

Conflicts of Interest and Commitment Procedures, Applications, and Guidance

Introduction

Policy: The [Conflicts of Interest and Commitment Policy](#) provides key principles and a broad framework for understanding, disclosing and managing conflicts, as well as definitions of key terms.

Procedures, Applications, and Guidance: This supplemental resource provides procedures and guidance to assist the university community in complying with the Conflicts of Interest and Commitment Policy in a variety of circumstances. Because of the diversity of applicable federal and state laws and regulations, and funding agency policies, the precise mechanisms for disclosure and management vary depending on the type of conflict and the applicable laws, rules and policies.

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GENERAL APPLICATION OF THE CONFLICTS OF INTEREST AND COMMITMENT POLICY

Disclosures

It is the responsibility of every covered employee, as defined by the COIC Policy, to disclose conflicts of interest and commitment, whether or not the employee thinks the situation requires management and whether or not a management plan is already in place. Merit employees are exempt from reporting through AccessPlus. If in doubt about whether a particular situation constitutes either a conflict of interest or a conflict of commitment, it is always best to disclose.

Employees shall disclose electronically via [AccessPlus](#) at the beginning of employment and thereafter annually beginning January 1 (with a target completion of March 31), and whenever the employee's situation changes. Disclosures shall be made prior to initiation of an external activity as defined in the [Conflicts of Interest and Commitment Policy](#). Disclosures also must be noted on any proposal data form (GoldSheet) for projects to which the conflict may be relevant.

Review of Disclosures

Disclosures on AccessPlus are reviewed by the—

- Employee's administrative supervisor (director, chair, dean, vice-president, or senior vice president),
- Person(s) designated by the Vice President for Research, and
- The Director of Procurement Services and/or his/her designee.

Access to the information is restricted to authorized personnel involved in the conflict of interest management process. The nature of the conflict dictates the personnel responsible for management of the disclosed conflicts.

Retention of Disclosures

Electronic disclosures will be maintained for 10 years in the AccessPlus system.

Supervisory Responsibility

The employee's administrative supervisor is responsible for:

- Assuring that employees are reminded of the need to submit electronic disclosures.
- Reviewing the disclosures. Review of the electronic disclosures does not imply the assent of the supervisor. However, supervisors are encouraged to ask employees to correct disclosures that may contain errors or are unclear. Supervisors may also add comments for the other reviewers.
- Developing written management plans for their employees. Excepted are situations involving management roles or significant financial interests related to an employee's position responsibilities. In the latter case, the supervisor is a participant in an effort led by the COI Officer or other persons designated by the VPR.
- Supervisors shall keep copies of any Departmental Management Plans in the employee's personnel files for as long as the conflict exists.

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Professional Activity Leave

With prior approval, faculty and professional and scientific (P&S) employees *may be permitted* (not as an entitlement) up to nine (9) days of paid Professional Activity Leave per academic term (i.e., fall, spring, summer) when the following conditions are met:

- Conducting the activity will advance the skills and abilities of the employee, with resultant benefit to the employing unit;
- The employee has made adequate arrangements to cover ongoing university responsibilities;
- The activity does not interfere or compete with ongoing activities and responsibilities of the university; and
- The activity will not otherwise be detrimental to the employing unit or university.

To ensure the meeting of university obligations, supervisors/department chairs have discretion in approving and scheduling Professional Activity Leave. Providing nine (9) days per academic term in no way suggests any number of days may be used by the employee consecutively, nor may they be accumulated. Employees are not required to use Professional Activity Leave for evenings and weekends unless those are the employees' scheduled working hours.

Professional Activity Leave is not required for uncompensated service to associations, scholarly societies and governmental agencies when they are part of the assigned responsibility of the employee.

Employees must submit Professional Activity Leave requests to their supervisor (Chairs, for Academic Departments) for approval in sufficient time to review arrangements for alternate coverage of duties.

