



Financial Conflict of Interest Policy

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POLICY

SFSU requires Principal Investigators (PI's) and key personnel on a sponsored project to disclose a listing of significant financial interests (and those of their spouse and dependent children) that could be reasonably expected to bias the design, conduct, or reporting of the project. All PI's, Co-PI's and Key Personnel listed in a proposal for external funding must complete a disclosure form before expenses can be charged to an award. According to the University Executive Directive #UED 96-20, it is the responsibility of the Office of Research and Sponsored Programs to maintain documentation on all possible conflict of interest issues.

DEFINITIONS

PI: Defined as Principal Investigator (PI), co-Principal Investigator (Co-PI), and any other person who is responsible for the design, conduct or reporting of the sponsored project or of any related agreement. Disclosures must be made for each PI's spouse and dependent children.

Significant Financial Interest: 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).

For PIs funded by the Public Health Service (PHS), an SFI includes a de minimis threshold of \$5,000 for disclosure which generally applies to payments for services and equity interests. This includes any equity interest in non-publicly traded entities. A reportable SFI is related to the PI's institutional responsibilities. The term *does not* include:

1. Salary, royalties or other remuneration from the applicant institution
2. 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
3. Income from seminars, lectures, or teaching engagements sponsored by public or nonprofit entities;
4. Income from service on advisory committees or review panels for public or nonprofit entities;
5. An equity interest that, when aggregated for the PI and the PI'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

6. Salary, royalties or other payments that when aggregated for the PI and the PI's spouse and dependent children, are not expected to exceed \$10,000 during the next funded twelve-month period
7. Income from investment vehicles, such as mutual funds and retirement accounts, as long as the PI does not directly control the investment decisions made in these vehicles

SCOPE

A. Financial Conflict of Interest Disclosure Forms

- Federal Awards: SF State has developed a form entitled *Disclosure of Financial Interests Related to Projects Sponsored by NSF, PHS, or other Agencies Adopting the Federal Requirements* that is mandatory for all PIs who submit proposals to the National Science Foundation (NSF), the Public Health Service (PHS), or to other sponsors that have adopted the federal requirements for financial disclosure.
- Non-Federal Awards: SF State uses *California Form 700 U (Statement of Economic Interest for Principal Investigators)* for disclosure of financial interest for all non-governmental sponsors.

PIs are required to complete and submit FCOI forms at the following times:

- i. At the time of proposal submission
- ii. Annually, during the period of the award
- iii. Within 30 days of discovering or acquiring a new FCOI

B. Financial Conflict of Interest (FCOI) Exemption Policy

- Non-governmental Entities Exempt from Disclosure requirements: PIs are not required to complete a disclosure form if their project is sponsored by a non-governmental agency listed in Appendix A.
- PIs are not required to complete a disclosure form if their project is funded by internal SF State funds.

C. California State University Conflict of Interest Policy

In addition, SFSU requires the annual completion of a Statement of Economic Interests Form 700, for all university positions whose decisions "may foreseeably have a material effect on financial interests" of the University. Some faculty and MPP directors at SFSU may be required to complete both a project specific disclosure form for ORSP and a statement of economic interests form for Human Resources. Further information on the annual SF State requirement can be found on the HR website:

http://hr.sfsu.edu/Labor_Compliance_ProfDev/emp_relations/hr_Directives/P203

D. Sub-Recipients

- SF State requires sub-recipients to identify whether they will follow SF State's FCOI policy, or if they have their own in place; if following their own FCOI policy, they must also verify that their policy complies with all appropriate regulations
- SF State requires that the sub-recipient report identified FCOI for its PIs within a timeframe that in turn allows SF State to report FCOIs to the appropriate funding agency

E. Institutional Certification and Review

- The Associate Vice President, Research and Sponsored Programs (AVP, RSP) is the designated institutional official who will determine whether a PI's SFI is a FCOI
 1. The AVP, RSP or his/her designee performs the initial review of all FCOI Disclosure Forms submitted by PIs
 2. The AVP, RSP is responsible for the following:
 - i. Determining whether a PI's SFI is a FCOI
 - ii. Developing and implementing any Management/Resolution plans (referred to hereafter as Resolution Plans) needed to manage identified FCOIs
 - iii. Taking necessary action to manage FCOIs, including those of sub-recipient PIs, and monitoring a PI's compliance with the established Resolution Plan through completion of the project
 - iv. If a FCOI is discovered that was not disclosed in a timely manner by an PI or was not previously reviewed by SF State, developing a Resolution Plan within 60 days of discovering the FCOI
- Certification will be performed by the AVP, RSP, or his/her designee, and will be based on information provided by the PI on the FCOI Disclosure form for each entity that may be involved. The AVP, RSP or his/her designee, will review disclosures, assess their potential for a FCOI, and develop resolution strategies with the PI to manage, reduce or eliminate such conflicts.
- Prior to the expenditure of funds, SF State will notify the sponsor of any FCOI and provide a Resolution Plan to address the conflict. If a FCOI is identified after an award has started, SF State will notify the sponsor within 30 days of discovering the FCOI.

