

# SPON-007 Promoting Objectivity in Research--Financial Conflicts of Interest in Research for Public Health Services (PHS) Investigators

	<p>Policy identification number: SPON-007</p> <p>File: <b>Other Operational Policies / Sponsored Research &amp; Federal Regulations</b></p> <p><b>Promoting Objectivity in Research--Financial Conflicts of Interest in Research for Public Health Services (PHS) Investigators</b></p> <p>Policy Summary</p> <p><b>This policy seeks to promote objectivity in research by establishing standards that provide a reasonable expectation that the design, conduct, and reporting of research performed under Public Health Services (PHS) grants or cooperative agreements will be free from bias resulting from an investigator's financial conflicts of interest.</b></p>
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<p>Policy Owner</p> <p><b>Provost and Vice President for Academic Affairs</b></p>	<p>Approval Date</p> <p><b>January 27, 2016</b></p>	<p>Effective Date</p> <p><b>January 27, 2016</b></p>
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## Policy Statement

Fort Lewis College (FLC or “The College”) and its employees are asked to assist in a broad range of economic development activities, to work on projects that involve support from the governmental and the commercial sectors, and to engage in consulting relationships and other outside economic activities. Generally, such outside activities enhance professional development,

scholarship, and teaching and are strongly encouraged. Along with these benefits, the arrangements between external enterprises and the College, its employees, or students, can potentially create financial conflicts of interest.

A financial conflict of interest (FCOI) occurs when there is a divergence between an individual's private interests and his or her professional obligations to the College, such that an independent observer might reasonably question whether the individual's professional actions or decisions are determined by considerations of personal financial gain. A financial conflict of interest depends on actual situational conditions and the respective roles of the personnel who may be involved, but not on perceptions of the individual's moral character.

## Reason for Policy

This policy is intended to establish requirements to ensure that the College is in full compliance with all pertinent regulatory requirements in applying for or receiving PHS funding from a grant or cooperative agreement and is applicable to any PHS proposals submitted and/or awards received on or after August 24, 2012. This policy provides a detailed explanation of the FCOI requirements for Public Health Services (PHS)-funded investigators in accordance with 42 CFR 50, Subpart F, and 45 CFR 94.

## Responsibilities

**For following policy:** All PHS-funded Principal Investigators and Investigators must comply.

1. Disclose their SFIs (and those of the Investigator's spouse and dependent children) over the previous twelve-month period to the Director of Sponsored Research and Federal Relations (the College's Research Integrity Officer (RIO)) no later than at the time of the application for PHS-funded research.
2. Submit an updated disclosure of SFIs via the at least annually, no later than January 15th, during the period of award.
3. Submit an updated disclosure of SFIs within 30 days of discovering or acquiring a new SFI. **(50.604 (e)(1)-(3))**
4. Complete FCOI training provided by the Office of Sponsored Research and Federal Relations by scheduling a one hour appointment prior to the expenditure of funds for any funded project. Thereafter training must be completed at least every four years and immediately when:
  1. Institutional Financial Conflict of Interest policies change in a manner that affects investigator requirements;
  2. An investigator is new to FLC;
  3. FLC finds that an investigator is not in compliance with this Financial Conflict of Interest policy or a management plan. **(42 CFR 50.604 (b))**
5. Comply with any management plan requirements and any monitoring of that management plan conducted by FLC.

### Principal Investigator Responsibilities

The Principal Investigator is responsible for ensuring and certifying that each Investigator on the PHS proposal (as well as the investigator's spouse and dependent children) has disclosed his/her SFIs. They are also responsible for ensuring and certifying that each investigator has completed the mandatory FLC FCOI training and that all students, collaborators and sub-awardees submit required disclosures and complete training as required by relevant regulation.

**For enforcement of policy:** The Director of Sponsored Research will serve as the Research Integrity Officer (RIO) responsible for compliance with Financial Conflict of Interest regulations. **(50.604) (d)**

**For oversight of policy:** Provost and Vice President for Academic Affairs

**For notification:** Policy Librarian

**For procedures implementing policy:** The Research Integrity Officer (RIO)

## **Definitions (50.603)**

**“Financial Conflict of Interest”** means a significant financial interest that is related to a research program or project and **could** directly and significantly affect the design, conduct or reporting of that research.

**“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.

**“Institutional Responsibilities”** means the Investigator's professional responsibilities on behalf of the College including, but not limited to, activities such as research, consultation, teaching, professional practice, institutional committee membership, and service on panels such as Institutional Review Boards or Data and Safety Monitoring boards.

