

CLARK ATLANTA UNIVERSITY

Conflict of Interest and Commitment Policies and Procedures



CLARK ATLANTA UNIVERSITY		
POLICY/PROCEDURE	Subject: Conflict of Interest	
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1.0 Statement of Purpose

Clark Atlanta University (CAU/the University) encourages interactions between members of the University community and public and private sectors. These interactions are seen as an important component of its research, education and public service activities. Professional interactions between faculty and staff and government entities and private businesses provide an opportunity to discover and pass on knowledge and to form partnerships that enhance the University's academic and research missions.

It is the purpose of this policy to set forth guiding principles for identifying and mitigating potential conflicts of interest and commitments, and the procedures for reviewing and addressing perceived conflicts that occur. This policy seeks to protect the University faculty and staff so that the public trust and confidence are ensured.

2.0 Policy

CAU, its employees, its governing structure and all constituent groups are committed to conducting themselves and their activities in accordance with the highest standards of integrity and in compliance with, including but not limited to, state and federal regulations and University policy governing ethics and conflicts of interest. CAU's responsibilities in this area include the identification of all potential conflicts of interest and the assurance that they do not negatively affect CAU's participation in research projects, achievement of education goals, community standing and involvement in public service activities.

3.0 Entities Affected By This Policy

All employees of CAU must complete the Conflict of Interest Disclosure Form.

4.0 Definitions

4.1 Business

Any company or corporation, partnership, sole proprietorship, firm, franchise, association, organization holding company, joint stock company, receivership, trust (business, real estate, estate planning, or otherwise), enterprise or any other legal entity.

4.2 Conflict of Interest

A potential conflict of interest occurs when there is a divergence between the individual's private interests and his or her professional obligations to the University such that an independent observer might reasonably question whether the individual's professional actions or decisions are determined by considerations of personal gain, financial or otherwise. An actual conflict of interest depends on the situation and not on the character or actions of the individual. In federally sponsored research, actual conflicts of interest are prohibited by federal law.

The potential for conflicts arises because of the nature and scope of activities engaged in by CAU and its faculty members and staff. CAU assumes that the potential for conflicts of interests will occur regularly in the normal conduct of activities. However, it is essential that the potential for conflicts of interest be disclosed and reviewed by the appropriate individuals at CAU prior to entering into the situation or relationship. After a disclosure, an informed judgment about a particular case can be made and the appropriate oversight, limitations or prohibitions on the activity can be implemented in accordance with federal and state law, as well as CAU policy.

4.3 Conflict of Commitment

With the acceptance of a full-time appointment to CAU, an individual makes a commitment to the University that is understood to be full-time in the most inclusive sense.

Each member of the faculty shall advise the department chair and dean of any activities in which he/she engages which will or may result in rendering less than full-time service to the University. External opportunities will not be allowed to interfere with the responsibilities of the faculty member to the department or major academic unit. The chair of each major academic unit, after consultation with the dean and Provost and Vice President for Academic Affairs, shall approve such outside employment and commitments by the faculty member and report this approval to the dean and Provost. Furthermore, the name of the University may not be used for propaganda purposes or for personal gain.

Staff/Administrative employees who hold full-time appointments are expected to devote their full-time professional loyalty, time and energy to their CAU position. Outside employment is permitted as long as the nature of the employment is not in direct competition or conflict with CAU's mission or the mission of the employee's department. Furthermore, the time and effort required by the outside employment must not in any way restrict or prevent the employee from performing his/her CAU duties and responsibilities. Some departments such as Public Safety may require employees to obtain preapproval by the Director or Unit Head before beginning outside employment. In no case is a full-time or part-time staff/administrative employee permitted to perform duties for another employer (including self-employment) during his/her normal working hours at CAU.

4.4 HHS

HHS means the United States Department of Health and Human Services, and any components of the Department to which the authority involved may be delegated.

4.5 Investigator

An investigator is defined as the Principal Investigator and any other person who is responsible for the design, conduct, or reporting of research or proposed for such funding, including subgrantees, contractors or collaborators. The definition of Investigator includes the Investigator's spouse and dependent children.