F. Resolution Plan

- If the designated official(s) determine a conflict of interest exists, a Resolution Plan must be developed with the Principal Investigator and implemented prior to the award being activated. The Resolution Plan must be in writing and approved by the AVP, RSP, the College Dean, and the Provost and Vice President for Academic Affairs.
- Resolution options may include but are not limited to:
 - i. Public disclosure of significant financial interests
 - ii. Monitoring of research by independent reviewers
 - iii. Modification of the research plan
 - iv. Disqualification from participation in the portion of the project that is affected by the significant financial interest
 - v. Divestiture of significant financial interests
 - vi. Severance of relationships that create actual or potential conflicts

G. Enforcement Mechanisms and Sanctions

Potential violations of the Conflict of Interest Resolution Plan shall be handled by the Conflict of Interest Resolution Committee made up of the Internal Auditor, the Director of Research and Sponsored Programs, the AVP, RSP, and the Dean from the affected PI's College. This committee will establish and enforce

appropriate sanctions based on the specific conduct of a PI failing to follow the agreed upon Resolution Plan.

H. Reporting

- For NSF awards, the AVP, RSP will inform the NSF's Office of the General Counsel if SF State is unable to satisfactorily manage a financial conflict of interest
- For PHS awards, the AVP, RSP will notify the PHS Awarding Component of the following information:
 - i. Grant/Contract number
 - ii. Project Director (PD)/ PI or Contact PD/PI
 - iii. Name of PI with FCOI
 - iv. Whether FCOI was managed, reduced, or eliminated
 - v. Name of the entity with which the PI has a FCOI
 - vi. Nature of the FCOI (i.e., equity, consulting fees, travel reimbursement, honoraria)
 - vii. Value of the financial interest (\$0-4,999; \$5K-9,999; \$10K-19,999; amounts between \$20K-\$100K by increments of \$20K; amounts above \$100K by increments of \$50K or statement that a value cannot be readily determined)
 - viii. A description how the financial interest relates to PHS-funded research and the basis for the Institution's determination that the financial interest conflicts with such research

I. Documentation and Records Maintenance

SF State Office of Research and Sponsored Programs, and when appropriate, the University Corporation, San Francisco State University, will maintain records of all financial disclosures and of all actions taken to resolve financial 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 federal action involving those records, whichever is longer.

J. Requirements Specific to PHS Funds

- Reporting Requirements to the NIH: The AVP, RSP or his/her designee will send initial, annual and revised FCOI reports, as required by 42 CFR 50.604(h) and 42 CFR 50.605(b) to the National Institutes of Health for SF State and any sub-recipients at the following times:
 - i. Prior to the expenditure of funds
 - ii. Within 60 days of identification if an PI new to the project
 - iii. Within 60 days for new, or newly identified, FCOIs for existing PIs
 - iv. Annually to provide the status of the FCOI and any changes to the management plan until completion of the project
- Travel Reimbursements and Sponsored Travel: PIs with PHS funding are required to disclose the occurrence of any reimbursed travel or sponsored travel related to Institutional responsibilities (including purpose of trip, sponsor/organizer, destination, and duration). Disclosure of travel reimbursements and Sponsored Travel does not include travel that is reimbursed or sponsored by a federal, state, or local government agency, an Institution of higher education as defined at 20 U.S.C.

1001(a), an academic teaching hospital, a medical center, or a research institute that is affiliated with an Institution of higher education.

- **Significant Financial Interest (SFI):** For PIs funded by the Public Health Service (PHS) an SFI includes a de minimis threshold of \$5,000 for disclosure, which generally applies to payments for services and equity interests. This includes any equity interest in non-publicly traded entities.
- **Training on Financial Conflicts of Interest:** The Office of Research & Sponsored Programs will host an annual FCOI training/workshop for PIs with PHS funding. PIs will be required to attend this training once, and it will be offered to new PHS researchers on an annual basis. PIs with PHS funding will also be required to complete an online FCOI training at the following times:
 - i. Prior to engaging in research related to any PHS-funded grant
 - ii. At least every 4 years
 - iii. Immediately, if:
 - SF State revises its FCOI policy in such a way that it affects the requirements of PIs
 - An PI is new to an Institution
 - An PI is not in compliance with the policy or management plan

K. Requirements Specific to Non-Governmental Funds

PIs are identified and contacted by SF State's Conflict of Interest Office to complete the CSU Ethics Training as required by California State University.

