Purpose and Principles

All academic staff members (see “Covered Employees,” below) of Southern Illinois University Carbondale (“SIUC,” “University”) are required to give the University their primary professional loyalty, and to arrange their financial interests, consulting, and other non-University activities and relationships so as not to conflict or interfere with their commitment to SIUC. At the same time, it is recognized that the University has a broad mission encompassing education, research (construed to include a wide range of scholarly and creative activities), and service, and aspects of this mission can be enhanced when employees engage in professional activities outside the institution. In the same vein, a broad range of non-University professional activities can complement and enhance the development and professional job-related skills of employees. Such activities and relationships are mutually beneficial to the employee, the University, and the region and state, and are encouraged.

There is, however, an inescapable tension between these philosophical positions, as well as the potential for abuse. The opportunity for employees to receive financial rewards from external endeavors is not intrinsically unacceptable, as long as these activities do not conflict with the primary commitment to the University and its mission. Thus, all employees must be alert to the possible effects of their non-University income-generating activities and relationships on the objectivity of their decisions about the design, conduct, or reporting of research, on the fulfillment of their educational obligations to the institution and its students, and on the discharge of the University’s responsibilities to the general public, including the prudent stewardship of public funds.

The purpose of the SIUC Policy on Conflicts of Interest and Commitment, and the annual disclosures that are required therein, is neither to discourage nor prohibit these non-University consulting or other financial activities and relationships. Rather, the purposes are to balance University interests with those of individual employees, and to promote integrity, objectivity, and accountability in research and other endeavors. This Policy establishes a procedural framework for obtaining advice about potential conflicts of interest and commitment, and guidance for resolving and managing such conflicts, in order for the University to manage, reduce, or eliminate them. In brief, this Policy has five procedural components—disclosure, approval, management, sanctions, appeal—each of which may consist of several steps.

This Policy implements an Illinois law requiring University faculty members to obtain prior written approval before engaging in remunerated activities for external persons or entities. It also implements the Public Health Service and National Science Foundation Regulation promulgated in 1995 concerning Financial Conflict of Interest and Objectivity in Research. The policy is revised and updated in accordance with applicable federal regulations, other state of Illinois laws, and SIUC and SIU Board of Trustees policies promoting objectivity in research and consulting through disclosure of conflicting financial (and other) interests and commitments of investigators. Although this policy applies to only Covered Employees, the stated principles are also applicable all employees, including those working less than full-time.
Definitions: Conflict of Interest and Conflict of Commitment

Covered Employees: This Policy covers all paid academic staff members who are .50 FTE or more of SIUC. Academic staff includes the faculty ranks of professor, associate professor, assistant professor (and all of the foregoing whose appointments contain such terms as “research,” “adjunct,” “visiting,” or “clinical”), instructor, and lecturer, as well as academic professionals and postdoctoral associates. All Covered Employees are referred to herein as “academic staff members.” For the purpose of this Policy, students are not considered academic staff.

Conflict of Interest refers to a situation in which a Covered Employee can directly or indirectly influence University business, research, teaching, or other decisions in ways that lead, could lead, or could appear to lead to some form of personal gain, financial or otherwise, for the individual or his/her family, or that give or appear to give improper advantage to others to the detriment of the University. For this policy, family refers to spouse or domestic partner, and dependent children.

Conflicts of interest are of particular concern in the area of research, and especially in the area of human subjects research. It is important to avoid situations in which financial gain and related considerations might compromise, or have the appearance of compromising, an employee’s professional judgment in the design, conduct, and reporting of research endeavors.

Significant Financial Interests (SFI): the financial interests of the Covered Employee and family from non-University (i.e., non-University salary) sources, including but not limited to:

- 5% or more ownership interest in a business, including any stock or stock option, but excluding any interest arising by reason of investment by a mutual fund, pension, or other institutional investment fund over which the employee does not exercise control;
- Receipt of or the right to receive compensation from a third party, whether in the form of a fee, salary, allowance, forbearance, interest in real or personal property, dividend, royalty from licensing, rent, or other form of compensation, or any combination thereof, that exceeds $10,000 annually.

