

OFFICE OF THE VICE PRESIDENT FOR RESEARCH

POLICY ON CONFLICTS OF INTEREST AND CONFLICTS OF COMMITMENT

For

FACULTY IN OVPR AND ITS REPORTING UNITS

Approved 8/17/2007

The mission of the Office of the Vice President for Research is to nurture excellence in research, scholarship, and creative activity by faculty, staff and students, and promote the integration of the research, education, and service missions of the University. To facilitate the sharing of knowledge and expertise with society, OVPR encourages its faculty to engage in outside professional activities that enhance these missions and goals.

Potential conflicts of interest and commitment are inevitable when faculty members are engaged, as they ought to be, with individuals and institutions outside the University. These potential conflicts are not necessarily problematic. It is nevertheless important that faculty disclose any potential conflicts of interest or commitment as soon as they arise so that they can be evaluated and, if necessary, managed or eliminated.

A potential **conflict of interest** (COI) arises when external ties might appear to bias a faculty member's judgment in performing his or her University obligations. A potential **conflict of commitment** (COC) arises when a faculty member engages in external activities or assumes external commitments that might appear to compromise his or her ability to fulfill the responsibilities of his or her University position. [See [Standard Practice Guide \(SPG\) 201.65-1.](#)]

The purpose of this policy is to help OVPR faculty recognize situations with the potential to create conflicts of interest or commitment, to provide guidelines for required reporting of outside activities, and to describe procedures for evaluating, and if necessary, managing or eliminating them. This policy does not cover conflicts of interest with sponsored projects or with technology transfer, which are covered under a separate policy [[See Policy](#)].

Also, this policy supplements the pre-existing conflict of interest policy, applicable to all faculty in the Office of the Vice President for Research (OVPR), the Division of Research and Development Administration (DRDA), and the Office of Technology Transfer (OTT). The pre-existing policy emphasizes the responsibilities associated with access to information about research and technology transfer opportunities [[See Policy](#)]

For the purposes of this policy, the term **OVPR faculty** includes all ranks of research professors, research scientists and fellows, and directors of OVPR units with one or more such individuals. The term includes visiting and adjunct faculty appointments. Many OVPR faculty members have their primary faculty appointments in schools or colleges. Such faculty members should be aware of and also abide by the COI/COC policies of those units. (All staff in OVPR units that do not have faculty appointments, as well as non-faculty staff in OVPR units that do have faculty appointments, are covered by a separate, companion policy [[See Policy](#)].)

All faculty with 50% or more appointments owe their primary professional commitment to the University. A commensurate commitment of those faculty members' time and intellectual energy must therefore be devoted to activities that further the University's mission.

Even where obligations to the University are met, a faculty member may not engage in activities that compete with the University or that otherwise diminish or undermine the University's mission. It is inappropriate for faculty, without prior approval, to divert to other entities or institutions opportunities for research, education, clinical care or financial support which otherwise might flow to the University.

A. *Identification of Potential Conflicts of Interest and Commitment*

It is not possible to list all situations that might constitute a conflict of interest or a conflict of commitment. All faculty members in OVPR are expected to conduct research and may have administrative roles. Keeping this in mind, the following section provides examples of activities that might create potential conflicts with obligations to OVPR. (Reminder: These potential conflicts are not necessarily problematic, but should be disclosed for evaluation.)

Examples of activities that might create potential conflicts of interest or commitment:

1. *Personal payment or other compensation* for activities related to your academic or professional work in OVPR.

Compensation of \$10,000 or more from an individual business or organization that is given directly (not through the University) to you, your domestic partner, or dependents for services or activities related to your academic or professional work in OVPR.

Examples of types of compensation include, but are not limited to:

- Salaries or income from employment outside UM, excluding income from editorial work (e.g. excluding journal editorships or editing compilations of scholarly papers, see Regents' Bylaw 5.12)
- Consulting fees
- Gifts or entertainment, or other items of value from vendors or other third parties that conduct business with the University, except for academic prizes (Note: General University policy prohibits employees from accepting any gift of substantial value from vendors or from students (Regents' Bylaw 2.16).)
- Gifts-in-kind (e.g. materials, use of equipment)
- Honoraria from businesses, excluding income from seminars, lectures, occasional teaching engagements, grant or project review panels, or study sections sponsored by universities, other public institutions (e.g. government agencies), or professional societies
- Payments for serving on advisory boards
- Royalty income, except royalties managed by the UM
- Travel reimbursements from businesses that exceed actual travel costs

2. Leadership Positions in businesses related to your academic or professional work including, for example:

- Offices, such as president, treasurer, etc.
- Trusteeships
- Service on boards of directors
- Executive positions, such as president, CEO, CIO, etc.
- Service on scientific and clinical advisory boards

Note: Leadership positions in the following kinds of organizations are **NOT** considered to be of concern for creating potential conflicts of interest unless they are directly related to your academic or professional work (Note: They may still represent a conflict of commitment, see #4, below.).