Use of Facilities

University facilities are provided for public purposes, and are not to be used for personal gain. Employees who wish to use university equipment or facilities for outside activity must receive approval from the department chair or director responsible for the facility and/or equipment and pay appropriate fees approved by the Controller's Office. Fees should be reasonable and in line with those charged for use by companies not involving ISU employees. The arrangement will be documented in an equipment or facility use agreement signed by the Senior Vice President of University Services or designee.

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APPLICATION OF THE CONFLICT OF INTEREST AND COMMITMENT POLICY IN SPECIFIC SITUATIONS

Management Role and/or Significant Financial Interest

This section applies to persons who take on a management role or have a significant financial interest in a non-university entity, or who do consulting that involves a significant financial interest. [See the [Definitions](#) section in the [Conflicts of Interest and Commitment Policy](#).] Consulting that does not involve a significant financial interest is governed by the section on [Consulting](#), below.

Examples of management role:

- Board member for a for-profit entity
- Chief executive officer of a for-profit entity
- Chief business officer for a for-profit entity
- Chief technology officer for a for-profit entity
- Line officer or any other position in a for-profit entity with the ability to influence the entity's business decisions
- Any management role in a for-profit or not-for-profit entity that funds the employee's university scholarly activities

Examples of significant financial interest:

- Equity ownership or stock options that represent more than \$10,000 or five percent of the total company equity (\$5,000 or any equity in a privately held company for PHS-funded researchers) is considered to be an equity interest in that company. Excepted are equities held in retirement accounts or mutual funds. See [NIH Regulation 42CFR50](#), [NSF Grantee Standards](#).
- Sole proprietor, partner, owner or member of a partnership or limited liability for-profit entity. Sole proprietorships or other entities engaged solely in consulting are evaluated by the criteria for consulting (next two bullets). (A sole proprietorship is a form of business in which one person owns all the assets of the business and operates the business without a separate legally recognized entity such as a professional corporation.)
- Consulting related to patented or patentable intellectual property in which the employee has an interest.
- Consulting for an entity that has a financial interest in or sponsors the employee's university scholarly activities if the compensation for the consulting exceeds \$10,000 per year (\$5,000 per year for PHS-funded researchers).
- Ownership of, or rights held in, intellectual property or research materials (which may include rights to receive royalties), the value of which may be affected by the outcome of the employee's university activities. Excepted are intellectual property and research materials held by the ISU Research Foundation (ISURF).
- Any of the above applicable to the employee's spouse and/or dependent children.
- For purposes of this policy, this term does not include the right to receive copyright royalties for writing an article book, textbook or other copyrightable work. However, use of an employee's book for instructional purposes is governed by the policy on Royalties for Instructional Materials (Faculty Handbook §8.3.6.6).

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Substantially related to university responsibilities

The Conflict of Interest Officer in the Office of the Vice President for Research (VPR) reviews and typically manages these activities because of the significant risks involved.

Application

This section applies when:

- The employee has a management role and/or significant financial interest in a non-university entity; **and**
- The success of the non-university entity could be impacted by the decisions the employee makes in his/her university role.

Examples:

- Having a significant financial interest or management role in a company based on the employee's university research or scholarly activities or the success of which could depend on the outcome the employee's university research.
- Serving on an advisory board of an entity whose success is dependent on the outcomes of the employee's university research.
- Receiving more than \$10,000 (\$5,000 for PHS-funded research) in consulting fees per year from a company that funds the employee's university research.
- Ownership of privately-held stocks amounting to \$10,000 or 5% or greater equity in a business (\$5,000 or any equity in a privately held company for PHS-funded researchers), the success of which could be impacted by the outcome of the employee's university research or scholarly activities.
- Consulting related to a patent in which the employee has an interest and the employee's research may affect the licensee.
- Owning or managing a business, the success of which could be impacted by the decisions the employee makes in his or her university role.

Process

Disclosure. Employees shall disclose electronically via [AccessPlus](#) at the beginning of employment and thereafter annually beginning January 1 (with a target completion of March 31), and whenever the employee's situation changes. Disclosures shall be made prior to initiation of an external activity as defined in the [Conflicts of Interest and Commitment Policy](#). Disclosures also must be noted on any proposal data form (GoldSheet) for projects to which the conflict may be relevant.