**“Investigator(s)”** means the project director or principal Investigator and any other person, regardless of title or position, who is responsible for the design, conduct, or reporting of research funded by the PHS, or proposed for such funding, which may include, for example, collaborators or consultants.

**“Research Integrity Officer (RIO)”** means the institutional official responsible for assessing allegations of research misconduct and determining when such allegations warrant inquiries and for overseeing inquiries and investigations. The Research Integrity Officer is also the institutional official who makes final determinations on allegations of research misconduct and any responsive institutional actions. The Director of the Office of Sponsored Research and Federal Relations, or his or her designee, will serve as the Research Integrity Officer.

**“The U.S. Public Health Service (PHS)”** means the Public Health Service of the U.S. Department of Health and Human Services (HHS), and any components of the PHS to which the authority involved may be delegated, including the National Institutes of Health (NIH). Within

the HHS, eight agencies are designated components of the U.S. Public Health Service (PHS): (1) the Agency for Healthcare Research and Quality (AHRQ), (2) the Agency for Toxic Substances and Disease Registry (ATSDR), (3) the Centers for Disease Control and Prevention (CDC), (4) the Food and Drug Administration (FDA), (5) the Health Resources and Services Administration (HRSA), (6) the Indian Health Service (IHS), (7) the National Institutes of Health (NIH), and (8) the Substance Abuse and Mental Health Services Administration (SAMHSA).

**Public Health Service Act or PHS Act** means the statute codified at 42 U.S.C. 201 *et seq.*

**“PHS Awarding Component”** means the organizational unit of the PHS that funds the research that is subject to 42 CFR 50 Subpart F.

**“Research”** means a systematic investigation, study or experiment 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 (e.g., a published article, book or book chapter) and product development (e.g., a diagnostic test or drug). As used in 42 CFR 50 Subpart F, 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, such as a research grant, career development award, center grant, individual fellowship award, infrastructure award, institutional training grant, program project, or research resources award.

**“Research Conflict of Interest Committee (RCIC)”** refers to the college committee that advises the Provost and Vice President for Academic Affairs on conflict of interest matters in research. The Provost appoints the committee members and the following exofficio, non-voting members: The College General Legal Counsel; the Associate Vice President of Academic Affairs; the Vice President for Finance and Administration; the Controller; an IRB Chairperson, as a liaison to/from the IRB; and the Public Affairs Officer.

The committee, should include a member external to the FLC community, and at its discretion may also add Ad hoc members if further faculty or non-faculty representation is desired.

**“Significant Financial Interest (SFI)”** means, except as otherwise specified in this definition:

1. A financial interest consisting of one or more of the following interests of the Investigator (and / or those of the Investigator’s spouse and / or dependent children) that reasonably appears to be related to the Investigator’s institutional responsibilities:
  1. With regard to any publicly traded entity, a *significant financial interest* 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 the 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, travel reimbursement). Equity Interests includes any stock, stock option, or other ownership interest, as determined through reference to public prices or other reasonable measures of fair market value.

2. With regard to any non-publicly traded entity, a *significant financial interest* exists if the value of any remuneration received from the entity in the twelve months preceding the disclosure, when aggregated, exceeds \$5,000, or the Investigator (or the Investigator's spouse or dependent children) holds **any** equity interest.
3. Intellectual property rights and interests (e.g., patents, copyrights), upon receipt of income related to such rights and interests.
2. For PHS-funded investigators, any reimbursed travel or sponsored travel (i.e., that which is paid on behalf of the Investigator so that the exact monetary value may not be readily available) related to their institutional responsibilities.
3. The term *significant financial interest* **does not** include the following types of financial interests:
  1. Salary, royalties, or other remuneration paid to the Investigator if the Investigator is currently employed or otherwise appointed by the College, including intellectual property rights assigned to the Institution and agreements to share in royalties related to such rights; 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;
  2. Income from seminars, lectures, or teaching engagements sponsored by a Federal, state or local agency, an Institution of higher education, an academic teaching hospital, a medical center, or a research institute that is affiliated with an institution of higher education;
  3. Income from service on advisory committees or review panels for a federal, state or local government agency, an institution of higher education, an academic teaching hospital, a medical center, or a research institute that is affiliated with an institution of higher education;
  4. For PHS-funded investigators, travel that is reimbursed or sponsored by a Federal, state, or local government agency, an institution of higher education, an academic teaching hospital, a medical center, or a research institute that is affiliated with an institution of higher education.

