



**WESTERN MICHIGAN UNIVERSITY**

**Conflict of Interest Policy  
for Research Investigators**

## **Conflict of Interest Policy for Research Investigators**

The University is responsible for maintaining objectivity in research by ensuring that the design, conduct, and reporting of research will not be biased by any conflicting financial interest of investigators responsible for the research. The rationale for establishing policies to manage conflict of interest in research is to protect employees and the University from potential accusations of misconduct.

As one example, the increasing involvement of academic researchers and educators with industry and private enterprise makes it easier for promising research observations to be translated into practical application in many different sectors. Involvement in commercial activities comes with many benefits: practical application of new technology, royalty income for the employee and the University, and the potential of external research funds among others. WMU encourages employees to: patent and license inventions arising from their research, develop partnerships with industry to market new technology, apply for industry sponsored research funds, and serve as consultants for industry. The Federal government also encourages universities to commercialize the results of federally supported research for the public good (see Bayh-Dole Act). However, these activities could potentially divert university employees from their primary mission of education, research, and service and become one possible source of conflicts of commitment or conflicts of interest.

This policy provides guidance for investigators to help them avoid conflicts of commitment and conflicts of interest.

**Conflict of Commitment (COC):** Full-time faculty members are expected to devote their primary professional time to teaching, research, service, and administrative responsibilities. Outside financial interests and activities should not interfere with these commitments.

**Conflict of Interest (COI):** A financial conflict of interest (FCOI) exists when a significant financial interest could directly and significantly affect the design, conduct, or reporting of the research or educational activities funded by an external sponsor. The vice president for research will establish procedures to reasonably determine if an actual or potential financial conflict of interest exists.

### **Federal Requirements**

Federal regulations require institutions to have policies and procedures in place to ensure that investigators disclose any significant financial interest that would reasonably appear to be affected by the activities funded or proposed for funding by external sponsors. Such disclosures must be made prior to the submission of a proposal for funding; and institutions must certify compliance on each proposal as well as develop specific mechanisms by which conflicts of interest will be satisfactorily managed, reduced, or eliminated prior to the institution's expenditure of any funds under the award. The institution must also maintain appropriate records and have review and enforcement mechanisms. It must make public disclosure of a significant financial interest if requested by a funding agency. If a new reportable significant financial interest arises at any time during the period after the submission of the proposal through the period of the award, the filing of a disclosure is also required.

## Individuals Covered by the Policy

“Investigator” means the principal investigator/project director, co-principal investigator(s), and any other person, regardless of title or position, who is responsible for the design, conduct, or reporting of research or educational activities funded or proposed for funding by an external sponsor. In this context, the term Investigator includes the sub-grantees, contractors, and collaborators. (See below for rules about Investigator’s spouse and dependent children.)

### Definitions

**Financial Interest** means anything of monetary value, whether or not the value is readily ascertainable.

**Significant Financial Interest** means a financial interest that consists of one or more of the following interests of an Investigator and those of the Investigator’s spouse and dependent children that reasonably appear to be related to the Investigator’s Institutional responsibilities. A Significant Financial Interest exists if:

1. Public traded entity: If the value of any remuneration received from the entity in the twelve months preceding the disclosure and the value of any equity interest in the entity as of the date of disclosure, when aggregated, exceeds \$5,000.
2. Non-public traded entity:
  - a. If the value of any remuneration received from the entity in the twelve months preceding the disclosure, when aggregated, exceeds \$5,000, or
  - b. when the Investigator (or the Investigator's spouse or dependent children) holds any equity interest (e.g., stock, stock option, or other ownership interest); or
3. Intellectual property rights and interests (e.g., patents, copyrights): Upon receipt of income related to such rights and interests.
4. Travel: Any reimbursed or sponsored travel (paid on behalf of the investigator and not reimbursed to the Investigator). This does not include travel reimbursed or sponsored by government agencies, higher education institutions, teaching hospitals, medical centers, etc.

For purposes of this definition, remuneration includes salary and any payment for services not otherwise identified as salary (e.g., consulting fees, honoraria, paid authorship); equity interest includes any stock, stock option, or other ownership interest, as determined through reference to public prices or other reasonable measures of fair market value.

The term *does not include*:

1. salary, royalties, or other remuneration from the applicant institution;
2. income from seminars, lectures, or teaching engagements sponsored by public or nonprofit entities;
3. income from service on advisory committees or review panels for public or nonprofit entities;
4. an 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 \$5,000 in value as determined through reference to public prices or other reasonable measures of fair market value **and** does not represent more than a five percent ownership interest in any single entity;
5. salary, royalties, or other payments that when aggregated for the investigator and the investigator's spouse and dependent children are not expected to exceed \$5,000 during the next twelve month period.

## Disclosure Requirements

Each investigator is required to disclose any *significant financial interest*:

1. That would reasonably appear to be affected by the research or educational activities funded, or proposed for funding, by an external sponsor; or
2. In entities whose financial interests would reasonably appear to be affected by the research or educational activities funded, or proposed for funding, by an external sponsor.