Initial review. The employee's administrative supervisor shall review and acknowledge the disclosure. Next, the Conflict of Interest (COI) Officer or designee shall also review the disclosure and make an initial determination whether the activity involves a management role or significant financial interest, and is substantially related to the employee's university responsibilities. If the activity meets those definitions, the activity will be referred to the Conflict of Interest Management Committee. The COI Officer or designee will refer management responsibilities to the employee's administrative supervisor for Consulting activities substantially related to employee's university activities, Service to Government and Associations, and Multiple Roles and Interests sections of this document. If the activity is determined to be not substantially related to the employee's university responsibilities, the disclosure shall be treated as provided below under "Not substantially related to university responsibilities."

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COI Committee. If the activity is determined to involve a management role or significant financial interest that is substantially related to the employee's university responsibilities, the COI Officer or designee shall constitute a Conflict of Interest Management Committee ("COI Committee"). The voting members of the Committee include tenured or tenure-track faculty members from at least four different colleges, the Assistant Vice President for Research, Responsible Research, the Conflict of Interest Officer, a representative of the Office of Sponsored Programs Administration, a representative of the Office of Intellectual Property and Technology Transfer, and the Associate Dean for Research of the relevant College(s). The Ex-Officio Members include, as needed or requested: representatives from Procurement Services, the Office for Responsible Research, University Counsel, the Graduate College, a Subject Matter Expert, and/or the Department Chair/Center Director.

COI Management Plan. If the COI Committee determines that a Conflict of Interest Management Plan is required, it shall confer with the employee to develop a plan. The Committee shall have the authority to set minimum requirements which, if not accepted by the employee, shall result in denial of permission to engage in the activity. At a minimum, this plan shall:

- Describe the nature and extent of the potential conflicts.
- Require that all university activities with the non-university entity be conducted under formal written agreements.
- Establish safeguards to protect the integrity of research or other scholarly activities conducted at ISU, whether funded by the university, the entity, or a third party.
- Establish controls to protect vulnerable populations, such as humans and animals as subjects of research, and university personnel under the employee's supervision who may be impacted by the external activity.
- Ensure special protection for graduate students. The plan must specify that any ISU faculty member involved in a non-university entity substantially related to his/her university scholarly activities may not serve as a major professor or co-major professor for any graduate student who works in the non-university entity or on a grant or contract from the non-university entity to the university.
- Establish controls to protect the rights of university employees and students to publish the results of their university scholarly activities in a timely manner.
- Establish controls to protect against the loss of university and non-university intellectual property and to protect the employee's right to continue to conduct his/her university scholarly activities.
- Clarify the employee's responsibilities to prevent inappropriate use of state and university resources (see the [Use of Facilities](#) section above), and misuse of the university name or trademark.
- Clarify the need to disclose the employee's relationship to the non-university entity whenever appropriate in scholarly publications and presentations.
- Clarify the extent of any external time and effort commitments and how the employee will assure that his/her university responsibilities are met.

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- Describe any arrangements for use of Professional Activity Leave. Professional Activity Leave (see section above) may be used for activity substantially related to a management role.
- If the employee has an ownership role in a non-university entity that does business with or wants to do business with a Regent's institution, clarify the need to obtain Conflict of Interest Vendor status.

Ongoing review. The COI Committee shall meet and confer with the employee at least once annually to review whether changes are necessary to the plan. The Committee also must meet and confer with the employee whenever there is a significant change in activities of the employee that may require a change in the plan.

Reporting to external entities. The COI Officer shall work with the Office of Sponsored Programs Administration to report conflicts of interest related to sponsored funding as required by the sponsor.

Retention of documents. The COI Officer shall maintain copies of signed Management Plans for a minimum of ten years.

Appeals. Grounds for an appeal of the decision of the COI Committee are limited to: 1) a violation of University Rules, regulations, or policies; or 2) a specific act by the University that was arbitrary or capricious. The affected party may appeal the decision of the COI Committee to the Senior Vice President and Provost. Such appeals must be filed within five (5) business days of receiving the decision of the COI Committee.

