A conflict of interest arises when an individual's private interests (such as outside professional or financial relationships) might interfere with his or her professional obligations to the University. Such situations do NOT necessarily imply wrong-doing or inappropriate activities. However, in a university research setting, they can compromise, or be perceived as compromising, important academic values, research integrity, or the university mission. It is important for all faculty, academic staff, staff, and students to understand how these divergent interests can become a problem.

Conflicts of interest often arise at the intersection of two fundamental missions: to push the boundaries of knowledge and to transfer that knowledge to the private sector for the benefit of the public. There may be, for example, significant personal financial incentives related to patenting and licensing an invention, or to outside consulting or other interests. Considerations of personal financial gain however must not influence the decisions or actions of individuals in carrying out their University responsibilities. The perception that such incentives might harm research objectivity, or the protection of human subjects, students or others whose work depends on the direction of the individual is enough to mandate that such conflicts be identified, and then managed, mitigated or eliminated.

Stated another way, the University must protect itself and its faculty, staff and students from any of the following allegations:

- exploitation of students for private gain.
- compromise of appropriate controls in the conduct of research, such that research subjects could be harmed.
- undue personal gain from public funds.
- compromise of university priorities due to financial considerations.
- unfair access by a company to information or technology.
- compromise of scientific objectivity in the conduct of research.
- use of University resources for private gain.
- adverse effect by those in leadership roles on the professional or academic advancement of colleagues, staff or students as a result of outside interests.

Please review the following copy of the University’s Conflict of Interest Policy, and complete and sign the attached Conflict of Interest Disclosure Form, as this pertains in particular to the following grant program, and return the signed document to the Office of Sponsored Programs:

Date:

Funding Agency:

Project Director:

Project:
The National Science Foundation (NSF) requires universities to maintain an appropriate written and enforced policy on conflict of interest and that all conflicts of interest for each award be managed, reduced or eliminated prior to the expenditure of the award funds. If an institution carries out agency-funded research through subawards, contractors, or collaborators, the institution must take reasonable steps to ensure that the collaborating entity has its own policies in place that meet the requirements of this policy or that investigators working for such entities follow the policies of the primary institution.

NSF requires that each investigator disclose, to a responsible representative of the institution, 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 educational activities funded, or proposed for funding by NSF, or in entities whose financial interests would reasonably appear to be affected by such activities.

The term “investigator” means the principal investigator, co-principal investigators/co-project directors, 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 NSF.

As specified by NSF, the term “significant financial interest” (SFI) means 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 term does not include:

- salary, royalties, or other remuneration from the applicant institution
- income from seminars, lectures, or teaching engagements sponsored by public or nonprofit entities
- income from service on advisory committees or review panels for public or nonprofit entities
- 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 5% ownership interest in any single entity
• 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 twelve month period

NOTE: Although current NSF regulations specify a higher threshold for SFI than PHS (NIH), Sacred Heart University policy identifies $5,000 as the monetary threshold. Similarly, in non-publicly traded companies, PHS and Sacred Heart University policy identifies any equity amount as the threshold.

NSF requires Sacred Heart University to ensure that investigators have provided all required financial disclosures at the time the proposal is submitted to NSF. Sacred Heart must also ensure that those financial disclosures are updated during the period of the award, either on an annual basis, or as new reportable significant financial interests are obtained.

Sacred Heart University designates individuals to review financial disclosures, determine whether a conflict of interest exists, and determine what conditions or restrictions, if any, should be imposed by the institution to manage, reduce or eliminate such conflict of interest. A conflict of interest exists when the reviewer(s) reasonably determines that a significant financial interest could directly and significantly affect the design, conduct, or reporting of NSF-funded research or educational activities.

Examples of conditions or restrictions that might be imposed to manage, reduce or eliminate conflicts of interest include, but are not limited to:

• 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 NSF-funded research that would be affected by significant financial interests
• divestiture of significant financial interests
• severance of relationships that create conflicts

Sacred Heart University must have adequate enforcement mechanisms, provide for sanctions where appropriate and must keep NSF’s Office of the General Counsel appropriately informed, if the institution finds that it is unable to satisfactorily manage a conflict of interest. Grantee notifications of conflict of interest that cannot be managed, reduced, or eliminated must be submitted electronically via the NSF Fastlane system by the Office of Sponsored Programs.

Sacred Heart University must maintain records of all financial disclosures and of all actions taken to resolve conflicts of interest for at least three years beyond the termination or completion of the grant to which they relate, or until the resolution of any NSF action involving those records, whichever is longer.

The conflict of interest policies of the NSF can be found at: http://www.nsf.gov/pubs/policydocs/pappguide/nsf08_1/aag_4.jsp
Project Specific Conflict of Interest Disclosure Form

Date:

Funding Agency:

Project Director:

Project:

I affirm, that I have read the National Science Foundation Conflict of Interest Policy statement provided to me by the Office of Sponsored Programs.

As it relates to the above-reference proposal, I have determined that (check one):

(a) ____ There are no activities or affiliations requiring disclosure and, therefore, no potential conflicts.