Significant University Support includes, but is not limited to: University funding (non-salary); University-paid time; University staff assistance; substantial use of specialized or unique University facilities and equipment, including telecommunication services, central computing resources, instructional design/media production services and facilities, and research facilities/equipment; and support provided by other public or private organizations when arranged, administered, or controlled by the University. It also includes use of students receiving financial support from the University or employees as support staff to develop the work, and other special subventions provided by the University unless approved, upon written request to the Provost, as an exception.

Conflict of Commitment refers to a situation in which a Covered Employee’s non-University activities are sufficiently demanding of time and attention that they interfere, or appear to interfere, with his/her assigned duties and responsibilities to SIUC students or the University in general. While conflicts of commitment generally refer to the employee’s time, there may also be conflicts resulting from commitment of University resources, commitment of graduate and undergraduate students’ time and labor, and commitment of intellectual property:
Resources: Covered Employees may not use “significant University support” (research labs or instrumentation, computer facilities, classrooms, etc.) for non-University activities without prior approval of the University. Such facilities and resources may be used with permission if mutually agreeable compensation is provided to the University by the external or private entity. (See definition of “Significant University Support.”)

Students: Covered Employees may not involve graduate or undergraduate students in outside activities unless it can be demonstrated that such participation affords a substantial educational benefit for the student. Students and trainees should not be permitted to participate in research if the terms and conditions of participation would prevent them from meeting applicable degree requirements. No Covered Employee shall hire or directly supervise a student in non-University activities while simultaneously serving as the student’s advisor, supervisor, or as a member of that student’s thesis or dissertation committee without the prior written approval of the Chair of the student’s academic unit. Cases involving use of students must be closely monitored by the academic unit, not by the individual employee.

Intellectual Property: No Covered Employee may cede or transfer rights to patents, licenses, copyrights, or other proprietary rights in research results to any external agency except through the sharing provisions set forth in a research or consulting contract and pursuant to the University Policy on Intellectual Property.

The fundamental issue in these conflicts concerns the relationship between a Covered Employee’s University duties (teaching, research, service) versus his/her outside and remunerated professional interests, activities, or relationships (such as consulting, business ownership, other employment, etc.), which are often closely related to those University duties. Could an independent observer reasonably question whether, or perceive that, such outside activities—particularly the time devoted and the financial gains that result—might negatively influence the employee’s responsible performance of his/her University duties? If so, there is a potential for conflict of interest and/or conflict of commitment. Conflicts of interest and commitment are not unusual in universities and are not necessarily inherently bad. The point is that federal regulations and state laws require that such conflicts or potential conflicts must be clearly identified and managed by the University. In some cases the conflict or potential conflict will require the Covered Employee to cease or curtail the activity.

See APPENDIX I for examples of allowable income-generating activities. See APPENDIX II for examples of income-generating activities requiring prior approval and management or those activities that are non-allowable through the provisions of this policy.

Institutional Procedures and Responsibilities

1. Disclosure

University identification and management of conflicts of interest and commitment begin with disclosure: the release of relevant information about significant financial interests (SFI) and time and other commitments to non-University interests and activities. This is accomplished when the Covered Employee completes the Annual Disclosure Form (ADF) on Conflicts of Interest and Commitment. Each Covered Employee must obtain prior written approval to engage in non-University income-generating activities.
Each Spring semester, at the time of signing contracts and/or assigned effort forms, Covered Employees are required to complete the University’s ADF. This form covers activities during the fiscal year from July 1 through June 30 of the upcoming year, and facilitates disclosure of regular, on-going consulting or business arrangements.

When the Covered Employee has an unanticipated opportunity to engage in non-University income-generating activity any time after the ADF already has been signed, he/she must submit a new form to obtain approval prior to beginning the activity.

The ADF materials must be submitted to Department Chairs or unit officers (Directors, etc.) by May 15 of each year. Department Chairs or unit officers will then initiate the administrative review and approval process using the ADF Administrative Review of Conflicts of Interest and Commitment.