Not substantially related to university responsibilities

Employees must disclose management roles and significant financial interests on AccessPlus even when the activities of the entity are not substantially related to those of the employee's university responsibilities. Management is the responsibility of the appropriate department chair or director under the usual supervisory course.

Examples of external activities that could fit in this category include:

- Owning or managing a business, the success of which would not be expected to be impacted by the outcomes of the employee's university research or scholarly activities
- Owning or managing a business, the success of which would not be expected to be impacted by the decisions the employee makes in his or her university role
- Owning or managing a family farm, unless the farm is used for university activities

Disclosure

Initial Review. Departments will implement management plans when necessary to avoid conflicts of commitment or interest, and to assure appropriate use of university resources. Consideration must be given as to whether the activity relies upon usage of university students, employees or resources.

COI Management Plan. If the supervisor determines that a Departmental Management Plan is needed, it shall, at a minimum:

- Describe the nature and extent of the potential conflicts.

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- Clarify the extent of any external time and effort commitments and how the employee will assure that his/her university responsibilities are met. Professional Activity Leave may not be used. Employers and supervisors must agree on an acceptable schedule and leave arrangements in case the employee will use regular work hours.
- Clarify the employee's responsibilities to prevent inappropriate use of state and university resources (see the [Use of Facilities](#) section above), misuse of university personnel or students, and misuse of the university name or trademark.

The need for continuing management should be reviewed annually at the employee's annual evaluation. Supervisors shall keep copies of any Departmental Management Plans in the employee's personnel files for as long as the conflict exists.

Consulting

This section applies to persons engaged in consulting, as defined by the Conflicts of Interest and Commitment Policy, who are not covered by another section of these procedures, applications, and guidance. This consulting may include activity conducted through a sole proprietorship or other entity that is engaged solely in consulting. Consulting that involves a significant financial interest is covered above in "Management Role and/or Significant Financial Interest."

Professional services (other than employment; see [Other Outside Employment](#) below) to other educational institutions constitute consulting unless they are part of the employee's ISU position responsibilities.

Professional services to a non-university entity that are a part of the employee's position responsibilities are **not** considered consulting. Examples of services that are **not** considered consulting include:

- Reviewing and editing scholarly journals,
- Service on government advisory boards or editorial boards that involves limited use of university time and only incidental use of university resources or personnel,
- Service on grant review or accreditation panels, and
- Writing books or textbooks in the employee's disciplinary area, if such are a part of the employee's position responsibilities.

Such activities may, however, be covered under the section on [Service to Government and Associations](#).

Employees should be aware that Iowa Code §68B.6 forbids the providing of compensated services against the interest of the state in court and administrative proceedings.

Substantially related to university responsibilities

Consulting in the area of expertise within the employee's university responsibilities raises issues of conflict of commitment and interest. For this reason, all such activities must be disclosed and approved by the supervisor. If needed, a written management plan will be developed.

Examples of external activities that could fit in this category include:

- Using one's disciplinary expertise in one's university role to advise a company
- Providing services (such as teaching, technical skills, diagnostic skills, etc.) privately or for another institution that are normally a part of an employee's university responsibilities

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- Supervising graduate students or directing research at other educational institutions

Disclosures shall be submitted electronically on AccessPlus prior to initiation of the activity, annually, and whenever the situation changes.

If the supervisor determines that a Departmental Management Plan is needed, it shall, at a minimum:

- Describe the nature and extent of the potential conflicts.
- Clarify the extent of any external time and effort commitments and how the employee will assure that his/her university responsibilities are met. The section on Professional Activity Leave applies.
- Clarify the employee's responsibilities to prevent inappropriate use of state and university resources (see the [Use of Facilities](#) section above), misuse of university personnel or students, misuse of the university name or trademark, loss of ISU intellectual property, and export control concerns, if any.

Consulting activity should be reviewed annually at the employee's annual evaluation. Supervisors shall keep copies of any written Departmental Management Plans in the employee's personnel files for as long as the conflict exists.

