Conflicts of Interest, Faculty/Academic Staff (Draft, March 2012)

This policy was approved by the Board of Trustees on [approval date].

I. PREAMBLE

As a modern research-intensive land-grant university, Michigan State University is committed to maintaining the trust of the general public which supports it and which it serves. For the University to do so, its faculty must pursue their research, teaching, outreach, and service responsibilities with integrity and proper professional judgment in a manner consistent with the highest standards of their respective disciplines and in the best interests of the University. A faculty member’s reputation for integrity and for exercising proper professional judgment can be seriously compromised, however, if the faculty member fails to disclose a significant financial interest that is related to his/her institutional responsibilities. Moreover, an individual faculty member’s unmanaged and unresolved conflict of interest can undermine confidence in the University and, thus, harm its standing and that of its entire faculty.

This Policy addresses the disclosure, review, management, and resolution of conflicts of interest relating to the performance by faculty of their research, teaching, outreach, and service responsibilities at the University. For purposes of this Policy, a "conflict of interest" exists when a faculty member’s financial interests or other opportunities for tangible personal benefit may compromise, or reasonably appear to compromise, the independence of judgment with which the faculty member performs his/her responsibilities at the University.¹

II. APPLICABILITY²

This Policy applies to individuals appointed through the academic personnel system with research, teaching, outreach, or service institutional responsibilities. This Policy also applies to other individuals who have independent responsibility for proposing, conducting, or reporting the results of University research and other sponsored projects.³

III. IMPLEMENTATION

A. Disclosure

Faculty members must annually disclose all significant financial interests⁴ and other opportunities for tangible personal benefit that are related to the faculty member’s institutional responsibilities. Faculty members must also submit an updated disclosure within thirty days of acquiring any new significant financial interest or other opportunity for

¹ In amplification and not in limitation of the foregoing, a conflict of interest exists if a faculty member’s financial interests (or other opportunities for tangible personal benefit) directly and significantly affect the design, conduct, or reporting of the results of research or other sponsored projects.

² For purposes of this Policy, the individuals described in Section II (Applicability) will generally be referred to as "Faculty" or "Faculty Members," although the term encompasses, and the Policy applies to, all individuals described in Section II.

³ For a more detailed description of this Policy’s application to individuals involved in University research and other sponsored projects, refer to the Faculty Conflict of Interest Handbook.

⁴ A "significant financial interest" is defined in the Faculty Conflict of Interest Handbook.
tangible personal benefit. “Institutional responsibilities” refer to the faculty member’s professional responsibilities on behalf of the University, which include research, teaching/education, outreach, and service activities, both within and outside the University, in the general area of expertise for which the faculty member is employed by the University.

Disclosures will be made in accordance with the procedure established by the Faculty Conflict of Interest Officer (FCOIO). Each faculty member shall provide all information necessary for the University to review, manage, and resolve any conflicts of interest involving that faculty member.

The University shall respect the confidentiality of private financial and other private information supplied by faculty, and shall not release this information publicly unless it is legally required to do so, the resolution or elimination of the conflict of interest requires public disclosure of the information, or the faculty member consents to its public disclosure.

B. Faculty Conflict of Interest Officer

The Vice President for Research and Graduate Studies (VPRGS), in consultation with representatives of the University Committee on Graduate Studies (UCGS) and the University Committee on Faculty Affairs (UCFA), will appoint a FCOIO to administer this Policy. The FCOIO shall serve as a resource to faculty and administrators on defining and addressing faculty conflicts of interest and shall convene and serve, ex officio, as a non-voting member of the Conflict Review Committee described in Section III.D of this Policy.

The FCOIO shall develop and maintain an institutional procedure for faculty members to report significant financial interests and other opportunities for tangible personal benefit, as required by this Policy.

The FCOIO, in consultation with relevant administrators and appropriate academic governance committees, shall arrange for the preparation of a handbook for faculty, incorporating a list of frequently asked questions, explaining and interpreting this Policy. Assessment, management, and resolution of conflicts of interest should take into account the different norms, customs, and expectations of the various disciplines found among faculty in the University.

