

# Conflicts of Interest and Commitment Procedures, Applications, and Guidance

## INTRODUCTION

**Policy:** The [Conflicts of Interest and Commitment \(COIC\) 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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### Definitions

- **Conflict of Commitment:** An external activity with the potential to reduce the time and attention an employee can devote to their university responsibilities, and thus negatively impact their performance of assigned university duties, constitutes a "conflict of commitment."
- **Conflict of Interest:** Any external activity, significant financial interest or management role that has the potential to negatively impact objectivity in the execution of university duties is a "conflict of interest."
- **Management Role:** A position in a non-university entity with oversight over or responsibility for the entity's strategies and/or operations. Examples include director, scientific director, board member, line officer, etc.
- **Significant Financial Interest:** A "significant financial interest" is any financial interest that has the potential to compromise an individual's objectivity. The dollar value considered "significant" is determined by the relevant federal or state law, or agency policy. Factors contributing to a Significant Financial Interest include
  - equity ownership or stock options
    - excepted are equities held in retirement accounts or mutual funds
  - sole proprietor, partner, owner or member of a partnership or limited liability for-profit entity
  - consulting substantially 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
  - 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 Iowa State University Research Foundation (ISURF)
  - any of the above applicable to the employee's spouse and/or dependent children

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# PROCEDURES

## Disclosure and Updates

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Every Covered Employee, defined by the COIC Policy, is responsible for disclosing conflicts of interest and commitment, whether the employee thinks the situation requires management and whether a management plan is already in place. Merit employees are exempt from reporting through IRBManager. If you are in doubt about whether a situation constitutes either a conflict of interest or a conflict of commitment, it is always best to disclose.

Employees shall disclose electronically via IRBManager within 30 days of new employment, annually between January 1 and 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 (Streamlyne, formerly GoldSheet) for projects to which the conflict may be relevant.

## Review

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Disclosures in IRBManager are reviewed by the

- employee's direct supervisor;
- person(s) designated by the Vice President for Research; and
- the Director of Procurement Services and/or their designee (as necessary).

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.

## Management Plans

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Conflicts of interest or commitment are managed in different ways based on the type of conflict. See [COIC Management Plan Chart](#).

## Conflicts of Interest and Commitment 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 in Research Management Committee ("Committee"). The voting members of the Committee include tenured or tenure-track faculty members from at least four different colleges, the Associate Vice President for 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 of Research Ethics, University Counsel, the Graduate College, a Subject Matter Expert, and/or the Department Chair/Center Director.

## Full Committee

The Committee meets monthly to review all new management plans that involve a Management Role or Significant Financial Interest that is substantially related to the employee's university responsibilities, and any recurring plan that

- has an Oversight Committee;
- requires Public Health Service Financial Conflict of Interest Reporting; and/or
- is referred by the expedited reviewers.

## Expedited Review

A subset of the Committee, comprised of the Associate Dean for Research of the corresponding College, the Conflict of Interest Officer, and the representative from the Office of Intellectual Property and Technology Transfer, meet monthly to review annual reviews or updates to previously reviewed management plans that are not required to be reviewed by the Committee.

## Department Plans

When a disclosed activity is a conflict of interest or commitment but is not a Significant Financial Interest requiring management at the Office of the Vice President for Research level, a COIC Department Management Plan is warranted.

Examples include:

- consulting activities not managed at the Vice President for Research level
- external employment
- equity interest or managerial role in a company with activities not related to the employee's university responsibilities

Department Management Plans are initiated, completed, and stored in IRBManager.

## Procurement Services Plans - Conflict of Interest Vendor Status

Any "employee" as defined by the [Conflict of Interest Vendors/Employees, Procurement Policy](#) seeking to sell goods or services directly or indirectly to any Iowa Regent institution or other agency of the State of Iowa must request and receive authorization from Procurement Services. ***Note that authorization is also required for services provided to Iowa Regent institutions or other agencies of the State of Iowa.***

## External Scholarly Affiliations Plans

Supervisors should implement a [Management Plan for an External Scholarly Affiliation](#) for Covered Employees who have a paid or unpaid affiliation with another academic or research institution. These plans ensure that the Covered Employee fulfills their obligations to Iowa State University and that there is transparency between Iowa State University and the other institution.

## Ongoing Review

The COI Committee or Expedited Review Committee shall confer with the employee at least once annually to review whether changes are necessary to the plan.

## Reporting to External Entities

The COI Officer reports conflicts of interest related to sponsored funding to funding agencies when required.

## Retention of Documents

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The COI Officer shall maintain copies of signed Management Plans for at least ten years.

## Appeals

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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.

## Noncompliance

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Supervisors must follow up with noncompliant personnel on past due disclosures as follows:

- Escalate noncompliant personnel to the appropriate department head after the disclosure deadline has passed.
- Once the disclosure is overdue by more than one month, escalate noncompliant personnel to the appropriate Dean or Unit Head.

All Covered Employees must comply with the [Code of Business and Fiduciary Conduct](#).

Violations of this policy are handled through the Academic Misconduct process.

**Faculty** are subject to the Voluntary Mediated Process and Formal Complaint Process included in Chapter 7 of the [Faculty Handbook](#).

