



SOUTHERN UTAH UNIVERSITY
Policies and Procedures

Policy # 6.71
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Office of Responsibility: SPARC
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**SUBJECT: DISCLOSURE OF FINANCIAL INTERESTS RELATED TO
SPONSORED PROJECTS**

I. PURPOSE:

To ensure compliance with federal and state laws and regulations related to the receipt of funds in support of contracts, agreements, and sponsored projects. The purpose of this policy statement is not to discourage or prohibit these activities, but to serve as a standard and resource for guidance through disclosure, review and resolution, in order for the University to manage, reduce or eliminate any real or perceived conflicts associated with the University's sponsored scholarly activities.

This policy supplements but does not supplant the requirements found in SUU Policy #5.7 regarding disclosure of potential conflicts of interests. This policy adds the requirement for yearly reporting and method of management of disclosed conflicts of interest in relation to agency requirements of sponsored programs. When a conflict of interest related to an award has been disclosed, it is the responsibility of the Office of Sponsored Programs, Agreements, Research, and Contracts (SPARC), in conjunction with SUU's Office of Legal Counsel, to report to the agency when required under the policy of that agency and CFR 200 §112. The policy is consistent with 2CFR §215 (Objectivity in Research) and Utah Public Officers' and Employees' Ethics Act (Utah Code Ann. § 67-16-1 et seq).

II. REFERENCES:

2.1 CFR 200, Subpart B §200.112, Conflict of Interest

2.2. Utah Public Officers' and Employees' Act, Utah Code Ann. § 67-16-1 et seq

2.3 National Science Foundation (NSF), Award and Administration Guide, Grantee Standards – Chapter IV.A Conflict of Interest Policies

2.4 Anti-Kickback Act of 1986 (41 U.S.C. 51-58) and OMB Uniform Guidance (2 CFR 200)

2.5. SUU Policy and Procedures, 5.7, Conflicts of Interests

III. DEFINITIONS:

A. **Immediate family member** includes the individual, parents, spouse, domestic partner, children, dependents, and siblings, and each of their respective spouses or domestic partners.



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- B. **Investigator** means the principal investigator (PI)/ project director (PD), co-principal investigators (Co-PI)/co-project directors (Co-PD), and any other person at the organization who is responsible for the design, conduct, or reporting of research or educational activities funded or proposed for funding.
- C. **The Office of Sponsored Programs, Agreements, Research, and Contracts (SPARC)** at Southern Utah University promotes externally funded research, training, and demonstration projects. It is a central source of information on major government agencies, foundations, and corporations which provide contractual support for research and scholarship.
- D. **Significant Financial Interest (SFI)** means a financial interest consisting of one or more of the following interests of the individual investigator or employee (and those of the investigator's or employee's immediate family member as described in IIIA) that reasonably appear to be related to the Investigator's or Employee's responsibilities to the University, as defined by an individual's department or job description.
1. With regard to any publicly traded entity, an SFI exists if the value of any remuneration received by the individual from the entity in the twelve months preceding the disclosure and the value of any equity interest in the entity as of the date of disclosure, when aggregated, exceeds \$5,000. For purposes of this definition, remuneration includes salary and any payment for services not otherwise identified as salary (e.g., consulting fees, honoraria, paid authorship); equity interest includes any stock, stock option, or other ownership interest, as determined through reference to public prices or other reasonable measures of fair market value.
 2. With regard to any non-publicly traded entity, an SFI exists if the value of any remuneration or gifts received by the individual from the entity in the twelve months preceding the disclosure, when aggregated, exceeds \$5,000, or when the individual holds any equity interest (e.g., stock, stock option, or other ownership interest).
 3. Significant financial interest (SFI) does **NOT** include:
 - a. Salary, travel reimbursements or other non-royalty remuneration from the University if the Investigator is currently employed or otherwise appointed by the University;



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- b. Income from seminars, lectures, or teaching engagements 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;
- c. Income from service on advisory committees or review panels for 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;
- d. Income from investment vehicles, such as mutual funds and retirement accounts, as long as the Investigator does not directly control the investment decisions made in these vehicles.

IV. POLICY

Historically, university missions have focused on the areas of teaching, public service and research. In recent times Southern Utah University (hereafter, "SUU") and its employees are asked increasingly to work on projects that involve support from government and commercial sectors, and to engage in consulting relationships and other outside activities that interrelate the University's mission to benefit public interests. Generally, such outside activities enhance professional development, scholarship, and teaching and are encouraged. Along with these benefits, the arrangements between external enterprises and the University, its employees, and students, can potentially create possibilities for conflicts of interest that must be avoided or otherwise managed to protect the integrities of the concerned parties.

A conflict of interest occurs when there is a divergence between an individual's private interests and his or her professional obligations to the University such that an independent observer might reasonably question whether the individual's professional actions or decisions are determined by considerations of personal private gain, either financial or otherwise.

A. Scope:

This policy applies to any employee responsible for the design, conduct and reporting of a project submitted to the federal awarding agencies and any sponsoring entity that has adopted the same disclosure requirements. These



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policies and procedures apply to all employees (including, but not limited to, officers, administrators, faculty, supportive professional staff, operating staff, and students) who are directly or indirectly involved in such scholarly and/or research activities. All covered persons are referred to herein as “University employees” or “employees.”

B. Responsibilities:

Investigators responsible for the design, conduct and reporting of a project funded by federal granting agencies are required to disclose certain personal financial interests related to that project at the time a proposal is submitted or as soon as a financial interest becomes known. Investigators must disclose all SFIs for themselves, their spouses and dependent children that would reasonably appear to be affected by the activities funded or proposed for funding; or in entities whose financial interests would reasonably appear to be affected by such activities.

Disclosure is also required when an employee or his/her family member has an SFI related to research or scholarly activities involving University subordinates or students and the Employee has responsibility for the subordinates' or students' employment and/or academic evaluations.

This policy establishes a process of disclosure and independent review to identify potentially harmful conflicts of interest between an investigator's obligations related to the sponsored project and their personal financial interests or obligations, and a process to reduce, manage or eliminate such conflicts in order to preserve objectivity in the design, conduct and reporting of research.

1. **Provost:** The SUU Provost or designee(s) will be responsible for implementing this policy, for the final decisions regarding the acceptability of disclosures, and for approval of any required management plan. Employees are responsible for disclosing their financial interests as defined by this policy. The Provost or designee(s) will be responsible for reviewing financial disclosures of Investigators, making recommendations and proposing management plans.
2. **The Office of Sponsored Agreements, Research, and Contracts (SPARC):** The SPARC staff are responsible for receiving disclosures and additional information, providing advice and information on policies and procedures, responding to agency requests regarding COI management. SPARC must maintain records of all financial disclosures and of all actions taken to



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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 action involving those records, whichever is longer.

C. Disclosure Procedures:

1. The annual disclosure form and associated disclosure procedures are available on the SPARC website. Disclosure must be submitted to the SPARC office:
 - a. At the time of proposal submission (If an investigator discloses a potential conflict, it must be satisfactorily resolved before the University will authorize the expenditure of any award or contract funds.)
 - b. Annually with non-competing continuation funding.
 - c. As new Investigators are added to the project.
 - d. As Investigator's financial interests change (within 30 days of those changes).

It is the responsibility of the PI to complete the disclosure, along with all other investigators listed on the project. The Provost or designee's review must be completed and the award deemed acceptable by the Provost or designee prior to the acceptance of the award and any expenditure of funds.