ROLES AND RESPONSIBILITIES

Compliance Unit Staff

- Ensures that FCOI disclosure forms are completed for all projects for which these are required
- Ensures that appropriate FCOI documentation procedures are being followed
- Distributes annual FCOI forms to PIs whose projects require annual recertification
- Participates as a member of the Conflict of Interest Resolution Committee
- Identifies PIs who have received non-governmental awards and provides information to the Conflict of Interest Officer

Associate Vice President of Research and Sponsored Programs (AVP, RSP)

- Reviews and certifies all FCOI forms.
- Develops resolution strategies with the PI to manage, eliminate or reduce conflicts of interest
- Participates as a member of the Conflict of Interest Resolution Committee
- Serves as liaison to federal agencies regarding unresolved financial conflicts of interest
- Contacts the University Counsel when legal questions arise related to an identified conflict of interest

University Counsel

- If a plan of action to address a financial conflict of interest has legal ramifications, the University Counsel with the AVP, RSP to review the plan and provide assistance with any legal questions.

Principal Investigator (PI)

- Discloses any financial conflict of interest on a sponsored project by completing and submitting a Financial Conflict of Interest Disclosure Form to ORSP; resubmits/recertifies on an annual basis
- Notifies ORSP immediately of any change in disclosure
- Assists ORSP in obtaining disclosure forms from key project personnel and if necessary assists with obtaining verification of disclosure forms from sub-contract personnel
- Works with the AVP, RSP to develop a plan of action to address the conflict of interest if one exists.
- Ethics training for PIs working on non-governmental awards

Key Personnel on the Project

- Discloses any financial conflict of interest on a sponsored project by completing and submitting a Financial Conflict of Interest Disclosure Form to ORSP; resubmits/recertifies on an annual basis
- Notifies ORSP immediately of any change in disclosure
- Works with the AVP, RSP to develop a plan of action to address the conflict of interest if one exists

College Dean

- Reviews and approves any resolution plan developed by the PI and the AVP for ORSP
- Participates as a member of the Conflict of Interest Resolution Committee

Conflict of Interest Officer

- Contacts PIs who have non-governmental awards and verifies they have completed the requirement

RELATED DOCUMENTS

- [University Executive Directive #UED 96-20](#)
- [Disclosure of Financial Interests Certification Form](#)
- [California Form 700 U-Statement of Economic Interest for Principal Investigators](#)
- [SF STATE HR Directive](#)
- [Title 42 Code of Federal Regulations \(CFR\) Part 50 Subpart F](#)
- [Title 45 CFR Part 94 \(Research Contracts\)](#)
- [CSU HR Coded Memo HR 2013-02](#)

Financial Conflict of Interest Policy - Appendix A

SPONSORS OF RESEARCH EXEMPTED FROM UNIVERSITY NON-GOVERNMENTAL ENTITY FINANCIAL DISCLOSURE REQUIREMENT

These research sponsors are approved by the University and the Fair Political Practices Commission for exemption from the University's non-governmental entity financial disclosure requirement. Principal Investigators are not required to fill out financial disclosure statements for research that is sponsored by these organizations.

All non-profit, tax-exempt educational institutions

Alzheimer's Disease & Related Disorders Association
American Academy of Dermatology
American Academy of Pediatrics
American Association for the Advancement of Science
American Association for State & Local History
American Association of Colleges of Pharmacy
American Association of Obstetricians & Gynecologists
American Association of Retired Persons
American Cancer Society
American Chemical Society
American College of Obstetricians & Gynecologists
American College of Radiology
American Committee for the Weizmann Institute of Science
American Council of Learned Societies
American Diabetes Association
American Foundation for Pharmaceutical Education
American Fund for Dental Education, Inc.
American Gastroenterologic Association
American Health Assistance Foundation
American Heart Association
American Kidney Fund
American Library Association
American Liver Foundation
American Lung Association
American Lupus Society, The
American Nurses Foundation
American Parkinson Disease Association
American Philological Association
American Philosophical Society
American Red Cross
Amyotrophic Lateral Sclerosis Society of America
Arthritis Foundation
Asthma & Allergy Foundation of America