(b) ____ There are activities or affiliations, as disclosed below.

SIGNATURE:

__________________________________________

Investigator Date

Date: August 22, 2012

Principal Investigators must complete a Proposal Development & Routing Form (PDRF) in order to document that all requirements related to the submission of a funded research proposal have been met. If the PI indicates the existence of a related financial interest, the PDRF links to questions about those financial interests that may reasonably appear to be related to the research project, including:

1. Name of company/organization (foundation, society, other)

2. What is the nature of your activity/financial interest with the company/organization? (check all that apply)
   __ Board of Directors membership
   __ Advisory Board membership
   __ Consultant (other than Advisory Board or Board of Directors membership) __ Licensing of your Stanford or non-Stanford intellectual property
   __ Ownership of stock or stock options or other ownership interests (excluding investments for which you do not directly control investment decisions, such as mutual funds)
   __ Payment for royalties for inventions (not paid through Stanford)
   __ Payment for lectures
   __ Payment for preparation of papers or reports
   __ Payment for product evaluation
   __ Legal consultant or expert witness
   __ Executive or other employee position with company/organization
   __ This is a financial interest/activity of my spouse/domestic partner or dependent child

3. What is the total amount of your financial interest (or that of your spouse/domestic partner or dependent children) in this company/organization?
   __ $1 - 4,999
   __ $5K - $9,999K
   __ $10K - 19,999K
   __ $25 - 49,999K
__ $50K - 99,999K
__ $100 - 199,999K
__ greater then
$200,000

4. If this entity is a company, is it
   __ Publicly traded or
   __ Privately held or Start Up
NSF encourages the increased involvement of academic researchers and educators with industry and private entrepreneurial ventures, but recognizes that such interactions carry with them an increased risk of conflict of interests. AAG Chapter IV.A contains NSF’s policy on conflict of interest.

2 CFR prescribes three sets of standards for academic and other non-profit recipients of Federal grants, each governing a different area: financial management systems, procurement policies, and procedures and property management. AAG Chapter III.B, III.C and III.D implement the OMB standards, and extend their applicability to all types of recipients of NSF grants, including commercial firms.

A. Conflict of Interest Policies

1. NSF requires each grantee institution\(^8\) employing more than fifty persons to maintain an appropriate written and enforced policy on conflict of interest. Guidance for such policies has been issued by university associations and scientific societies.\(^9\)

2. An institutional conflict of interest policy should require that each investigator disclose to a responsible representative of the institution all significant financial interests of the investigator (including those of the investigator’s spouse and dependent children) (i) that would reasonably appear to be affected by the research or educational activities funded or proposed for funding by NSF; or (ii) in entities whose financial interests would reasonably appear to be affected by such activities.

The term “investigator” means the principal investigator, co-principal investigators/co-project directors, 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 NSF.

The term “significant financial interest” means 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 term does not include:

a. salary, royalties or other remuneration from the applicant institution;

b. any ownership interests in the institution, if the institution is an applicant under the Small Business Innovation Research Program or Small Business Technology Transfer Program;
c. income from seminars, lectures, or teaching engagements sponsored by public or non-profit entities;

d. income from service on advisory committees or review panels for public or nonprofit entities;

e. 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 any single entity; or

f. 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 twelve-month period.

3. An institutional policy must ensure that investigators have provided all required financial disclosures at the time the proposal is submitted to NSF. It must also require that those financial disclosures are updated during the period of the award, either on an annual basis, or as new reportable significant financial interests are obtained.

4. An institutional policy must designate one or more persons to review financial disclosures, determine whether a conflict of interest exists, and determine what conditions or restrictions, if any, should be imposed by the institution to manage, reduce or eliminate such conflict of interest. A conflict of interest exists when the reviewer(s) reasonably determines that a significant financial interest could directly and significantly affect the design, conduct, or reporting of NSF-funded research or educational activities.

Examples of conditions or restrictions that might be imposed to manage, reduce or eliminate conflicts of interest include, but are not limited to:

a. public disclosure of significant financial interests;

monitoring of research by independent reviewers;

c. modification of the research plan;

d. disqualification from participation in the portion of the NSF-funded research that would be affected by significant financial interests;

e. divestiture of significant financial interests; or

f. severance of relationships that create conflicts.

If the reviewer(s) 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 progress, technology
transfer, or the public health and welfare, then the reviewer(s) may allow the research to go forward without imposing such conditions or restrictions.

5. The institutional policy must include adequate enforcement mechanisms, and provide for sanctions where appropriate.

6. The institutional policy must include arrangements for keeping NSF’s Office of the General Counsel appropriately informed if the institution finds that it is unable to satisfactorily manage a conflict of interest.\textsuperscript{10}

7. Institutions must maintain records of all financial disclosures and of all actions taken to resolve conflicts of interest for at least three years beyond the termination or completion of the grant to which they relate, or until the resolution of any NSF action involving those records, whichever is longer.