C. College-Specific Policies Addenda

Each college (or relevant non-college unit) is encouraged to prepare, in consultation with the FCOIO, a supplement to the conflict of interest handbook, with frequently asked questions, that addresses conflict of interest issues specific to the disciplines and activities of the faculty of that college. A college may also adopt its own addendum to this Policy conflict of interest policy to address specific conflict situations which occur in that college.

Such policies addenda must be prepared in consultation with the FCOIO and approved by the VPRGS. A college-specific policy addenda must be consistent with, and no less stringent than, the provisions of this Policy and federal law and regulations regarding conflict of interest.

D. Conflict Review Committee

The VPRGS, in consultation with representatives of the UCGS and the UCFA, shall appoint a Conflict Review Committee (CRC) composed of at least five faculty members from different disciplines, one of whom they will select as chairperson. At the discretion of the VPRGS, additional members, including community members unaffiliated with the University, may be appointed to the CRC. CRC members shall serve for staggered three-year terms and may be reappointed to additional terms. The FCOIO shall convene the CRC and serve, ex officio,
as a non-voting member. The FCOIO and CRC have the authority to invite any input they deem necessary to assess a potential conflict of interest.

The FCOIO shall make the initial assessment about the existence of a conflict of interest based on the extent to which a disclosed significant financial interest or opportunity for tangible personal benefit could reasonably be expected to affect, or be perceived to affect, a faculty member’s performance of a University responsibility. If the FCOIO determines that a disclosed interest may create a real or potential conflict of interest, the FCOIO shall forward the disclosure to the CRC for additional assessment. If the CRC determines that no conflict of interest exists, it shall inform the faculty member and the VPRGS of that determination in writing. If the CRC determines that a conflict of interest exists as a result of the disclosures made by the faculty member, or as a result of a report made by another party, the CRC shall develop a written plan for the resolution or management of the conflict of interest.

The CRC may consult with the faculty member, the faculty member’s unit administrators, the FCOIO, and appropriate representatives of the central administration in developing a plan. The FCOIO shall submit the plan to the faculty member and the faculty member’s unit administrators for review and comment. If the faculty member does not agree with the CRC’s plan for the management or resolution of the conflict of interest, the faculty member may file a written objection detailing the nature of his/her objections with the VPRGS within ten days of receiving notice of the CRC’s plan. The CRC’s plan, along with any written comments submitted by unit administrators, and the objections of the faculty member shall be submitted to the VPRGS. The VPRGS may accept the CRC’s plan or decide to implement an alternative plan for the management or resolution of the conflict of interest. The VPRGS shall issue his/her decision within thirty days of his/her receipt of the CRC’s plan and any supplemental material. The VPRGS shall report his/her decision to the CRC, faculty member, unit administrators, and FCOIO. In devising the plan to address the conflict of interest, the CRC shall seek to employ the least intrusive management techniques that will suffice to resolve the ethical and legal concerns arising from the conflict. The CRC may recommend to the Provost and VPRGS the issuance of specific guidelines to investigators and other faculty regarding common conflict situations.

IV. SPECIFIC REQUIREMENTS FOR RESEARCH AND PROJECTS FUNDED BY THE PUBLIC HEALTH SERVICE AND NATIONAL SCIENCE FOUNDATION

The Public Health Service (PHS) and National Science Foundation (NSF) have developed policies and procedures to ensure that the design, conduct, and reporting of research funded under PHS or NSF grants, cooperative agreements, and contracts will not be biased by conflicts of interest affecting the investigators responsible for such research. The PHS/NSF regulations require that each institution and investigator applying for, receiving, or being supported by PHS/NSF funds be compliant with PHS/NSF rules regarding training and disclosure prior to applying for funds and the establishment of conflict of interest management plans prior to the expenditure of funds.

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5 For purposes of this Policy, references to a faculty member’s "unit administrators" include the relevant department chair, dean, and/or separately reporting director.

6 This thirty-day period may be extended by the FCOIO upon the written request of the VPRGS.
Investigators applying to PHS or NSF must disclose to the University all "significant financial interests" (as defined in the regulations) related to the investigator's institutional responsibilities. Further, investigators participating in PHS- or NSF-funded research are required to submit an updated disclosure of significant financial interests within thirty days of acquiring any new significant financial interest.

