

Administrative Policy #: [Click or tap here to enter number](#)

Title: Conflict of Interest Relating to Sponsored Programs

Effective Date: [Click or tap here to enter date](#)

SECTION 1. PURPOSE & SCOPE

1.1. PURPOSE: *(The policy's intent.)* To avoid any possible conflict of interest in the conduct of a grant or contract activities, the following safeguards are established, as mandated by Federal law (Compliance 5.1), to prevent employees, consultants, or subrecipients from using their positions for purposes that are, or give the appearance of being, motivated by a desire for private gain for themselves or others, such as those with whom they have family, business, or other ties. Adopting this policy not only complies with Federal requirements but also helps ensure that high standards of scientific and academic integrity govern the conduct of sponsored projects, thereby bolstering public understanding and trust in science and research. Accordingly, this policy is effective immediately.

1.2. SCOPE: *(An overview of the policy and its boundaries.)* An actual or potential conflict of interest exists when the Director of Sponsored Programs, in consultation with others as appropriate (e.g., department chair, academic dean, graduate dean, general counsel, internal auditor) reasonably determines that a significant financial interest could affect the design, conduct, or reporting of the research, educational, or service activities proposed for funding. Failure to file a completed Conflict of Interest Disclosure Form or to comply with any conditions or restrictions imposed on the conduct of the project constitutes grounds for University discipline up to and including termination of employment.

SECTION 2. APPROVAL, DELEGATION & APPLICABILITY

2.1. AUTHORITY: *(The university official that has the power to make decisions, enforce rules, or delegate authority regarding the policy.)* The Director of the Office of Sponsored Programs (OSP) determines what conditions and restrictions, if any, should be imposed to manage, reduce, or eliminate any actual or potential conflict of interest.

2.2. DELEGATION: *(Clarification of whether authority may be delegated, and if so, the limits (e.g., which authority and to whom?).* The Director of OSP may delegate this authority as deemed appropriate.

2.3. APPLICABILITY: *(Specifies what individuals and/or entities the policy affects.)* This policy applies to any Principal Investigator/Project Director (PI/PD), Co-PIs/Co-PDs, other key project personnel, and any other person identified on the proposed project.

SECTION 3. DEFINITIONS *(Clarification of key terms and concepts used in the policy.)*

3.1. Principal Investigator/Project Director (PI/PD): includes co-PIs/co-PDs, other key project personnel, and any other person identified on the proposed project who is responsible for the design, conduct, or reporting of research or educational activities funded or proposed for funding

3.2. Significant Financial Interest (SFI): anything of monetary value, including, but not limited to, salary or other payments for services (e.g., consulting fees or honoraria); equity interests (e.g., stocks, stock options, or other ownership interests); and intellectual property rights (e.g., patents, copyrights, and royalties from such rights). The term does not include (1) salary, royalties, or other remuneration from Fairmont State University; (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 \$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 a single entity; or (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 \$10,000 during the next twelve month period.

3.3. Significant Financial Interest (According to Public Health Service [PHS]): a financial interest consisting of one or more of the following interests of the Investigator (and

those of the Investigator's spouse and dependent children) that reasonably appears to be related to the investigator's institutional responsibilities:

- 3.3.1. With regard to any publicly traded entity, an SFI exists 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. 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;
- 3.3.2. With regard to any non-publicly traded entity, an SFI exists if the value of any remuneration received from the entity in the twelve months preceding the disclosure, when aggregated, exceeds \$5,000, or 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 intellectual property rights and interests (e.g., patents, copyrights), upon receipt of income related to such rights and interests.
- 3.4. Significant Financial Interest **does not** include the following types of financial interests: salary, royalties, or other remuneration paid by the institution to the Investigator if the Investigator is currently employed or otherwise appointed by the Institution, including intellectual property rights assigned to the institution and agreements to share in royalties related to such rights; any ownership interest in the institution held by the investigator, if the institution is a commercial or for-profit organization; income from investment vehicles, such as mutual funds or retirement accounts, as long as the Investigator does not directly control the investment decisions made in these vehicles; income from seminars, lectures, or teaching engagements sponsored by a federal, state, or local government agency, an institution of higher education (IHE) as defined by 20 U.S.C. 1001(a), an academic teaching hospital, a medical center, or a research institute that is affiliated with an IHE; or income from a service on advisory committees or review

panels for federal, state, or local government agency, an IHE as defined by 20 U.S.C. 1001(a), an academic teaching hospital, medical center, or research institute that is affiliated with an IHE.