Extension. Because of the unique service-oriented nature of University Extension, special policies apply to persons on an Extension appointment. In some cases, (i.e., consulting within the state) Extension policy is more stringent than that of the general university, and the University [Extension policy](#) supersedes university policy.

Not substantially related to university responsibilities

Employees who engage in consulting in areas of expertise not substantially related to their university responsibilities may do so as long as the activity is not on university time, does not use university resources and does not create conflicts in the employee's role.

Examples of external activities that could fit in this category include:

- Providing advice privately in areas that are not within the employee's areas of expertise at the university
- Providing services privately that are not services that the employee is expected to provide in their university role.

If the activity is to take place during regular working hours, or if the activity requires any more than insignificant use of university facilities, staff, or students, the employee must discuss with the supervisor to arrive at acceptable arrangements regarding:

- Taking leave. Vacation or leave without pay may be used for such activity. Professional Activity Leave may not be used.
- Reimbursement of costs, or restrictions on use of university resources (see the [Use of Facilities](#) section above).
- Avoidance of potential conflicts.

Any activity that impacts work performance or the work of the university should be discussed at the employee's annual evaluation.

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Service to Government and Associations

ISU encourages and often expects faculty and professional employees to be involved with non-university entities such as government advisory boards, professional associations, journals, academic societies and other non-profit associations whose purposes are to advance Iowa State University, government effectiveness, or the employee's disciplines and professions. Such service should be discussed during the annual review to assure appropriate level of effort.

Disclosure through Access Plus prior to entering into such service activities is required when:

- The employee assumes a board or other managerial role for the non-university entity. In such cases, it is important to disclose both the expected time commitment and the costs (such as travel reimbursement) and which entity will pay the costs.
- The employee is compensated by the non-university entity other than reimbursement of costs and tokens of appreciation or recognition for service.
- The service involves significant use of university resources, facilities or time of other employees.

In case significant university resources will be used, and especially where other university employees will be asked to devote substantial time to the non-university entity's work while on the ISU payroll, an agreement must be entered into with the non-university entity to assure that the resource commitment is reasonable and substantially related to university goals or that an understanding is reached regarding the costs to be reimbursed by the non-university entity. The agreement must be signed by the department chair, dean and the relevant Vice President or the President in the case of service by Vice Presidents and employees of areas reporting to the President. Any financial obligations of the non-university entity under such agreements must be handled through the university Accounts Receivable office.

Because uncompensated work for associations is normally considered part of the employee's university duties, the employee need not account for the time as Professional Activity Leave. However, if the employee's work is compensated beyond travel reimbursement, the Professional Activity Leave section applies. To the extent the activity requires more than the 9 days per academic term, arrangements for reduction in full time equivalent (FTE) or other leave must be arranged.

Multiple Interests or Roles

An individual employee may simultaneously become involved in consulting relationships, have equity holdings, and serve as an officer in one or more companies. Each of these relationships may well be independent of all the others and no conflict among them may exist. However, the cumulative effect of taking on multiple roles may significantly affect the employee's performance. Supervisors will implement a Departmental Management Plan to address conflicts of commitment, interest and appropriate use of university resources when necessary. The cumulative impact of multiple interests or roles should be discussed annually at the employee's annual evaluation.

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Other Outside Employment

Full time employees are expected to disclose [through Access Plus] and secure approval of their supervisor for any significant ongoing outside employment.

Part time employees generally should be allowed outside employment up to the full-time complement of their university employment. No disclosure and approval is required unless:

- The schedule interferes with accomplishing university duties; or
- The activity is inconsistent with or conflicts with university responsibilities or otherwise hinders the employee's accomplishment of university work.

If disclosure and approval are required, the outside employment is subject to review by the supervisor prior to the time of accepting outside employment and whenever a conflict with university obligations occurs. Outside employment that is required to be disclosed and approved should be discussed annually at the employee's annual evaluation. Supervisors may implement a Departmental Management Plan to address conflicts of commitment, interest and appropriate use of university resources.

When an employee has dual employment, it is important that the employee disclose the relationships with both employers. It may be necessary for both employers to arrange for ownership and management of intellectual property.