A conflict of interest exists if the University determines that the investigator has a significant financial interest that could directly and significantly affect the design, conduct, or reporting of PHS- or NSF-funded research. The University will not authorize the expenditure of any funds under a PHS- or NSF-funded research project until (a) all investigator disclosures have been reviewed for potential conflicts of interest; and (b) if a conflict of interest exists, a plan satisfactory to the VPRGS to manage the conflict of interest has been developed and implemented.

To the extent that these or any other legal requirements are more stringent than this Policy, they will take precedence. For a detailed description of the disclosure requirements applicable to PHS/NSF investigators, refer to the "Guidelines on Conflict of Interest Pertaining to Applications for NSF and PHS Research Support," which is a supplement to this Policy.

V. NON-COMPLIANCE

A faculty member who violates this Policy is subject to disciplinary action. Any University employee or student who knowingly files a false allegation that this Policy has been violated, or who knowingly provides false information to or intentionally misleads University officials who are investigating an alleged violation of this Policy, may be subject to disciplinary action. The VPRGS shall establish a mechanism, after consulting with the FCOIO, for investigating concerns or allegations regarding significant financial interests and other opportunities for tangible personal benefit of faculty which are not reported as required under this Policy. The review and investigation of concerns or allegations that this Policy has been violated will be conducted confidentially to the extent permitted by law, except insofar as information needs to be disclosed so that the University may effectively investigate the matter or take corrective action.

If the failure of a faculty member to comply with this Policy has biased the design, conduct, or reporting of funded research, the University may, and in some cases is required to, notify the awarding agency of the compliance failure and the corrective action taken by the University.

VI. TIMING OF IMPLEMENTATION

The current Faculty Conflicts of Interest Policy was approved by the Board of Trustees on April 13, 2006. This revised Faculty Conflicts of Interest Policy shall supersede the current Policy upon approval by the Board of Trustees.

Effective August 24, 2012, all individuals who have independent responsibility for proposing, conducting, or reporting the results of University PHS- or NSF-funded research must be in compliance with this Policy and related University policies and guidelines applicable to PHS- or NSF-funded research.

The President, in consultation with the VPRGS, shall determine the timing of implementation of the annual reporting requirement under Section III, Part A of this Policy for covered individuals to whom the foregoing paragraph does not apply. Such individuals shall comply with the disclosure requirements set forth in the Faculty Conflicts of Interest Policy approved by the Board of Trustees on April 13, 2006 until the President has determined that
the disclosure requirements set forth in this revised Policy are applicable to them, which shall be no later than January 1, 2014.
Appendix: Role, Appointment, and Evaluation of the Faculty Conflict of Interest Officer (FCOIO)

1. Role of the FCOIO

   A. Serves as an information resource to faculty and administrators on defining and addressing conflicts of interest, as defined in the Policy.

   B. Prepares an institutional procedure to be used in establishing conflict reporting mechanisms.

   C. Convenes the Conflict Review Committee (CRC) and serves, ex officio, as a non-voting member.

   D. In consultation with relevant administrators and appropriate faculty committees, arranges preparation of a handbook incorporating a list of frequently asked questions explaining and interpreting the Policy.

2. Appointment of the FCOIO

   A. The FCOIO shall be appointed by the Vice President for Research and Graduate Studies (VPRGS) after consultation with representatives of the University Committee on Graduate Studies (UCGS) and University Committee on Faculty Affairs (UCFA). The FCOIO shall serve at the pleasure of the VPRGS.

   B. The FCOIO shall report to the VPRGS. The FCOIO shall keep the Provost and President informed about the implementation of this Policy and about educational and other activities of his/her office.

   C. Should the FCOIO recuse himself/herself from FCOIO duties with regard to a particular conflict of interest, the VPRGS shall appoint a substitute after consultation with the chairperson of the Academic Subcommittee of the UCGS.

3. Evaluation of FCOIO

   The VPRGS shall evaluate the performance of the FCOIO at intervals not to exceed five years pursuant to criteria established by the President, Provost, and VPRGS in consultation with the UCGS. The VPRGS shall submit the results of this evaluation to the President, the Provost, and the UCGS.