SECTION 4. POLICY *(A statement of the core principles, rules, and standards in the policy.)*

- 4.1. It is the policy of Fairmont State University that at the time a grant is submitted to an extramural sponsor and registered in the Office of Sponsored Programs (OSP), whether to a governmental or nongovernmental sponsor, the PI or PD, along with any other Fairmont State employee or subrecipient involved in this grant, must file a Conflict of Interest Disclosure Form with OSP if the Proposal Certification Form indicates it is necessary. The following provisions apply: Each PI and/or PD, along with any other Fairmont State employee involved in the grant, must disclose to the Director of OSP all significant financial interests of the Investigator, including those of the Investigator's spouse and dependent children, that would reasonably appear to be: affected by the research or education activities proposed for funding, in entities whose financial interests would reasonably appear to be affected by such activities, or reasonably appear to be related to the Investigator's institutional responsibilities.
- 4.2. While the initial disclosure must be provided at the time the proposal is submitted, each disclosure must be updated annually or sooner if new reportable significant financial interests are obtained. If the annual disclosure is not completed, OSP will not submit any proposals on behalf of the Principal Investigator. Updated Conflict of Interest (COI) Disclosure Forms (along with PI Onboarding training) are due annually between August 15 and September 15. If the initial COI Disclosure Form (and Onboarding) were completed within the prior six months, the update (and refresher training) can be postponed until the following August/September timeframe.
- 4.3. If an actual or potential conflict of interest exists, the Director of OSP will determine what conditions or restrictions to impose to manage, reduce, or eliminate such conflicts. These conditions or restrictions might include, but are not limited to, the following: public disclosure of significant financial interests, monitoring of research by independent reviewers, modification of the research plan, disqualification from

participation in the portion of the grant or contract that would be affected by the significant financial interests, divestiture of significant financial interests, and/or severance of relationships that create actual or potential conflicts.

- 4.4. If the Director of OSP 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 interests of scientific or academic progress, technology transfer, or the public health and welfare, then the Director may allow the research to go forward without imposing such conditions or restrictions. Each condition or restriction, if imposed, will include adequate enforcement mechanisms which allow for sanctions where appropriate. Faculty members may appeal decisions of the Director by presenting their cases in writing to the Provost, who will consider pertinent facts in consultation with an ad hoc Conflict of Interest Advisory Board. Specific sanctions will be determined by the Provost after a timely review of pertinent facts. Further, OSP will keep pertinent agencies appropriately informed.
- 4.5. OSP and responsible parties will maintain records of all financial disclosures and of all actions taken to resolve actual or potential conflicts of interest until at least three years after the termination or completion of the award to which those records relate, or the resolution of any government action involving those records, whichever is longer.
- 4.6. All investigators under a Public Health Service (PHS) Agency (Compliance 5.2) or Department of Energy (Compliance 5.3) Award, including the PI, Co-PI, Senior/Key Personnel, and anyone responsible for the purpose, design, conduct, or reporting of the sponsored research are required to complete a training on financial conflicts of interest (FCOI) and to disclose significant financial interests (SFIs). Guidelines for these SFIs differs for PHS awards (Definition 3.3.).
- 4.7. The FCOI training is available through the National Institutes of Health and available here. To conduct research, this training must be completed every four years and immediately when any of the following circumstances apply: (1) the institution revises its financial conflict of interest policies or procedures in any manner that affects the requirements of the investigators, (2) an investigator is new to the institution, or (3) an

institution finds that an investigator is not in compliance with the institution's financial conflict of interest policy or management plan.

- 4.8. All investigators must review the FCOI training, complete the quiz, and download the certificate and then send to OSP@fairmontstate.edu as proof that the FCOI training requirements have been completed.
- 4.9. Regarding SFIs, all investigators must disclose their SFI and any SFIs of their spouse and/or dependents when the funding proposal is submitted to the University or before any work commences on an award subject to additional FCOI compliance. FCOI disclosures must be updated annually and within 30 days of any newly acquired or discovered SFIs.

SECTION 5. COMPLIANCE *(The policy's relationship to laws, regulations, and/or policies.)*

- 5.1. COMPLIANCE: This policy complies with Public Health Service (PHS): 60 FR 35810-35819 and NSF: 60 FR 35820-35823, both issued in the Federal Register (FR) on July 11, 1995, as well as the West Virginia Ethics Commission Advisory Opinions on Conflict of Interest. PHS Agencies include the following: Administration for Children and Families (ACF); Administration on Aging; Agency for Healthcare Research and Quality (AHRQ); Agency for Toxic Substances and Disease Registry; Office of Assistant Secretary for Health (OASH); Centers for Disease Control and Prevention (CDC); Food and Drug Administration (FDA); Federal Occupational Health (FOH); Health Resources and Services Administration (HRSA); Indian Health Service (IHS); National Institutes of Health (NIH); Office of Global Affairs (OGA); Office of Public Health & Science (OPHS); and Substance Abuse and Mental Health Services Administration (SAMHSA). As required by 2 CFR 200.112, Department of Energy (DOE) established an interim COI policy governing financial conflicts of interest and organizational conflicts of interest concerning applicants for, and recipients of, Federal financial assistance awards from DOE. Per 2 CFR 200.112, "[t]he Federal awarding agency must establish conflict of interest policies for Federal awards. The non-Federal entity must disclose in writing any potential conflict of interest to the Federal awarding agency or pass-through entity in accordance with applicable Federal awarding agency policy."

5.2. NONCOMPLIANCE: Individuals who knowingly and willfully fail to report Significant Financial Interests may be removed as PI or grant personnel, depending on the severity of the lack of disclosure. Individuals who mistakenly fail to report a Significant Financial Interest will be immediately required to submit a disclosure form and further action will be taken, if needed.

SECTION 6. REVISION HISTORY *(A record of all changes made to the policy.)*

6.1. FREQUENCY OF REVIEW: This policy will be reviewed annually.

6.2. APPROVED: Click or tap here to enter text

6.3. REVISED: Click or tap here to enter text

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