If warranted, the Department Chair or unit officer will develop a Management/Monitoring Plan (MMP) to address the conflict. MMPs for Conflicts of Interest and Commitment might include one or more of the following (this list is not exhaustive):

- Requirement for public disclosure of significant interests
- Monitoring of the activity by an independent oversight committee of reviewers (SIUC employees)
- Modification of a research or business plan
- Disqualification from participation in all or part of a federally funded research activity
- Divestiture of significant financial interest
- Severance of relationships that create actual or potential conflicts

All Covered Employees submitting a grant proposal or contract must complete the Potential Conflict of Interest section in the Proposal Checklist. If Covered Employees on the project do have a potential conflict of interest, they must submit to ORDA a copy of their ADF materials, including the MMP, along with the Proposal Checklist. ORDA will not accept awards or contracts if any conflicts of interest identified on these disclosure forms have not been resolved satisfactorily.

Researchers who have a significant financial interest in a sponsor or a business involving human subjects must disclose the existence of this interest to the Human Subjects Committee in addition to submitting the ADF materials through their departments. The Human Subjects Committee will work with the Provost regarding any special subject protection issues.

2. Review Process:

Chairs/officers will review the ADF materials for possible conflicts of interest and commitment, and report their findings on the Administrative Review of Conflicts of Interest and Commitment Form.

- If no conflict or potential conflict can be found to exist, the forms will be signed and retained in the Chair’s/office’s office, with a copy given to the employee.
- If a conflict or potential conflict appears to exist, the Department will develop a plan to manage and/or monitor that activity. The ADF paperwork, including this MMP, will be forwarded to the Dean’s office for review. If the Dean approves the activity and the plan, s/he will sign the ADF materials, retain the original forms and explanations in Dean’s
Office files, and return a copy of the signed Administrative Review Form to the Department/unit.

- If the Dean believes there is a conflict or potential conflict, and does not approve the activity and/or the management/monitoring plan, s/he will sign the ADF form to that effect and forward all original materials to the Provost for review by the SIUC Committee on COI/C. The Department/unit shall be notified.

- The COI/C Committee will review the activities and plans and recommend either approval with a revised and dated management/monitoring plan, or disapproval of the activity. Upon final approval by the Provost, the Administrative Review Form will then be signed by the Chair of the COI/C Committee and the Provost.

- Covered Employees may appeal the decision of the Provost through existing grievance policies.

### 3. SIUC Committee on Conflicts of Interest and Commitment

The SIUC Committee on Conflicts of Interest and Commitment (COI/C) (“Committee”) shall be constituted of five members appointed by the Provost from a list of names submitted by the Faculty Senate, Graduate Council, and A/P Council. One representative from ORDA shall serve on the committee in ex-officio capacity. The Committee is advisory to the Provost, who shall appoint the Chair and make final decisions.

It is the responsibility of the SIUC Committee on COI/C to review the documents concerning a Covered Employee’s conflicts of interest and commitment and the associated Management/Monitoring Plan, in order to determine if the activity and plan should be approved, if the plan should be revised, or if the activity should be disapproved. The Committee may discuss the matter with the individual involved, and invite technical representatives from the faculty or administration to address the committee and provide advice on technical matters beyond the experience of members, particularly in the case of research involving human subjects, in order to help identify whether conflicts exist and how they might be managed.

### 4. Reporting and Records Management

Each Covered Employee of the University must complete and submit an Annual Disclosure Form on Conflict of Interest/Commitment to the Chair or Director of his/her unit by [date] each year. Copies of all signed forms and related materials shall be submitted to the Office of the Provost annually, at the same time that employee contracts are submitted.

The SIUC Committee on COI/C activities shall report to the Provost and Vice Chancellor. Records of all financial disclosures and all actions taken will be maintained for at least three years from the date of submission of the final expenditures report.

With regard to a conflict of interest that involves federal funding, the University must notify the relevant granting agencies if it is unable to satisfactorily manage actual or potential conflicts of interests. The Director of ORDA will act as the University’s certifying official for reporting management plans for conflicts of interests to federal funding agencies when the employee has submitted a proposal.

In the case of research and scholarly and creative activities, each investigator is accountable for the integrity of any publication bearing his/her name. Any financial interests related to the
research (especially its funding: e.g., drug research funded by a pharmaceutical company) should be disclosed in manuscripts submitted for publication as well as in oral presentations.

5. Non-Compliance and Sanctions

For all conflicts of interest or commitment that are not related to sponsored projects, the responsibility for enforcement and sanctions lies with the Department Chair or unit officer (e.g., Director) and the Dean of the College.