4.6 PHS

PHS means the Public Health Service, an operating division of the U.S. Department of Health and Human Services, and any components of the PHS to which the authority involved may be delegated.

4.7 PHS Awarding Component

PHS Awarding Component means the organizational unit of the PHS that funds the research.

4.8 Research

Research means a systematic investigation designed to develop or contribute to generalizable knowledge relating broadly to public health, including behavioral and social-sciences research. The term encompasses basic and applied research and product development. As used in this subpart, the term includes any such activity for which research funding is available from a PHS Awarding Component through a grant or cooperative agreement, whether authorized under the PHS Act or other statutory authority.

4.9 Significant Financial Interest

Significant Financial Interest in a business is anything of monetary value, including, but not limited to, salary or other payments for services (e.g., consulting fees or honoraria); intellectual property rights (e.g., patents, copyrights and royalties from such rights); that exceeds \$10,000 or equity interests (e.g., stocks, stock options or other ownership interests) that exceed \$10,000 or represent a five (5) percent or more ownership interest in any single entity during the 12-month period ending September 30. It excludes any interest arising solely by reason of investment in such business by a mutual, pension or other institutional investment fund over which the employee does not exercise control.

For the purposes of this policy, disclosure is required when the interest in a business by an employee or family member in aggregate exceeds \$10,000 or ownership interest of five (5) percent or more in any single entity during the 12-month period ending September 30.

The calculation of interests that should be disclosed includes the aggregated holdings of the CAU employee and his/her spouse and dependent children.

Please refer to the Faculty Handbook for the CAU policy on intellectual property.

4.10 Family or Family Member

Immediate Family Member or Family includes the faculty or staff member's spouse, domestic partner, children (including stepchildren), parents, siblings, grandparents, grandchildren, father-in-law and mother-in-law or any other in-law.

5.0 Conflict of Interest Guidelines

Conflicts of Interest can arise under many situations. The following are guidelines that members of the University community should follow. Disclosure and approval are required before engaging in activities that are inconsistent with these guidelines.

- **University Administration:** Members of the University community with staff/administrative responsibilities must avoid relationships in which personal interests, including financial interests, overlap with the University's interests.
- **Business Relationships:** When members of the University community or their family members have financial interests in a business or are involved in a business as an owner, operator, or as an executive officer, they must be alert to the possibility that a conflict of interest may arise, if the business has a relationship with the University. This does not apply to the adoption of textbooks, software or other teaching aids written by faculty members or their family members for use in their own course of instruction.
- **Gifts:** The University prohibits all employees from accepting any personal gift or gratuity with a value in excess of \$99, from outside organizations, corporations, companies, partnerships or other entities that provide or are seeking to provide goods or services to the University.

Employees may not accept business entertainment, such as invitations to dinner, sporting events, theater presentations, etc., that is valued in excess of \$99 without disclosing it. Employees must consult with and report to their supervisor all gifts, gratuities and entertainment valued at more than \$99. Gifts that

are sent directly to an employee must be reported to their supervisor. Promotional gifts of nominal value such as pens, calendars and scratch pads do not need to be reported.

It is possible that a gift in excess of \$99 is acceptable; however, the Gift Receipt form must be completed and returned to the Compliance Office.

Employees of the Purchasing Office must adhere to departmental gift policies which can be found on the CAU Web site.

- **Use and Appropriation of University Assets:** Where specific procedures regarding the disposition and control of University assets do not exist, individuals are expected to protect the best interests of the University in its tangible and intangible assets. Conduct constituting the misappropriation or unauthorized use of University assets in connection with any external activity is prohibited.
- **Research Activities:** Conflicts of interest in sponsored research involves situations in which financial, professional, or other personal considerations may compromise, or have the appearance of compromising an individual's judgment in the conduct or reporting of sponsored research. Individual members of the University community may not review, approve or administratively control contracts, grants or other business relationships when such contract, grant or other business relationship pertains to sponsored research involving the University and the business in which the individual or a family member has a significant financial interest or when the individual or a family member is an employee of the business and directly involved with activities pertaining to the sponsored research.
- **Activities Related to Students:** An individual member of the University community may not assign students, postdoctoral fellows or other trainees to University projects sponsored by any business if the individual or a family member has a significant financial interest in the business. An individual also may not assign students or permit students to participate in any consulting relationship in which the individual or a family member has a significant financial interest.