**Professional and Scientific Staff Members** are subject to the [Summary Dismissal](#) Policy.

**Postdoctoral Scholars** are subject to the Dismissal provisions of [Section 10.4](#) of the Graduate College Handbook.

**Graduate Students** are subject to [Section 9.4](#) of the Graduate College Handbook.

## GUIDANCE

### Responsibilities

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#### Employee Responsibilities

The Covered Employee is responsible for

- completing COIC disclosures in IRBManager at the beginning of employment, annually between January 1 and March 31, and anytime the employee's situation changes (disclosures must be completed annually regardless of whether the Covered Employee has a conflict to disclose);
- submitting COIC disclosures prior to initiating an External Activity as defined in the [Conflicts of Interest and Commitment Policy](#);
- noting conflicts of interest on any proposal data form (Streamlyne, formerly GoldSheet) for projects to which the conflict may be relevant;
- providing additional information about the conflict as requested by the Office of Research Ethics or the Conflict of Interest Committee; and
- following the terms of any Conflict of Interest Management Plans.

## **Supervisor Responsibilities**

The Covered Employee's Administrative Supervisor is responsible for

- assuring that employees are reminded of the need to submit electronic disclosures;
- reviewing employee disclosures in a timely manner
  - 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;
- reviewing Covered Employee's external activities at their annual evaluation;
- developing written Department 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 invited to participate in the COI Committee meeting; and
- keeping copies of any Department Management Plans in IRBManager.

## **Prohibited Outside Activities**

### **[Iowa Code 68B.2A](#)**

Employees shall not

- use ISU facilities, equipment, or supplies ("resources") in outside employment or activities, if such resources are not available to members of the general public
- engage in outside employment or activity for the performance of an act they are expected to perform as a part of their university responsibilities

## **Usurpation of University Research Opportunity**

Situations may arise in which a faculty or staff member who conducts research or testing in their ISU role has the option to engage in research or testing activities either (1) as an independent consultant or through a business organization in which the faculty or staff member has an ownership interest, or alternatively (2) through the University. When the university is eligible to submit a funding application and such research activities exceed \$50,000 per year, the faculty or staff member has an obligation to give the University an opportunity to decide whether it wishes to have the activity carried out under University auspices. Only if the University rejects the opportunity is the faculty or staff member free to undertake the activity by other means. The faculty or staff members in an academic department must obtain a written waiver of University interest from the dean of the college or its designee. Staff members not employed by an academic department must obtain a written waiver of such interest from the director of the unit in which the staff member serves.

## **ISU Extension Personnel**

Because some applications of ISU's COIC Policy and Procedures are more prescriptive for ISU Extension personnel, Extension personnel should refer to the COIC Addendum for Extension Personnel.

## 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 Operations and Finance or designee.

## 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.

### Public Health Service (PHS) Agencies

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](#).

### **Current and Pending Support/Other Support**

Many federal agencies have a requirement to report other sources of support during the proposal submission, award negotiation, and/or in the progress report. This requirement is typically in place to assure the funding agency that (1) it is not providing overlapping funds for work that is supported by another source, (2) that all resources available in support of the individual's research is being reported regardless of whether it is received directly by the individual or through the institution, and (3) the participating personnel have sufficient time available to conduct the work that the agency will be funding.

Selected agency requirements can be found at

[NSF](#)  
[NIH](#)  
[DOD](#)

[NIST](#)  
[NASA](#)

### **Ames Laboratory**

Ames Laboratory faculty and staff working under the Ames Laboratory Contract are also subject to Department of Energy employee policy and regulations.

## **Procurement**

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### **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 they have a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of their immediate family, their 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](#)). ***Note that this applies to research services provided to Iowa State University.***

Any "employee" seeking to sell goods or services to any State of Iowa Agency, directly or indirectly, shall request and receive authorization for such activity ([Policy Library](#)).

## Relevant Policies

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### [ISU Extension Conflict of Interest Policy](#)

The Iowa State University Extension Conflict of Interest Policy adheres to all 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.”)

### [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 Reporting Responsibility Policy explains 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 they have authored if they follow the policy on Royalties for Instructional Materials.

## APPLICATIONS

### **Office of the Vice President for Research–Managed Conflicts of Interest**

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

## Conflicts of Interest Substantially Related to University Responsibilities

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 their university role.

### 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 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. (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.)
- 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 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 authoring 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).

### Examples of Management Roles

- 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

## Consulting

The Office of the Vice President for Research develops management plans for consulting only when a Covered Employee

- consults 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); and/or
- consults related to patented or patentable intellectual property in which the employee has an interest.

## Department-Managed Conflicts of Interest

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### Consulting

All consulting that is not managed by the Office of the Vice President for Research is managed by the employee's supervisor and the Department or Center. Consulting may include activity conducted through a sole proprietorship or other entity engaged solely in consulting.

### 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 employee's supervisor. A [Departmental Management Plan is necessary for consulting substantially related to an employee's university responsibilities.](#)

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
- supervising graduate students or directing research at other educational institutions

[Professional Activity Leave](#) may be available for consulting substantially related to university responsibilities.

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.

### 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 if 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

### **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. Disclosure prior to entering such service activities is required when

- 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. If the activity requires more than 9 days per academic term, arrangements for a 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 [Department 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.

## **Outside Employment**

All employees are expected to disclose and secure approval of their supervisor for any significant ongoing outside employment. Supervisors may implement a [Department 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 assignment's purposes 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 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 IRBManager 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.