In the case of conflicts of interest and commitment related to sponsored projects, the approved MMP will be incorporated into a Memorandum of Understanding between the Director of ORDA and the Principal Investigator/Project Director (PI/PD). Enforcement will be a joint effort between the PI/PD, the Director of ORDA, and the Department Chair or unit officer.

Also in the case of sponsored projects, prior to expending any funds under an award, SIUC will report to the federal funding agency the existence of a conflicting interest with information as to how it is being managed, reduced, or eliminated. For any interest identified as conflicting subsequent to this initial report, a second report will be made with the information on how that interest is being managed, reduced, or eliminated, at least on an interim basis, within sixty (60) days. If the PI/PD has influenced the research, SIUC will promptly notify the awarding component of corrective action taken or to be taken. Federal sponsors may terminate the award and/or disbar the PI/PD from receiving future awards.

Failure of Covered Employees to comply with this Policy, including the conditions imposed on sponsored projects, will be grounds for discipline and sanctions under the appropriate University policy, either the University Policy on “Disciplinary Action and Termination for Cause” (approved by the President of SIU, May 26, 1993), or provisions of any applicable Collective Bargaining Agreement.

Sanctions are warranted for failure to report potential conflicts or to abide by a remedy. Severity of sanctions depends on the extent of the violations of this Policy. Inadvertent, unintentional, and minor breaches require lesser sanctions, whereas knowing, deliberate, and major violations demand the severest sanctions. Any sanctions for violations of this Policy shall be carefully examined with due regard for the academic freedom and rights of the academic staff member and the interests of SIUC.

NOTE: For PI/PDs participating in the federally funded Phase I SBIR (Small Business Innovation Research) and STTR (Small Business Technology Transfer) programs, there are certain exclusions pertaining to reporting of financial conflicts of interest.
Relevant Laws and Regulations

University: “Use of University Property” http://www.siu.edu/bot/

University: “Regulations Governing the Use of University Personal Property.”
http://intranet.siu.edu/~docedit/policies/useprop.html

University: “Disciplinary Action and Termination for Cause”
http://intranet.siu.edu/~docedit/policies/discipfa.html

State of Illinois: 30 Illinois Compiled Statute 525: Governmental Joint Purchasing Act
www.legis.state.il.us/legislation/ilcs/ch30/ch30act525.htm

Procurement Officer for Public Institutions of Higher Education, Illinois Register, volume 22, issue 49,

State of Illinois: 30 Illinois Compiled Statute 605: State Property Control Act
www.legis.state.il.us/legislation/ilcs/ch30/ch30act605.htm

State of Illinois: 110 Illinois Compiled Statue 100: University Faculty Research and Consulting Act Sec.
1. No full time member of the faculty of any State-supported institution of higher learning may
undertake, contract for or accept anything of value in return for research or consulting services for any
person other than that institution on whose faculty he serves unless (a) he has the prior written approval
of the President of that institution, or a designee of such President, to perform the outside research or
consulting services, such request to contain an estimate of the amount of time which will be involved,
and (b) he submits to the President of that institution or such designee, annually, a statement of the
amount of actual time he has spent on such outside research or consulting services.
(Source: P. A. 76-1343.) www.legis.state.il.us/legislation/ilcs/ch110act100.htm

“Responsibility of Applicants for Promoting Objectivity in Research for Which PHS Funding is Sought,”
and Title 45 CFR Part 94, “Responsible Prospective Contractors”

Federal: Public Health Service: Federal Register, vol. 60, no. 132, Tuesday, July 11, 1995 (pages
35809-35819)

(pages 3308-33312??) and Federal Register, vol. 60, no. 132, Tuesday, July 11, 1995 (pages 35820-
35823)

APPENDIX I.

Allowable Income-Generating Activities
(activities and sources of income excluded from the definition of “Significant Financial Interest”)

The following are examples of non-University income-generating activities that are not considered to represent conflicts of financial or other interest and are exempt from reporting requirements as long as this income, when aggregated for the investigator and family over the 12-month fiscal year, does not constitute a Significant Financial Interest (i.e., exceed $10,000 in aggregate value or represent more than 5% ownership, or salary, royalties, or other paid compensation). While not posing conflicts of interest, these activities could, however, represent potential conflicts of commitment, if they are extremely demanding of time and effort.

