

THE LUTHERAN UNIVERSITY ASSOCIATION,
INC., VALPARAISO UNIVERSITY

POLICY ON CONFLICTS OF INTEREST IN SPONSORED PROJECTS

I. Purpose

To further the ideals of integrity and ethical behavior, and in accordance with state and federal regulations, Valparaiso University's Policy on Conflicts of Interest in Sponsored Projects strives to reduce, manage or eliminate any conflicts of interest that may affect, or reasonably appear to affect, the sponsored projects of Valparaiso University employees.

Valparaiso University understands that relationships exist that could result in a conflict of interest. The purpose of this policy is to identify and manage such conflicts so that objectivity is ensured and research projects that are beneficial to society may proceed.

II. Definitions

a. "Conflict of Interest" or "Conflict" – occurs when the design, conduct or reporting of research could be directly and significantly affected by a Significant Financial Interest of an Investigator.

b. "Investigator" – any person who is responsible for, or involved in, the design, conduct or reporting of research funded or proposed for funding by any governmental agency. This term does not include persons whose performance within the research activities is supplementary in nature or solely under the direct supervision of an investigator.

c. "Significant Financial Interest" – 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). This term includes:

- i. Payments Received From or Equity Interests in a Publicly Traded Entity: the total amount and source of payments received in the preceding twelve months from a publicly traded entity and the value of any equity interest held in the entity on the date of disclosure that, when aggregated, exceed \$5,000, including:
 - a) as to payments received:
 1. salary; and
 2. any payment for services other than salary, such as consulting fees, honoraria, or paid authorship; and
 - b) as to equity interests held, any stock, stock options, or other ownership interest or entitlement to such an interest, valued by reference to public prices or other reasonable measures of fair market value;
- ii. Payments Received From a Non-Publically Traded Entity or Equity Interest in Non-

Publicly Traded Entity:

- a) the total amount and source of payments received in the preceding twelve months from an entity that is not publicly traded that, when aggregated, exceed \$5,000, including
 - 1. salary; and
 - 2. any payment for services other than salary, such as consulting fees, honoraria, or paid authorship; and
- b) a description of any equity interest held in an entity that is not publicly traded, including any stock, stock options, or other ownership interests or entitlement to such an interest;
- iii. Intellectual Property and Royalties:
 - a) a description of intellectual property rights held and any agreements to share in royalties related to those rights; and
 - b) the amount and source of royalty income that the covered individual or covered family member received or had the right to receive in the preceding twelve months;
- iv. Travel: reimbursed or sponsored travel in the preceding 12 months, including the purpose of the trip, the identity of the sponsor/organizer, the destination, and the duration of the trip;
- v. Gifts: the value and source of a single gift that the covered individual received in the preceding twelve months that exceeds \$250 in value, or multiple gifts from a single entity that in the aggregate exceed \$250 in value, other than gifts from a covered family member; and
- vi. Fiduciary Positions: a fiduciary position the covered individual held in a for-profit or nonprofit entity in the preceding twelve months, including a position as a member of the board of directors, an officer, or other executive or management position, for which the individual received any form of remuneration or reimbursement for expenses, and the name and principal address of the entity.

This term does not include:

- i. Salary, royalties, or other remuneration paid by Valparaiso University;
- ii. Income from seminars, lectures, or teaching engagements sponsored by public or non-profit entities;
- iii. Income from service on advisory committees or review panels for public or non-profit entities;
- iv. Income from investment vehicles, such as mutual funds and retirement accounts, as long as the Investigator does not directly control the investment decisions made in these vehicles;
- v. Travel that is reimbursed or sponsored by U.S. federal, state, or local government agency, U.S. institutions of higher education, research institutes affiliated with institutions of higher education, academic teaching hospitals, and medical

centers.

- vi. “Project” –any externally funded scholarly activity such as basic, applied, or developmental research, instructional or curricular activities, student aid, career development, or other activity conducted by faculty or staff members on behalf of the university.

III. Disclosures

In correlation with the Grant Proposal Approval Form (GPAF), investigators will be required to disclose all significant financial interests (*including those of the investigator’s spouse and/or dependent children*) on the Disclosure Statement Form (DSF). Investigators will be required to provide an updated DSF on an annual basis. Investigators also have an obligation to disclose, by filing an updated DSF, any newly-acquired or discovered significant financial interests within thirty (30) days.

Public Health Service funded investigators must disclose all travel reimbursements that are either sponsored by (that is paid by an outside entity directly to the investigator) or reimbursed directly to the investigator from an outside entity for travel that occurs after August 24, 2012, with some exceptions. Exceptions include: travel reimbursements from an institution of higher education, a federal/state/local government, an academic teaching hospital, a medical center, or a research institute affiliated with an institution of higher education. This disclosure requirement does not apply to funding provided to the investigator by the institution (for example as part of sponsored research projects, paid from departmental discretionary or gift funds). Travel reimbursements must be reported within thirty (30) days of its occurrence.

IV. Review

The Associate Director for Sponsored Research will conduct an initial review of all new and updated DSF’s to determine whether or not a conflict of interest exists. If there is a determination that a potential or actual conflict of interest exists, the investigator will develop a plan – with cooperation from his/her dean, chair, and Associate Director of Sponsored Research– to reduce, manage or eliminate the conflict.

This plan will then be proposed to the Conflict of Interest Review Committee (CIRC) for review, with a recommendation to be given by the CIRC to the Director of Sponsored and Undergraduate Research for final approval. The CIRC will be appointed by the Associate Director of Sponsored Research and will consist of three (3) faculty members who have been, or are currently, involved with a sponsored research project.

The CIRC may recommend that the plan is acceptable as proposed, or suggest conditions or restrictions be imposed to reduce, manage or eliminate conflicts. These conditions or restrictions include, but are not limited to:

- i. public disclosure of significant financial interests (e.g. when presenting or publishing the research);
- ii. monitoring of research by independent reviewers;
- iii. modification of the research plan;
- iv. disqualification from participation in the portion of the research that would be affected by significant financial interests;
- v. divestiture of significant financial interests; or
- vi. severance of relationships that create conflicts.

If the CIRC determines that imposing conditions or restrictions would be either ineffective or inequitable, and that the potential negative impacts that may arise from a significant financial interest are outweighed by the interests of scientific progress, technology transfer, or public health and welfare, then the CIRC may recommend that the research go forward without imposing such conditions or restrictions

The plan, if approved by the Director of Sponsored and Undergraduate Research, will be incorporated into a memorandum of understanding that details the conditions or restrictions imposed upon the investigator in the conduct of the project and/or the relationship with the business enterprise or entity. The memorandum of understanding shall be signed by the investigator, the investigator's dean, chair, and the Director of Sponsored and Undergraduate Research.

V. Sanctions for Non-Compliance

Failure to comply with this policy or the terms of the memorandum of understanding may subject an employee to sanctions up to and including termination. The University will also take action legally required by the funding sponsor.

VI. Reporting

The University will provide necessary and/or required reports of its management of financial conflicts of interest to external sponsors of university research as required by 42 C.F.R. Part 50, Subpart F (as may be amended or supplemented), and the National Science Foundation's Grant Policy Manual, Section 510 (as may be amended or supplemented).

VII. Records

Records relating to all investigator disclosures of significant financial interests and the University's review and management of such disclosures, will be maintained by the University in the case of externally-funded research for at least three years beyond the termination or completion of the grant to which they relate, or as otherwise required by law.

VIII. Training

The University shall provide conflict of interest training to all investigators receiving funding from the Public Health Service in accordance with 42 C.F.R. Part 50, Subpart F.