospitals, medical centers, or research institutes affiliated with institutions of higher education.

#### **Investigator Obligations:**

To comply with federal law and federal regulations, Investigators must take the following steps when submitting research proposals:

- Complete and submit the Federal Grant Significant Financial Interest Disclosure Form that lists the Investigator's known Significant Financial Interests (1) that would reasonably appear to be affected by the research; and (2) that are in entities whose financial interests would reasonably appear to be affected by the research. Forms must be submitted to the Grants Compliance Office prior to submission of the applications for research grants to federal agencies.
- Update their Disclosure Forms annually or within 30 days of obtaining a new reportable Significant Financial Interest.

Except to the extent required by law and federal regulations, the information disclosed will be kept confidential. You should know, however, that per 42 CFR 50.605, prior to the College's expenditure of any funds under an NIH-funded research project, the College shall ensure public accessibility, via a publicly

accessible Web site or written response within five business days of a request, of information concerning any Significant Financial Interest disclosed to the College that meets the criteria. Specifically, the NIH (PHS) requires institutions to report to the PHS the existence of any conflicting interests and to assure that the interest has been managed, reduced or eliminated. NSF requires that only conflicts that have not been managed, reduced or eliminated prior to the expenditure of funds under an award be reported to NSF.

## **Institution's Obligations**

### **Training**

The Cornell College Grants Office will train investigators: (A) prior to engaging in any research related to any NIH/PHS funded grant or contract; (B) and at least every four years; (C) and immediately if: i) the college revises its policies in a way that affects the requirement of Investigators, or ii) for instances of non-compliance.

### **Policy Creation**

Federal agencies require Cornell to take a number of steps to insure the discovery and elimination of any conflicts of interest in research programs. First, the College is required to develop, maintain, and enforce a policy on conflicts of interest. To this end, the College has developed the foregoing policy and appointed the Grants and Compliance Manager to review the SFI Disclosure forms initially. If upon review of the form, there appears to be a potential conflict, the VP of Business Services and Treasurer will, along with the department chair, review the potential conflict of interest and initiate steps to manage or eliminate the conflict(s), if appropriate.

In order to manage, reduce or eliminate potential conflicts, the College is required to institute a management plan. The College also may take any of the following steps:

- Modification of the research plan to avoid conflicts of interest;
- Disqualification of Investigators from the portion of the funded research that could create conflicts of interest;
- Require divestiture of Significant Financial Interests;
- Require severance of relationships that create conflicts of interest;
- Other appropriate disclosures or activities.

### **Reporting Obligations**

Cornell College is required to certify in each application for research funding from federal agencies the existence of this Policy and to identify any existing conflicts of interest and assure that they have been managed, reduced or eliminated. The College also must report any conflicting interests to the appropriate federal agency before expending any grant funds. In addition, if any conflicts of interest become apparent after the initial report to the relevant federal agency, the College is required to report the existence of such a

conflict within 60 days of its identification. The College will comply with federal agency requests to make information available about any conflicts of interest and how they have been managed, reduced or eliminated.

Once a financial conflict of interest is identified, the College has an obligation to create a management plan for that financial conflict of interest. When the College reports to the federal agency about the conflicting interest it must include enough information about the management plan so the agency can understand the conflict and assess the management plan. This includes informing the agency of the entity that is in conflict. If a conflict exists that was not disclosed in a timely manner by an Investigator or was not previously reviewed by the College, the College must implement a management plan that shall specify the actions that have been taken and will be taken to manage such conflicts going forward.

Should a financial conflict of interest not be identified or managed in a timely manner, the College will enlist an independent expert in the Investigator's field to lead a retrospective review to determine whether funded research was biased in its design, conduct or reporting; and, the College will report this financial conflict of interest as well as any mitigation report on bias to the awarding agency.

### **Record Retention**

The Grants Compliance Office will maintain the Financial Conflict of Interest records in strict confidence, to the extent covered by law and federal regulation. The College will maintain records of all financial disclosures and all actions taken by the College for a minimum of three (3) years from the date of submission of the final expenditure report at the completion of the grant, or if any litigation, claim, financial management review, or audit is started before the expiration of the three year period, until all such actions have been resolved and final action taken.

### **Transparency**

The College will respond within five (5) business days to any request for information on financial conflicts of interest disclosed by and still held by any of its investigators. This information will be available for at least three (3) years since it was most recently updated. At a minimum, this information will include: the Investigator's name, the Investigator's title and role with respect to the research project, the name of the entity in which the SFI is held, the nature of the SFI, and the approximate dollar value of the SFI.

Requests for this information are to be made to the Grants Compliance Office at (319) 895-4321.

**Applicable Federal Regulations and Policies:**

Investigators or Supervisors who wish to learn more about the federal regulations governing conflicts of interest can take advantage of the applicable sections of the NIH Regulations, the NSF Proposal and Award Policies and Procedures Guide, and the Tutorial from NIH on Compliance with Federal Regulations on Conflicts of Interest.

**Questions?** Please contact the [Grants Compliance Office](#) at (319) 895-4321.