

Policies and Procedures

S5 College Administration

S5.5 Conflict of Interest

Responsible Administrator

Vice President of Administration

Purpose

St. Cloud Technical & Community College (SCTCC) will establish standards to provide for a reasonable expectation that research provided by the investigator on a federally funded project is free from bias. The objectivity of research is of paramount importance and the basis for obtaining and maintaining public trust. The regulations are designed to promote objectivity in research by establishing standards which provide a reasonable expectation that the design, conduct and reporting of federally funded research will be free from bias resulting from investigator financial conflicts of interest (42 CFR Part 50, Subpart F).

This policy sets forth procedures and guidelines to be followed to resolve actual and potential conflicts of financial interest pertaining to grants and sponsored projects. This policy addresses Conflict of Financial Interests situations in which applicants for grants and contracts may have the opportunity to influence the SCTCC's business decisions in ways that could lead to personal gain or give improper advantage to themselves or co-applicants (anyone involved in the design, conduct, and reporting of the research results), or their spouses or dependents. Such conflicts could affect the design, conduct, or reporting of research and project results.

Definitions

Significant financial interest is 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 monetary value would exceed \$10,000 (per year) in terms of income or would represent more than five percent (5%) ownership in a given organization (42 CFR Part 50, Subpart F).

Negative disclosure occurs when a good faith revelation of a fact (or an item of information that is not generally known) on a disclosure form does not lend itself to further review.

Positive disclosure occurs when a good faith revelation of a fact (or an item of information that is not generally known) on a disclosure form may lend itself to further review

Investigator is the principal investigator, co-principal investigators, and any other person at the institution who is responsible for the design, conduct, or reporting of research or educational activities funded or proposed for funding by any federal agency such as the National Science Foundation (NSF) and Public Health Service.

Responsibility

The SCTCC Business Office has primary responsibility for implementing this policy.

When SCTCC engages in or intends to engage in a sponsored project with an external organization or has subcontracted or intends to subcontract with an external organization under a sponsored project, a significant conflict of financial interest may occur when the affiliation of the project director/principal investigator (PI/PD) with the external organization meets any of the following criteria:

- The PI/PD, spouse, or dependent is an officer, director, partner, trustee, employee, advisory board member, or agent of the external organization, agency, or corporation either funding a sponsored project or providing goods and services under a sponsored project on which the PI/PD is participating in any capacity.
- The PI/PD, spouse, or dependent children is the actual or beneficial owner and has 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.
- The PI/PD has salary and any payment for services (consulting fees, honoraria, paid authorship, etc.) from a public or non-public traded entity when aggregated for the investigator and the investigator's spouse and dependent children, are not expected to exceed \$10,000 during the twelve-month period.

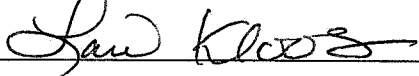
Per Title 42 Code of Federal Regulations (CFR) Part 50 Subpart F (grant and cooperative agreements) and Title 45 CFR Part 94 (research contracts), SCTCC must:

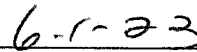
- Create and maintain a written and enforced policy stating the procedures for implementing the regulations.
- Inform each PI/PD of the financial conflict of interest (FCOI) regulations, of SCTCC's policy, and of the PI/PD disclosure responsibilities under the regulation and the policy.

Violations of this policy, such as willful concealment of financial interests or failure to comply with agreed upon modifications to manage, reduce, or eliminate conflicts of financial interest, may result in sanctions being imposed upon the violating individual in accordance with the appropriate collective bargaining agreement.

Supporting References

- OMB Circular A-21 Cost Principles for Educational Institutions – superseded by Super Circular
- OMB Circular A-110 Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations – superseded by Super Circular
- OMB Circular A-133 Audits of State, Local Governments, and Non-Profit Organizations- superseded by Super Circular
- Office of Management and Budget Circular Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards ("Uniform Guidance")
- NSF Proposal and Award Policies and Procedures Guide
- Mankato State University Conflict of Interest Policy
- Bemidji State University Conflict of Interest Policy for Grants and Sponsored Programs
- Northland Community and Technical College Conflict of Interest Policy





College President:

Date:

Date of Adoption:

Date of Implementation:

Date Repealed or Replaced:

S5.5 Conflict of Interest Procedures

Requirements

Each PI/PD and co-applicant participating in a sponsored project covered by this policy must disclose whether they have external affiliation that may constitute a conflict of interest described in the policy above. A Conflict-of-Interest Disclosure form is to be completed and submitted at the same time the Grant Planning form is submitted for approval. The form must be updated annually or whenever new significant financial interests relevant to the project are secured.

Disclosures

Negative disclosures will be filed with the Business Office in the permanent file for the grant, with no further review required.

Positive disclosures forms will be held by the Human Resources office as sealed confidential material while a proposal is pending and will be reviewed by a Review Committee if the proposal is accepted. The review of the positive disclosure must be completed prior to SCTCC's acceptance of the sponsored project or issuance of purchase orders or subcontract for the acquisition of goods and services.

In reviewing positive disclosures, the Review Committee will be guided by the following:

- Adherence to relevant state law and SCTCC policies, bargaining agreements provisions on Ethical Standards and Outside (External) Employment, and other SCTCC documents that may be appropriate.
- Nature and extent of the financial interest of the PI/PD, co-applicants, and their spouses or dependents to the external organization.
- Obtain additional information as needed from the PI/PD or the co-applicant in resolving the actual or potential conflicts.
- Act in a timely manner so as not to delay the sponsored project.
- Identify possible actions SCTCC might take to ensure that financial interest will be managed, reduced, or the conflict eliminated.

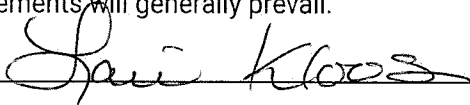
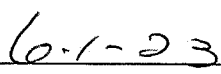
Based on the Review Committee's recommendation, the SCTCC administration may take the following action:

- Accept the sponsored project award.
- Not accept the sponsored project award.
- Accept the sponsored project award subject to conditions or restriction that would manage, reduce, or eliminate the conflict of interest. Such modification might include:
 - Appropriate public disclosure of significant financial interests.
 - Monitoring of the research by independent reviewers
 - Modification of the research plan.
 - Disqualification from participation in a portion of the research that would be affected by the significant financial interests.
 - Divestiture of the significant financial interests.
 - Severance of the relationships that create actual or potential conflicts.

Appeals Process

If the PI/PD or the co-applicant(s) are dissatisfied with the Review Committee's findings, an appeal may be made to the President, who will consult with the PI/PD and the Review Committee as deemed necessary and appropriate to the particular circumstance. The decision of the President upon appeal shall be final.

The Human Resources office shall maintain records pertaining to each disclosure in accordance with the requirements of the Minnesota Data Practices Act. Access to such records will be limited to the PI/PD(s), the Review Committee, the President, and others who have legal right to review the records, in accordance with the appropriate collective bargaining agreements. Certain sponsors, particularly federal agencies, may establish requirements that differ from this policy regarding the timing and frequency of disclosures and other conflict considerations as well. In the case of such discrepancies, the sponsors' requirements will generally prevail.

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