Bush Foundation, The

California Association for Neurologically Handicapped Children
California Division of the American Cancer Society
California Heart Association
California Lung Association
Cargill Foundation
Carnegie Corporation of New York

Carnegie Foundation for the Advancement of Teaching
Cerebral Palsy Foundation
Chicago Community Trust, The
Childs Memorial Fund, The Jane Coffin
Christian Children's Fund
Clark Foundation, The Edna McConnell
Columbia Foundation
Commonwealth Fund, The
Cooley's Anemia Foundation
Council on Library Resources
Culpeper Foundation, Inc., Charles E.
Cystic Fibrosis Foundation

Deafness Research Foundation, The
Donner Foundation, William H.
Dover Fund, Inc.
Dreyfus Foundation, Inc., The Camille & Henry
Dreyfus Foundation, The Max & Victoria
Dysautonomia Foundation

Earhart Foundation
Easter Seal Research Foundation
Epilepsy Foundation of America
Eye Research Institute of Retina Foundation

Fight for Sight
Ford Foundation, The
Foundation for Child Development
Fuller Fund, The Anna

German Marshall Fund of the U.S.
Giannini Foundation
Grant Foundation, The William T.
Guggenheim Foundation, H.F.
Guggenheim Memorial Foundation, John Simon

Haas Fund, The Walter & Elise
Hartford Foundation, John A.
Haynes Foundation, The John Randolph & Dora
Hearst Foundation, William R.
Hewlett Foundation, The William & Flora

Institute for Educational Affairs
International Research & Exchanges Board

Japan Foundation

Appendix A

Johnson Foundation, The Robert Wood
Juvenile Diabetes Foundation
Kade Foundation, Inc., The Max
Kaiser Family Foundation, The Henry J.
Keck Foundation, William M.
Kellogg Foundation, W.K.
Klingenstein Fund, The Esther & Joseph
Knights Templar Eye Foundation
Kresge Foundation, The
Kunstadter Family Foundation, The Albert

Leakey Foundation, The L.S.B.
Leukemia Society
Levi Strauss Foundation
Lilly Endowment, Inc.
Luce Foundation, Inc., The Henry
Lupus Foundation of America

MacArthur Foundation, John D. & Catherine T.
McKnight Foundation, The
March of Dimes
Markle Foundation, The John & Mary R.
Mellon Foundation, The Andrew W.
Mott Foundation, Charles Stewart
Muscular Dystrophy Association
Myasthenia Gravis Foundation

National Academy of Sciences
National Collegiate Athletic Association
National Council of Teachers of English
National Foundation for Ileitis & Colitis
National Foundation for Infectious Diseases
National Fund for Medical Education
National Geographic Society
National Head Injury Foundation
National Hemophilia Foundation
National Kidney Foundation
National Leukemia Association
National Migraine Foundation
National Multiple Sclerosis Society
National Research Council
National Retinitis Pigmentosa Foundation
National Society to Prevent Blindness
National Sudden Infant Death Syndrome Foundation
National Tuberous Sclerosis Association
Northern California Society to Prevent Blindness
Noyes Foundation, Inc., Jessie Smith

Organization for Tropical Studies

Packard Foundation, The David & Lucille
Paralyzed Veterans of America
Pardee Foundation, Elsa U.
Peierls Foundation, Inc., The
Picker Foundation, James

Population Council
Presiding Bishop's Fund for World Relief
Project HOPE

Research Corporation
Research to Prevent Blindness
Resources for the Future, Inc.
Retirement Research Foundation
Richardson Foundation, Smith
Rippel Foundation, Fannie E.
Rockefeller Brothers Fund
Rockefeller Foundation
Rosenberg Foundation
Rubin Foundation, Inc., Samuel
Runyon-Walter Winchell Cancer Fund, Damon

Sage Foundation, Russell
San Francisco Foundation
Scaife Foundation, Inc., Sara
Schiff Foundation
Scottish Rite Schizophrenia Research Program
Sherman Foundation, Nate H.
Skaggs Foundation, L.J. & Mary C.
Skin Cancer Foundation
Sloan Foundation, Alfred P.
Social Science Research Council
Spencer Foundation, The

Teagle Foundation
Tinker Foundation, Inc., The
Treadwell Foundation, Nora Eccles

United Cerebral Palsy
United Scleroderma Research Foundation
U.S. Olympic Committee

Webb Foundation, Del E.
Weingart Foundation
Wenner-Gren Foundation for Anthropological Research,
Inc.
Whitehall Foundation
Whitney Foundation, the Helen Hay
Wood Charitable Trust, W.P.
Woods Hole Oceanographic Institution

Zellerbach Family Fund