Deans and department chairs have the responsibility for protecting the interests of students, fellows and trainees who may be directly or indirectly involved in a conflict of interest situation.

- **Activities Related to Family Members:** Members of the University community may not participate in the hiring process or any employment-related decisions pertaining to their family members. Likewise, they may not be in a position to supervise a family member as an employee of the University or otherwise review or participate in reviewing a family member's work as an employee of the University.

6.0 Potentially Nonallowable Activities

The following is a partial list of activities or actions that merit case-by-case examination to determine whether they create a material conflict of interest/commitment that should either be managed or eliminated.

- Failure of the faculty member or staff member to fulfill University responsibilities (e.g., holding classes, advising students, conducting research, serving on departmental or University committees, supervising students in a research lab, fulfilling job requirements) due to involvement in external activities
- Accepting gratuities or special favors from companies doing business or sponsoring one's research at the University or related entities.
- Performing evaluative research for a company in which the investigator has a financial interest
- Accepting a paid consultancy with a company having an interest in the research being conducted
- Using students to perform services for a company in which a researcher has a financial interest

- Providing privileged access to information developed with University or independent sponsorship to another entity in which the faculty or staff member has a financial or political interest
- Negotiating on behalf of the University for the purchase of materials from a company in which the faculty or staff member has a financial interest
- Influencing the negotiation of contracts, including research contracts or licensing contracts, between the University and a company in which a faculty or staff member has a financial interest
- Accepting gifts from a student, especially when the recipient of the gifts is responsible for evaluating the student

7.0 Allowable Activities

The following examples are not considered conflicts of interest and are exempt from reporting requirements, unless they are so extensive in time and effort that they constitute a conflict of commitment.

- Receiving royalties, honoraria, stipends or other remuneration from CAU
- Earning income from seminars, lectures or teaching engagements sponsored by public or nonprofit entities
- Receiving income from service on advisory committees or review panels for public or nonprofit entities
- Faculty members may hold office or membership on a board or committee of an entity supporting their University research as long as they disclose this activity
- Holding financial interests in business enterprises or entities if the value of such interests in the 12-month period ending September 30 does not exceed \$10,000 in equity interest, or does not represent five (5) percent or more ownership interest in any one enterprise or entity when aggregated for the employee and/or family member.
- Assigning as the required text for a course a book for which the faculty receives royalties with the Dean's approval

8.0 Conflict of Interest Examples

The following are examples of actual conflicts of interest that are inconsistent with University policy and may not be undertaken:

- A researcher uses his laboratory at CAU to do product-testing research, paid for by a company in which the researcher is a 20% owner, which seeks to validate advertising claims made about a product sold by that company.
- An employee directs the purchase of supplies for the University toward a business in which he knows that he or his immediate family has a significant financial interest.
- An employee managing a design and construction project participates in the selection of an architectural firm in which his/her spouse is an employee.
- A faculty member acts as the thesis or dissertation advisor to a graduate student for a research project, suggested by the faculty member, that the faculty member expects to substantially enhance the value of a company in which the faculty member has a significant financial interest.

9.0 Guiding Principles for Conflict of Interest/Commitment

- Outside activities should not interfere with performance of the primary responsibilities expected of full-time faculty or staff

- Management or consulting roles in an outside private business generally are not acceptable in cases that require the faculty member to assume major responsibilities, such as day-to-day oversight of the company
- Faculty and researchers must make University obligations known to external entities with whom business is contracted and provide them with relevant University policies governing inventions and discoveries
- Preferential access to research results, materials or products generated from university teaching or research activities may not be provided to an outside entity for the personal financial gain of a faculty member/researcher, except in cases in which appropriate licensing arrangements have been developed and approved according to University policies
- Selection of students for participation in a research project should not be inappropriately influenced by the interests of a sponsoring company, including a company in which the supervising professor may have a significant financial interest.

