



Financial Conflict of Interest Policy on Grants, Contracts, & Sponsored Projects

Preface

"The term conflict of interest... refers to situations in which financial or other personal considerations may compromise, or have the appearance of compromising, an investigator's professional judgment in conducting or reporting research... conflicts become detrimental when the potential rewards, financial or otherwise, cause deviation from absolute objectivity in the design, interpretation, and publication of research activities or in other academic and professional decisions." – Association of American Medical Colleges.

[Financial Conflict of Interest Form](#) (Attached to the Project Authorization Budget Summary Form)

Background

Research is an important and vital part of the mission of St. John's University (the University or STJ). The external sponsorship of research can result in the development of complex relationships between the University, its faculty, and staff, and the external sponsor(s) who support specific programs. To assure that research conducted under the auspices of the University is always of the highest integrity, and in response to regulations issued in 1994 and 1995 by the federal government, St. John's University has developed this policy on Financial Conflicts of Interest in Research and Other Sponsored Programs.

The intention of this policy is to identify and eliminate or manage any possible threat to the integrity of the research and sponsored programs conducted by the STJ community.

This policy is applicable to all proposals grants and/or contract support (including federal flow-through funding) of research projects and other sponsored programs submitted on, or after, October 1, 1995.

Policy

Prior to the submission of a research proposal to any agency, all researchers who plan to participate in, or direct, a sponsored research project or other sponsored program (sponsored program) under the auspices of the University must disclose to the University any significant financial interests which they or any members of their immediate family have in any commercial enterprise that will in any way participate in the sponsored program or that potentially may be affected by the performance or completion of the proposed sponsored program. Disclosure is accomplished through completion of a "Financial Conflict of Interest Disclosure Form" (Disclosure Form) which is subject to review by the individual's dean and the Office of Grants and Sponsored Research (OGSR). Each Disclosure Form will be reviewed to determine the existence of, or potential for, any financial conflicts of interest.

For purposes of this policy statement, the following definitions are provided:

- Researcher - includes the principal investigator and all faculty and research staff members who will have responsibility for the design and conduct of the research as well as the dissemination of its results.

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- Immediate Family - refers to the researcher's parents, siblings, spouse, children, dependants, and any equivalent relatives by marriage. It also refers to any individual who resides on a regular basis in the researcher's domicile.
- Sponsored Research Project or Other Sponsored Program - includes a variety of possible activities and not research alone. Sponsored Programs can include curriculum development activity, public service projects, instrumentation and infrastructure awards, training grants, conference grants and any other activity funded either directly, or indirectly, by any agency.
- Significant Financial Interest - refers to 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).

For purposes of this policy, Significant Financial Interest does not include:

- salary, royalties, or other remuneration from St. John's University
- income from seminars, lectures, or teaching engagements sponsored by public or nonprofit entities
- an equity interest in a business enterprise that, when aggregated for the research and immediate family, 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 5% ownership in any single entity
- salary, royalties, or other payments over the next twelve months when such payments are not expected to exceed \$10,000 when aggregated for the Researcher and Immediate Family.

The University will not permit the incurring of any expenses on a grant unless, or until, all identified conflicts of interest have been eliminated or properly addressed through a University-approved Resolution Plan.

If over the course of a sponsored program the University finds that it is unable to satisfactorily manage a conflict of interest, the Director of Grants and Sponsored Research will notify the appropriate official at the federal funding agency (e.g. NSF's Office of General Counsel or the relevant PHS Awarding Component) as required by agency regulations.

Procedures

1. All proposals for external support currently undergo an institutional review process. As part of that process, the University's "Project Authorization & Budget Summary (PABS)" form is completed by the project director/principal investigator and submitted for endorsement by the chairperson, dean and OGS. Effective October 1, 1995, in the case of proposals to agencies, project directors and principal investigators must also submit a completed "Financial Conflict of Interest Disclosure Form." Effective this date, it is the responsibility of the offices of the Dean and the

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OGSR to conduct the required explicit review for possible financial conflicts of interest.

The principal investigator should provide the Disclosure Form to his/her dean and OGSR before the grant application is submitted or along with the University's PABS form. The principal investigator will also have the responsibility of ensuring that all researchers involved with the project will have completed and submitted Disclosure Forms of their own in the same timely manner.

A conflict of interest exists when the reviewers reasonably determine that a significant financial interest could directly and significantly affect the design, conduct or reporting of funded research or educational activities.

2. If the Dean or the OGSR determines that a researcher (or any member of his/her immediate family) has a significant financial interest in a commercial enterprise connected with the proposed sponsored program, the principal investigator and/or researcher will be required to prepare a Resolution Plan to reduce, minimize or eliminate the conflict of interest. This Resolution Plan must be approved by the University before any expenditure is incurred against the award. As in the case of Disclosure Forms, the initial review of Resolution Plans will be conducted by offices of the Dean and OGSR. If the Resolution Plan accepted and the project is funded, a Memorandum of Understanding between the University and researcher will be issued.

If the Resolution Plan is rejected by the dean and/or OGSR, the matter may be submitted by the principal investigator and researcher to the Committee for Resolution of Financial Conflicts (CRFC). The CRFC will consist of three members designated by the Executive Vice President.

The CRFC should review the Resolution Plan and devise alternatives to mitigate the Conflict of Interest.

3. In the event circumstances change regarding the significant financial interest of a researcher engaged in a sponsored program (or regarding the significant financial interest his/her immediate family), the researcher must notify the University as soon as the change becomes known. Revised Disclosure Forms are subject to the same review process as an original submission.
4. If a researcher fails to provide or update the Disclosure Form, or provides false information, the University reserves the right to take appropriate actions.
5. OGSR will maintain the confidentiality of the Disclosure Statements, except as may be required by federal law or agency award terms. In no case will a Disclosure Statement be released to a federal agency without prior notification to the affected individual.
6. OGSR will maintain all Disclosure Statements and approved Resolution Plans for a period of three years beyond the termination or completion of the grant to which they relate, or until resolution of any action involving those records, whichever is longer.



Effective October 1, 1995, the National Institutes of Health and National Science Foundation required grant recipients to establish a Financial Conflict of Interest Policy. All persons who play a key role in the performance of a project funded either directly or indirectly by NIH or NSF are required to complete a [Financial Conflict of Interest Form](#) at the time of proposal submission. The completed form(s) should be submitted to the Office of Grants and Sponsored Research.

Effective August 24, 2012, in the case of investigators working on NIH grants, there is a more stringent requirement that the aggregate financial benefit cannot exceed \$5000 for the prior 12 month period for the investigator as well as family members or those living in the same household.