## Procedures

### Institutional Responsibilities

1.
  1. Develop and implement policies and procedures that promote compliance with relevant regulations.
  2. Provide adequate guidelines consistent with the regulation for the designated institutional official to determine whether an Investigator's SFI is related to PHS-funded research and, if so, whether the SFI is an FCOI. **(50.604(f))**
  3. Provide information to Investigators, including:
    1.
      1. The existence of the relevant federal and state regulations **(50.604) (b)**

2. FLC's FCOI policy Sponsored Research website and FLC Policy Library **(50.604) (b)**
3. The Investigator's responsibility to disclose financial interests via the [Significant Financial Interests Form](#) (SFI) when filling out the institutional Project Data Sheet, posted on the Sponsored Research website and in the FLC Policy Library **(50.604) (b)**
4. The Investigator's responsibility to complete training with the RIO prior to the expenditure of funds. **(50.604) (b)**
4. Evaluate Significant Financial Interests and identify any that qualify as a Financial Conflict of Interest on the [SFI Form](#). **(50.604) (d)**
5. Work collaboratively with investigator(s) to develop a management plan, if required.
6. Report to the funding agency, if required.
7. For PHS funded work, make disclosure/management plan information available within 5 days of request as required.
8. Make the Financial Conflict of Interest policy available on FLC's website via the Policy Library. **(50.604) (a)**

### **Designation of Institutional Official**

The Director of Sponsored Research will serve as the Research Integrity Officer (RIO) responsible for compliance with Financial Conflict of Interest regulations. **(50.604) (d)**

The Research Integrity Officer will collect and perform an initial review of all disclosed SFIs from 1) Investigators who are planning to participate in, or are participating in, the PHS-funded research 2) Investigators who are newly participating in the research project, and 3) for existing Investigators who disclose a new SFI to determine if a FCOI exists. The signed original SFI disclosure form will be retained in the RIO office, and a copy will accompany the Project Data Sheet and be filed in the associated grant file in the Controller's office. The RIO will develop and implement management plans, as needed to manage FCOIs. The RIO may submit an FCOI to the Research Conflict of Interest Committee (RCIC) for review in complex cases. **(50.605) (a) (1)**

### **Management Plan**

After a determination is made by the RIO that there may be a potential or actual FCOI, the RIO will develop and implement a management plan (see below) that shall specify the actions that have been, and shall be, taken to manage such FCOI until completion of the project. **(50.604) (g) and 50.605 (a)(4)**

These plans will be developed collaboratively and examples of conditions or restrictions that may be employed to manage conflicts include:

- Public disclosure of significant financial interests (e.g., when presenting or publishing the research), if appropriate to the discipline;
- Disclosure of significant financial interests directly to participants involved in human research;

- Appointment of an independent monitor capable of taking measures to protect the design, conduct, and reporting of research;
- Modification of research plan;
- Change of personnel or personnel responsibilities or disqualification from participation in all or a portion of the research;
- Reduction or elimination of the financial interest (e.g., sale of an equity interest);
- Severance of relationships that create the actual or potential conflict of interest; or
- If it proves impossible to reach an acceptable Management Plan, funds will be returned to the sponsor.

If an investigator has a FCOI and is working on research involving human subjects the IRB must be notified of any management plan.

### **Appeals**

An investigator may appeal the RIO's recommendation to the RCIC. In the event the RCIC created the management plan, an investigator can submit a request for re-consideration. An investigator dissatisfied with his/her appeal may submit his/her disagreement in writing to the Provost for final resolution.

### **Reporting**

Prior to expenditure of any funds or within 60 calendar days for any interest that FLC identifies as conflicting subsequent to the FLC's initial report under a PHS-funded research project, FLC must provide the PHS Awarding Component with a Financial Conflict of Interest (FCOI) report regarding the related FCOI and implemented Management Plan. This report must include the following information:

- Grant/Contract Number
- Project Director/Principal Investigator (PD/PI) or contact PD/PI
- Name of investigator with FCOI
- Nature of the FCOI (e.g., equity, consulting fees, or honoraria)
- Whether the financial interest was managed, reduced or eliminated
- Value of the financial interest
- Description of how FCOI relates to PHS-funded research and the basis for FLC's determination that the financial interest conflicts with such research.
- Key elements of the Management Plan

Annual updates are also required for the duration of the research project and must include:

- Status of the FCOI
- Changes to the management plan

Initial, annual, and revised FCOI reports will also be sent to the PHS component following a retrospective review to update a previously submitted report, if appropriate. **(50.604 (h)); (50.605 (b))**

### **Retrospective Review**

Identification of untimely or any delayed disclosure of an SFI by an investigator requires FLC's review within 60 days of determination: if it is related to PHS- funded research and if an FCOI exists. Determination that there is an unmanaged FCOI requires:

1. Implementation – at least in the interim – of a management plan that specifies the actions that have been and will be taken to manage the FCOI moving forward; and
2. Completion of a retrospective review of the Investigator's activities and the PHS funded research to determine whether any PHS funded research or a portion of it, conducted during the noncompliance period was biased in the design, conduct or reporting of such research within 120 days of the Investigator's noncompliance. Such noncompliance may have occurred due to the Investigator's failure to disclose an SFI which is deemed an FCOI, FLC's failure to review or manage said FCOI, or the Investigator's failure to comply with a management plan. **(50.605 (a)(3))**

### **Mitigation Report (50.605 (a)(3)(iii))**

As appropriate, FLC shall update the previously submitted FCOI report specifying the actions taken to manage the FCOI moving forward. If the institution determines there was bias it must notify the PHS awarding component promptly and submit a mitigation report to that component.

The mitigation report must include:

1. The key elements documented in the retrospective review and a description of the impact of the bias on the research project and the institution's actions/action plan to eliminate or mitigate the effect of the bias.
2. Subsequently the institution will submit annual reports, as per the regulation.

Depending on the nature of the FCOI, the institution may decide that additional interim measures are necessary regarding the Investigator's participation in the PHS-funded research project between the date of the FCOI or the Investigator's noncompliance is determined and the completion of the institution's retrospective review.

If a FCOI is not identified or managed in a timely manner (i.e.: non-compliance to the disclosure requirements or management plan), FLC will complete a retrospective review of the Investigator's activities and research project to determine whether the research was biased. If bias is found, FLC will notify PHS and submit a Mitigation Report. **(50.605 (a)(3) and (i)-(iii))**

### **Records**

Records of the Investigator's significant financial interests and FLC's review and management of the SFI, will be retained by the College for (i) three years from the date of submission of the final expenditures report (in the case of grants and cooperative agreements); or (ii) three years from the final payment (in the case of research contracts), or (iii) resolution of any government action involving the records, or (iv) as otherwise required by law. **(50.604 (i))**

### **Public Accessibility**

In accordance with PHS regulations, FLC will respond to requests to make available information

concerning identified FCOI's held by senior/key personnel publically accessible prior to the expenditure of funds by written response within five business days of a request. The response shall include the Investigator's name, position relative to the research project, the name of the entity in which the SFI is held, nature of the SFI, approximate dollar value of SFI, or a statement

that the value cannot be readily determined. This information will be updated at least annually. Newly identified FCOIs will be updated within 60 days of being identified. All information will remain available for three years from the date it was most recently updated. **(50.604 (a) (5) (i)-(iv))**

### **Sub recipients**

For PHS research that involves subcontractors, sub grantees or sub awardees (collectively "sub recipients") at other institutions, FLC requires written agreement terms from sub recipients that they have a conflict of interest policy that conforms to the requirements of all applicable regulations, including time periods to meet disclosure and/or financial conflict of interest (FCOI) reporting requirements.

If any sub recipient does not have such a conflict of interest policy, then FLC shall require that the sub recipient follow the College's policy, and Sub recipient's failure to promptly do so upon request from FLC shall be considered to be grounds for immediate termination by FLC of any applicable subcontract or sub-award. Any written agreement terms required by the College shall contain the provision that Sub recipients will report to FLC as the awardee Institution, any identified FCOI in sufficient time to allow FLC to report the FCOI to meet its reporting obligations. **(50.604 (c) and (1) (i) – (iii))**

## **Cross-Referenced Policies**

[12-2 – Sponsored Grants & Contracts Budgeting/Accounting/Reporting.](#)

## **Consequences of Non-Compliance**

When an investigator is found to have violated this policy or the terms of the management plan, the RIO may impose sanctions consistent with policy. Disciplinary action may vary from a warning to termination of employment. In cases of violation, the RIO (or designee) will notify the appropriate funding agency. **(50.604 (j)) (50.606(a))**

## **Forms**

[Significant Financial Interest Disclosure Form](#)