Faculty Professional Development Assignment (FPDA). As early as possible faculty must disclose in the FPDA request any outside employment proposed during any period of the FPDA. Chairs and Deans must review to ensure that the terms of the other employment do not substantially interfere with the purposes of the assignment to benefit the faculty member and the university. For example, confidentiality agreements, publication restrictions and intellectual property arrangements may interfere with the faculty member's work upon returning to the university. In such cases, it may be necessary to develop an agreement with the other employer in order to allow the assignment proposal to proceed. The Senior Vice President and Provost may deny the FPDA where the university's and faculty member's future work is inadequately protected.

Ames Laboratory. Ames Laboratory faculty and staff paid solely by ISU are not considered to have dual employment, for purposes of this policy.

Merit Staff. Merit staff are not required to disclose outside activities through the AccessPlus system. However, an employee's supervisor may request that the employee disclose outside employment or business activities so that it can be determined if it affects accomplishment of university duties.

Special Conditions in Sponsored Funding Agreements

Sponsored funding agreements may place special conditions on the non-university activities of employees who receive sponsored funding. Such agreements may restrict non-university activities because of the special nature of the sponsor, the nature of the sponsored activity or because of intellectual property and proprietary terms. In such cases, employees must abide by the requirements of the sponsored funding agreement.

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The United States Public Health Service (PHS) has implemented PHS-specific Financial Conflict of Interest regulations to ensure objectivity in research. All Investigators who apply for or receive PHS funding must comply with the regulations. Additional information regarding the PHS Financial Conflict of Interest regulations is available [here](#).

Department of Energy policy and regulations apply to Ames Laboratory faculty and staff as required by the Ames Laboratory Contract.

Procurement / Purchasing

[Conflicts in Procurement and Public Contracts](#) (2CFR200.318(c)(1))

No employee, officer, or agent must participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit exceeding \$5,000 from a firm considered for a contract.

[Conflicts of Interest in Subrecipient or Vendor](#) (2CFR200.112)

Investigators must follow the policy of the federal awarding agency and disclose in writing any potential conflicts of interest in a subrecipient or vendor.

[Conflicts of Interest – Vendor](#)

Any university employee shall not sell, in any one occurrence, any goods or services having a value in excess of two thousand dollars to any state agency unless the sale is made pursuant to an award or contract let after public notice and competitive bidding. (IAC 68B.3)

Any "employee" seeking to sell goods or services to any Regent institution, either directly or indirectly, shall request and receive authorization for such activity. (Policy Library)

Other Relevant Policies

[ISU Extension Conflict of Interest Policy](#)

The Iowa State University Extension Conflict of Interest Policy adheres to all of the policies of Iowa State University, including the policy on Conflicts of Interest and Commitment. However, there are some instances where the Extension Conflict of Interest Policy differs from the university Conflicts of Interest and Commitment Policy because of the nature of ISU Extension work.

[Gifts Policy](#)

Employees of the university and the immediate family members shall not, directly or indirectly, solicit, accept, or receive gifts as defined in the Gifts Policy. Gifts may come in a variety of forms, so familiarity with the Gifts Policy is important for all university employees.

[Employment or Supervision of Immediate Family Members](#) (Regents Policy Manual 2.1.4.H)

No employee of the university may participate in the decision to hire, supervise, retain, promote, grant tenure to or determine the salary of an immediate family member. (See the Regents Policy Manual for definition of "immediate family members.")

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Consenting Relationships Policy

Consenting relationships that are of concern to Iowa State University are those romantic, sexual, or intimate relationships in which both parties appear to have consented, but where there is a reporting or evaluation relationship between the two parties. Consenting relationships between teachers and students, supervisors and employees, or colleagues when one is, or likely will be, involved in the evaluation of the other are inappropriate.

Reporting Responsibility Policy

The purpose of the Reporting Responsibility Policy is to explain the responsibility to report potential or suspected violations of policies, regulations, and laws.

Royalties for Instructional Materials (Faculty Handbook 8.3.6.6)

Faculty may assign books and class materials which they have authored as long as they follow the policy on Royalties for Instructional Materials.

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