10.0 Disclosure Requirements

In order to identify and review conflicts of interest and the appearance of conflicts of interest, all members of the University community must disclose annually by September 30 all outside activities and financial interest that create or have the appearance of creating conflicts of interest to the appropriate University officials. Appropriate University officials include the Vice President for Academic Affairs and all other University Vice Presidents. All potential Conflicts of Interest that arise after September 30 must be disclosed at the time they are identified.

All Conflicts of Interest CAU identifies subsequent to the initial report to a federal agency must be disclosed within 60 days of that identification. A report should be made to the governing agency describing how the conflicting interest is being managed, reduced or eliminated.

Disclosure is required when the interest in a business by an employee or family member in aggregate exceeds \$10,000 or ownership interest of five (5) percent or more in any single entity during the 12-month period ending September 30.

Faculty members submitting a proposal to any external agency must comply with each agency's requirements. All conflict of interest forms that are completed for the external agency as part of the proposal must be submitted to the Vice President for Academic Affairs who will notify the department head and the Office of Research and Sponsored Programs that the forms have been received.

Members of the University community must follow the Conflict of Interest Guidelines described in this document. Disclosure statements are considered confidential; however, the information may be released in accordance with and as required by federal, state or local law or court order.

CAU will make conflict of information available, upon request, to the awarding agency including HHS.

Disclosure of Financial Conflicts of Interest for NIH

All potential financial conflicts of interest for NIH grants and contracts must be disclosed at the time they are identified. For grants, all Financial Conflict of Interest reports should be sent to the Vice President of Research and Sponsored Programs (http://grants.nih.gov/grants/stafflist_gmost.htm). For contracts, reports should be sent to the appropriate Director, Office of Acquisitions (http://oamp.od.nih.gov/AcquisitionOffices/chief_cos1.asp). The following information must be included in the report:

- Grant or Contract number

- Principle Investigator (PI) or contact PI if the grant/contract is awarded under the multiple PI model
- Name of the Investigator (if different from the PI) with the Financial Conflict of Interest and
- Distinguish which method was used to protect the involved NIH-funded research from bias (e.g., managed, reduced or eliminated).

If HHS determines that a PHS-funded project to evaluate a drug, medical device or treatment was conducted by an investigator with a conflict that was not disclosed or managed, the institution must require investigators to disclose the conflict in each public presentation of the results of the research.

11.0 Conflict of Interest Review Process

Faculty will submit conflict of interest forms to the Vice President for Academic Affairs. Staff/Administrative employees will submit conflict of interest forms to their Vice President. The annual forms must be submitted no later than September 30 of each academic year.

If the Vice President for Academic Affairs or other University Vice President determines there is an appearance of a conflict of interest, he/she must contact the Chief Compliance Officer (CCO) and submit the disclosure form to that office. The CCO will contact the General Counsel for advice and counsel regarding the potential conflict. If the CCO and General Counsel determine there is a potential conflict of interest, they will take the issue to a closed session of a subcommittee of the Compliance Committee. The Compliance Committee will make a final determination on all conflict of interest issues. The Compliance Office will provide the Committee with summaries, reports, and other pertinent information as is warranted.

11.1 Committee Duties and Responsibilities Regarding Conflict of Interest

- The Committee's responsibility regarding conflicts of interest is to serve to protect the University's mission, philosophy, and overall purpose.
- The Committee is responsible for reviewing all conflict of interest cases involving the University. The Committee will conduct a thorough review of each case and make a final determination.
- The Committee shall be provided with a copy of any disclosure statement which reveals a real or apparent conflict of interest, together with a recommendation from the appropriate Vice President or the Vice President for Academic Affairs. The Committee must provide individuals with the opportunity to appear before the Committee regarding the recommendation and to discuss the apparent conflict. The response of the individual will become an official part of the conflict of interest review record.
- It is the responsibility of the Committee to review this policy periodically to ensure that it is kept current.