- Honoraria for occasional lectures, seminars, workshops, presentations at professional conferences
- Honoraria or fees for review activities, including review of manuscripts and proposals, accreditation or program reviews, participation in review panels
- Honoraria or royalties from published scholarly or creative works or patents
- Honoraria, fees, or other remuneration for artistic performances, or sale of art or scholarly work
- Isolated, non-recurring consulting activities that result in payments not exceeding $10,000 from a single source during the reporting year
- Income from “passive” investments such as interest or dividends from banks, mutual funds, or stocks and bonds
- Monetary prizes and awards
- Uncompensated and volunteer activities, such as service on boards and committees of outside entities
- Preparing books, articles, software, and other scholarly/creative works relevant to University duties
APPENDIX II.

Income-Generating Activities Requiring Prior Approval and Potential Management, and Those That are Non-Allowable

The following are examples of activities and relationships that represent potential or actual conflicts of interest, commitment, and/or Significant Financial Interests of a Covered Employee and his/her family. If there is a potential for such circumstances to arise because of external activities and relationships, the employee must obtain prior University approval (per Illinois law) and accept a plan to manage these conflicts. This list is not exhaustive.

Relations with the University:
- Failing to fully meet University obligations (e.g., meeting classes regularly, advising students outside of class, conducting research, participating in committee/governance/service activities) owing to involvement in external activities
- Using University resources (research labs or instrumentation, computer facilities, classrooms, etc.) in non-University activities without prior approval and without provision of suitable compensation to the University by the external or private entity. Property belonging to SIUC is legally state property and controlled by the State of Illinois Property Control Act.
- Using, without authorization or for personal gain, privileged information acquired in connection with the Covered Employee’s sponsored activities

Research-related:
- Involving University students or employees in consulting activities, activities supported by gift funds, and/or research sponsored by an entity in which the Covered Employee has financial interests
- Diverting research opportunities from the University to another academic institution, federal laboratory, business, or consulting entity.
- Using University resources to conduct research sponsored by an entity in which the Covered Employee or his/her family hold a Significant Financial Interest
- Conducting clinical trials or tests of products, devices, or services owned or controlled by a business in which the Covered Employee or his/her family has a financial interest or receives remuneration.

Business-related:
- Making professional referrals to a business in which the Covered Employee or a member of his/her family has a financial interest
- Directing purchasing opportunities to a family-owned company or an associated entity.
- Accepting gifts or other emoluments (including “in-kind” compensation or special favors) from private organizations with which the University does or may conduct business
- Extending gifts or favors to employees of a sponsoring agency under circumstances that might reasonably be interpreted as attempting to influence the recipients in the conduct of their duties

Service-related:
- Serving in an executive or managerial capacity or holding Significant Financial Interest in for-profit or not-for-profit entities doing business with the University
- Serving on the Board of Directors or major advisory committee of an external entity that sponsors the Covered Employee’s research or provides gift funds for the use of the employee or his/her department or unit

Definition of Significant Financial Interests:
- Holding 5% or more ownership interest in a business, including any stock or stock option, but excluding any interest arising by reason of investment by a mutual fund, pension, or other institutional investment fund over which the employee does not exercise control
- Receiving or having the right to receive income from a business whether in the form of a fee, salary, allowance, forbearance, interest in real or personal property, dividend, royalty from licensing, rent, or other form of compensation, or any combination that exceeds $10,000 annually in monetary value
ANNUAL DISCLOSURE FORM ON
CONFLICTS OF INTEREST/ COMMITMENT
Southern Illinois University Carbondale

Name _________________________________ Title/Rank _________________________________
Department/Unit ________________________ College ______________________ Date________

Part I. Conflicts of Interest and Commitment Screening Questions

1. Are you engaged in consulting activities with any entity outside SIUC?
   NO   YES (please explain in an attached statement and estimate the number of days spent during the year)

2. Are you engaged in consulting activities or other financial relationship with a sponsor of your research?
   NO   YES (please list and explain relationship in an attached statement)

3. Do you or any member of your family (spouse and minor children) have a managerial role or a significant financial interest or relationship with a company in a field of your research or that does business with SIU?
   NO   YES (please list and explain relationship in an attached statement)

4. Are you engaged in non-University professional or income-producing activities that involve Southern Illinois University students, faculty, or other staff?
   NO   YES (please list those involved and explain in an attached statement)