## Disclosure Procedures

1. All investigators must disclose their significant financial interests utilizing the enclosed forms and attaching all required supporting documentation. The completed disclosure form must be submitted with the proposal and the proposal approval form to the Office of Research and Sponsored Programs. Supporting documentation should be submitted in a sealed envelope marked *confidential*.
2. In accordance with federal regulations, a complete disclosure must be made by the investigator(s) *prior to submission of the proposal*.
3. Resolutions to conflicts of interest will be incorporated in a memorandum of understanding that is executed between the investigator(s) and the dean/director prior to the institution's expenditure of any funds under the award.

## Conflict of Interest Forms

- *Significant Financial Interest Disclosure Form (discloses a significant financial interest on sponsored research projects)*
- *Significant Financial Conflict Avoidance Form*

Using the Conflict of Interest Policy and Form, WMU investigators must report where they have a significant financial interest, as described in the policy, upon submission of an external funding proposal. If the OVPR determines that there is a Significant Financial Conflict of Interest, the office will work with the investigator to prepare the significant financial conflict avoidance form to eliminate and/or manage the conflict.

If you have questions about whether you have a financial conflict of interest, please contact the Vice President for Research 269-387-8270. If you have questions about conflicts of interest related to the protection of human subjects, please contact the research compliance coordinator at 269-387-8293.

Reference: 42 CFR Part 50 Subpart F and 45 CFR Part 94

**Significant Financial Interest Disclosure:**  
Applicable to all Sponsored Project Proposals

Name \_\_\_\_\_ Department/College or Unit \_\_\_\_\_

Project Title \_\_\_\_\_ Sponsor \_\_\_\_\_

Project Role: \_\_\_ PI \_\_\_ Co-PI \_\_\_ Other (title):

*Instructions: Please indicate with a check (✓) yes or no to items 1 and 2 as appropriate.*

1. I am disclosing the following significant financial interests related to this project and held by my spouse, dependent child(ren), or myself:

\_\_\_ Yes, as indicated below:

- \_\_\_ Salary or other payments for services (e.g., consulting fees or honoraria)
- \_\_\_ Equity interests (e.g., stocks, stock options, or other ownership interests)
- \_\_\_ Intellectual property rights (e.g., patents, copyrights, and royalties from such rights)
- \_\_\_ Travel - any reimbursed or sponsored travel except federal agencies, etc.
- \_\_\_ Other significant financial interest of the investigator that possibly could affect or be perceived to affect the results of the research or educational activities funded or proposed for funding

\_\_\_ No, I have nothing to disclose.

2. I am attaching supporting documentation (in an envelope marked *confidential*) that identifies the business enterprise or entity involved and the nature and amount of the interest:

\_\_\_ Yes \_\_\_ No

3. I agree:

- to update this disclosure during the period of the award, either on an annual basis, or as new reportable significant financial interests are obtained;
- to cooperate in the development of a memorandum of understanding that constitutes a conflict of interest "resolution plan" if so required;
- to comply with any conditions or restrictions imposed by the University to manage, reduce, or eliminate conflicts of interest or forfeit the award.

Signed: \_\_\_\_\_ Date: \_\_\_\_\_

*Original signature only — a "per" signature is not acceptable.*

Endorsements:

I have reviewed the significant financial interest disclosure and believe that it will be possible to develop and execute, prior to the institution's expenditure of any funds under the award, a memorandum of understanding to manage, reduce, or eliminate any conflict of interest; and, therefore, I recommend that the proposal be submitted to the agency at this time.

Chair/Director: \_\_\_\_\_ Date: \_\_\_\_\_

Dean or Associate Dean: \_\_\_\_\_ Date: \_\_\_\_\_



**CONFLICT AVOIDANCE STATEMENT**

Name: \_\_\_\_\_

Department or Unit: \_\_\_\_\_

Company: \_\_\_\_\_

Address: \_\_\_\_\_

Licensed Technology: \_\_\_\_\_

Because of the WMU license granted to the above company and my equity\* position and continuing relationship with this company, I acknowledge the potential for a possible conflict of interest between the performance of research at WMU and my contractual or other obligations to this company. Therefore, I will not without proper authorization:

1. use students at WMU for research and development projects for the company;
2. restrict or delay access to information from my WMU research;
3. take direct or indirect research support from the company in order to support my activities at WMU;  
or
4. employ students at the company, except in accordance with WMU policies and procedures.

In addition, in order to avoid the appearance of a conflict, I will attempt to differentiate clearly between the intellectual directions of my WMU research and my contributions to the company. To that end, I will expressly inform my department chair/laboratory director annually of the general nature of my activities on behalf of the company.

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

Approved by: \_\_\_\_\_

Name (print): \_\_\_\_\_  
(Dept. Chair or Unit Dir)

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\* "Equity" includes stock, options, warrants or other financial instruments convertible into Equity, which are directly or indirectly controlled by the inventor.