12.0 Enforcement and Penalties

The functional Vice President is responsible for overseeing the implementation and enforcement of this policy. The functional Vice President will review all violations of this policy, but not limited to: including (a) failure to comply with the disclosure process (by refusal to respond, by deliberately responding with incomplete, inaccurate or misleading information); (b) failure to remedy conflicts of interest; and (c) failure to comply with a prescribed monitoring plan.

Possible penalties include, but are not limited to, reimbursement to the University for misused resources; formal admonition; inclusion in an employee's file of a letter of reprimand or warning from the appropriate University administrator; ineligibility of a faculty member for a grant application, Institutional Review Board approval, or supervision of graduate students; nonrenewal of appointment; and dismissal from employment consistent with the Staff and Faculty Handbooks.

Any member of the University community, including students, may report an incidence of suspected conflict of interest to the Compliance Hotline at 404-589-8006 or their department head or supervisor. The University will protect anyone who reports a violation from retaliation.

13.0 Retention of Conflict of Interest Records

CAU is required to keep all Conflict of Interest records for grants and cooperative agreements for at least three years from the date of submission of the final expenditures report or, where applicable, from other dates specified in 45 C.F.R. 74.53 (b) for different situations. For research contracts CAU is required to keep records for three years after final payment or where applicable, for the other time periods specified in 48 CFR part 4, subpart 4.7.

14.0 Appendices

14.1 Conflict of Interest Disclosure Form (attached)

14.2 Conflict of Interest Review Form (attached)

CLARK ATLANTA UNIVERSITY Conflict of Interest Disclosure Form

Name: _____ Employee ID: _____

Job Title: _____ Phone: _____

Department: _____ Vice President _____

Instructions for Faculty and Staff: Check the appropriate box for each question and complete the attached form if necessary. The forms should be completed based on current activities and those occurring during the 12 month period ending September 30th. Return the completed form(s) in a sealed envelope with your name on front to the Vice President for Academic Affairs or the University Vice President in your line of report.

A. Business Relationships and Research Activities: Are you or a family member (spouse, domestic partner, children [including stepchildren], parents, siblings, grandparents, grandchildren, father-in-law, mother-in-law or other in-law) involved as an investor, owner, employee, consultant, contractor, or board member with (or entitled to receive royalties from) a business that (1) has a contractual relationship with Clark Atlanta University (CAU), (2) provides goods or services to CAU, (3) sponsors or is involved in research activities at CAU, or (4) receives referrals from CAU?

NO YES (If YES, please complete Section 1)

B. Family Members Working at CAU: Do you or a family member (spouse, domestic partner, children [including stepchildren], parents, siblings, grandparents, grandchildren, father-in-law, mother-in-law or other in-law) supervise, review, determine or influence compensation, or assign work to each other at CAU?

NO YES (If YES, please complete Section 2)

C. Gifts: Have you or a family member (spouse, domestic partner, children [including stepchildren], parents, siblings, grandparents, grandchildren, father-in-law, mother-in-law or other in-law) accepted gratuities, gifts, or special favors from someone who is doing business with or proposing to do business with CAU that exceeded \$99 in value per year from a single source?

NO YES (If YES, please complete requirements in Section 3)

D. Outside Activities: Do you have activities outside of work that overlap with CAU's standard business hours or your time commitment to CAU?

NO YES (If YES, please complete Section 4)

E. Legal Proceedings and Debarment: Have you been involved in any fraud, antitrust or criminal proceedings as a defendant (other than a minor traffic offense) or been debarred, suspended or otherwise excluded by a duly authorized regulatory agency or had a transaction with any such agency terminated for any reason?

NO YES (If YES, please complete Section 5)

F. Other Relationships: Are you or a family member (spouse, domestic partner, children [including stepchildren], parents, siblings, grandparents, grandchildren, father-in-law, mother-in-law or other in-law) involved in any other activity or relationship directly or indirectly involving CAU that creates a conflict of interest or the appearance of a conflict under the CAU Conflict of Interest Policy?