5. Do you or any member of your family have any other relationships, commitments, or activities that might present or appear to present a conflict of interest or commitment with your appointment at SIUC? Such relationships may include financial or fiduciary interests or uncompensated activities, whether or not you believe the conflict is manageable.
   NO   YES (please list and explain in an attached statement)

6. Do you or any member of your family plan to start a business within your field of expertise?
   NO   YES (please list and explain in an attached statement)

7. If you answered Yes to Question 6, would this activity involve the use of “Significant University Support” (e.g., SIUC research laboratories/instrumentation, computer facilities, classrooms, or other academic and general administrative facilities)?
   NO   YES (please explain in an attached statement, and provide a copy to the Dean and ORDA)

8. Intellectual Property (IP):
   a. Do any of the activities you describe involve, or are they likely to involve any IP developments that are covered by the Intellectual Property Policy?
      NO   YES
   b. If yes, has this IP been disclosed to the University?
      NO (explain, and contact Tech Transfer office in ORDA) YES (date: _______________)

9. Do you engage in any activities that result in a significant amount of non-university income?
   NO   YES (please describe activities in an attached statement and estimate the number of days to be spent on those activities in the next 9 or 12 months, depending on your appointment period with the University)

I have no activities that I am required to report. (Please check ONLY if you have no significant external income-producing activities AND no possible conflicts of interest or commitment.)

Part II. Affirmation

In submitting this form (including attachments), I affirm that I have read the University’s Policy on Conflicts of Interest and Commitment and the information submitted is true to the best of my knowledge. NOTE: If significant changes in activities occur during the year, this form must be updated.

Signature _________________________________ Date ____________________________

1. “Research” is defined at SIUC to incorporate the full range of scholarly and creative endeavors, and includes training and service activities.
2. “Significant financial interest” (SFI) is defined as those interests in business enterprises or entities that, when aggregated for the investigator and family, exceed $10,000 in gross value or represents more than 5% ownership, or salary, royalties, or other paid income that, when aggregated for the investigator and family over the next 12 months, are expected to exceed $10,000.
3. The SIUC Policy on Conflicts of Interest and Commitment is available online at xxxxxx.
Annual Disclosure Form  
Administrative Review of Conflicts of Interest/Commitment

Employee Name: ___________________________________  Dept./Unit _______________________________________

Chair/Unit Officer Review:

_____ Employee has reported no activity on the Annual Disclosure Form (ADF) and I do not know of any conflict of interest or commitment.

_____ Employee has reported activity on the ADF. A conflict of interest or commitment may exist and is being monitored by the department/unit. An explanation of the monitoring plan is attached. (Sign below, retain a copy in department/unit files, and forward the original of all forms and explanations to the Dean. If the activity is IP-related, forward a copy of all forms to ORDA.)

_____ Employee has reported activity on the ADF. A monitoring plan is attached, and in my opinion further review is recommended. (Sign below, retain a copy in departmental files, and forward the original of all forms and explanations directly to the Dean. If the activity is IP-related, send a copy of all forms to ORDA.)

Chair/Unit Officer signature: ______________________________________________  Date: _____________
ORDA Tech Transfer review signature, if needed: ______________________________  Date: ______________

Dean Review:

_____ Approve the activity and the monitoring plan. No further review is needed. (Sign below, retain the original forms and explanations in the Dean’s files, and return a copy of this page to the department/unit.)

_____ Further review is recommended. (Sign below. Keep a copy of forms and explanations. Forward the originals to the Provost for review by the SIUC Committee on Conflicts of Interest/Commitment. Notify department/unit.)

Dean/Director signature: ______________________________  Date: ______________

Review by Provost\(^1\) and Conflicts of Interest/Commitment Committee. (Sign below and retain originals of all ADF forms and explanations in the Provost’s office.)

_____ Approve activities with revised and dated monitoring plan.  _____ Do not approve activities.

COI/C Chair signature: ____________________________________________  Date: ______________
Provost\(^1\) signature: ____________________________________________  Date: ______________

NOTE: The Director of ORDA will act as the University’s certifying official for reporting management plans for conflicts of interest to federal agencies when the employee has submitted a grant proposal.

\(^1\) Employees may appeal the decision of the Provost through existing grievance policies.