NO YES (If YES, please complete Section 6)

Employee's Signature: _____ Date: _____

If you answered yes to any question on the previous page, please complete the relevant section(s) below. If you need more space, attach additional sheets. If you answered no to all questions, you may discard pages 2 and 3.

Section 1 - Business Relationships and/or Research Activities: Please complete Section 1 for each business relationship and/or research activity.

1. Name of business: _____

2. Categorize the business relationship with CAU:

Consultant or advisor

Research activities

Business referrals

Other contractual or business relationship (describe): _____

Briefly describe the business relationship: _____

3. Who is involved with the business? Check all that apply:

Yourself

A family member (name and relationship): _____

Describe the position or involvement (check all that apply):

Owner and/or Investor

Board Member

Employee

Other _____

4. Do you or a family member receive salary or other payments for services (e.g., consulting fees or honoraria) that exceed \$10,000 or equity interests (e.g., stocks, stock options or other ownership interests) that exceed \$10,000 or represent a five (5) percent or more ownership interest in any single entity?

NO YES, if yes describe _____

5. Do your job responsibilities at CAU involve this business?

NO YES, if yes describe _____

6. Who at CAU oversees the relationship with this business?

Name: _____

Title: _____

Department: _____

Phone: _____

7. Have you used CAU's name, resources (facilities, personnel, or equipment), or confidential information in connection with this business?

NO YES, if YES, describe the CAU resources used

8. Has your supervisor or department head approved this relationship?

NO YES, if YES, please provide name of supervisor or department head and date approved

Supervisor/Department Head: _____ Date: _____

Section 2 - Family Members Employed at CAU: Please provide the following information

1. Name of family member employed at CAU: _____

Relationship to you: _____ Their Position: _____

Their Department: _____ Their Supervisor: _____

2. Do you and your family member work in the same department or area?

NO YES, if YES, check any of the following that apply

Review family member's work Family member reviews my work

Determine or influence family member's salary Family member determines or influences my salary

Supervise family member Family member supervises me

Assign work to family member Family member assigns work to me

Section 3 - Gifts for Personal Use: If the value of the personal gift received by you or a family member exceeds \$99 please contact the Compliance Office for a Gift Receipt Form or obtain a copy from www.cau.edu Compliance Web page. Return the completed Gift Form to the Compliance Office.

Section 4 - Outside Activities and CAU:

1. Describe the outside activities: _____

2. Have you used CAU's name, resources (facilities, personnel, or equipment), or confidential information in connection with the outside activities?

NO YES, if YES, describe the resources used: _____

Section 5 - Legal Proceedings and Debarment: Describe any legal proceedings or debarment situations

Section 6 - Other Relationships: Describe all other relationships which may present a conflict of interest

Employee's Signature: _____ Date: _____

CLARK ATLANTA UNIVERSITY

Conflict of Interest Review Form

Instructions for University Vice Presidents: Please review the faculty or staff member's conflict of interest disclosure form. If the employee answers "no" to all questions, forward the form to the Director of Human Resources. If the employee answers "yes" to any questions on the conflict of interest disclosure form, complete and sign this conflict of interest review form and forward it to the Chief Compliance Officer.

EMPLOYEE'S NAME: _____

TYPE OF POTENTIAL OR ACTUAL CONFLICT:

- Significant Financial Interest
- Family Member
- Receipt of Gift or Gifts
- Conflict of Commitment
- Legal Proceedings or Debarment
- Other _____

PROPOSED RESOLUTION: Describe the suggested resolution of the potential conflict of interest

Reviewer: _____ Date: _____
Title: _____ Phone: _____
Department: _____

Return completed forms with your recommendations and all supporting materials (e-mails, memos, etc.) to the Compliance Office located in Room 215 Harkness Hall. If you have any questions, call the Chief Compliance Officer at 404-880-6662.

Compliance Office Recommendation:
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