- Professional societies
- Trusts
- Charitable organizations
- Religious organizations
- Social organizations
- Community service organizations
- Political organizations

3. Ownership or investment interests equal to or exceeding \$10,000 or more in value, or representing one percent or more of the total equity in an individual business or organization engaged in business related to your academic or professional work. Ownership or investment may include, for example:

- Stock, except for publicly traded diversified mutual funds
- Stock options
- Sole proprietorships
- Partnerships
- Limited liability corporations

4. Time away from the University for outside activities in excess of the four days per calendar month generally allowed for full-time faculty members.

B. Additional Guidance on Time Away

Authorization for time away within the generally allowed four days per month for full-time faculty members is the responsibility of the relevant Director of the OVPR academic unit. (Note that if the faculty member has joint appointments, the time away must be coordinated among all appointments.) Academic unit policy and practice is guided by Regents' Bylaw 5.12, *Outside Employment*, which states that outside remunerated professional activity may be approved when:

1. The work in question gives promise of enhancing the faculty member's usefulness as a teacher and scholar to a greater degree than a corresponding amount of work within the University, AND/OR
2. The work is of a distinctly public nature or when for other reasons the University wishes to be actively engaged in its furtherance.

Regents' Bylaw further states that outside remunerated non-professional activity may be authorized "only when it appears that such activity will not interfere with the performance of University duties or impair the usefulness of the individual as a teacher or a scholar."

C. Disclosure, Evaluation, and Management of Potential Conflicts of Interest and Commitment

1. Disclosure and Reporting of Potential Conflicts

Faculty members must report potential conflicts of interest to their Unit COI/COC Manager, or in the case of the Unit Directors themselves, to the Vice President for Research, as they arise.

In addition, each individual with a faculty appointment in an OVPR unit must annually submit for review and evaluation a report on any outside activities and interests that are related to their University roles and responsibilities. As a general rule, OVPR's standard process through M-Inform [[Secure Login](#)] should be used; but COI/COC Managers may, at their discretion, accept disclosures that have been submitted to other Schools and Colleges from faculty members with joint appointments in units that similarly require annual disclosures. The M-Inform disclosure must be completed and submitted to the COI/COC Manager even if the faculty member reports no outside activities. Unit Directors themselves submit their annual outside activities disclosures to the Vice President for Research via the M-Inform system.

The Vice President for Research will re-distribute this policy to the relevant OVPR Unit Directors at the beginning of each calendar year along with instructions on the annual disclosure and review process. The instructions will provide a deadline for submission and timeline for completion of the unit review and reporting to OVPR as follows:

15 April – deadline for faculty to submit outside activities disclosures

1 June – deadline for completion of unit review and submission of unit summary report to OVPR.

The annual unit summary report will include copies of any formal management plans that have been established by the COI/COC Managers.

2. Management of Potential Conflicts

Upon disclosure of a potential conflict of interest or commitment, the COI/COC Manager will evaluate the nature and extent of the potential conflict to determine whether it is necessary to manage or eliminate it. The COI/COC Manager may ask the faculty member to provide additional information or documentation if necessary.

In some circumstances, management will require coordination with and processing by central administration offices. For example, centralized processing is necessary in the following circumstances:

- Where the disclosure involves sponsored research or technology transfer, processing is by the COI Committee of the Office of the Vice President for Research;

- Where there may be a conflict between two academic units, resolution may be sought through the Provost's Office;
- Where the disclosure involves a purchase of goods or services, processing is by Purchasing.

In response to a disclosure of a potential conflict, the COI/COC Manager may, after consulting with the faculty member, determine that no action is necessary. In other cases, the COI/COC Manager may decide that it is sufficient to document the disclosure and his or her determination that no further management is required. If the COI/COC Manager determines that management of the potential conflict beyond initial disclosure is necessary, he or she will develop a conflict management plan in consultation with the faculty member. That plan may include, but is not limited to:

- Disclosing the potential conflict to appropriate sources inside and/or outside the University;
- Modifying or limiting the faculty member's duties to minimize or eliminate the conflict;
- Reducing the faculty member's appointment to accommodate the outside interest or activity;
- Securing the faculty member's agreement to modify or suspend outside activity, use of University resources, or other activities that create the potential conflict; or
- Prohibiting certain outside activity as inconsistent with the faculty member's obligations to OVPR.

If a disclosed conflict involves sponsored research, technology transfer agreements, or purchasing, the conflict management required by the OVPR Conflict of Interest Review Committee or by Purchasing will establish the basic conditions for any supplemental conflict management plan that the COI/COC Manager may deem appropriate.

3. Record-Keeping, Reporting, and Issues of Confidentiality and Privacy

The COI/COC Manager, or the Vice President for Research for the Unit Directors' reports, will keep a record of action on disclosures made under this policy, in part to help develop a consistent practice of treating like cases alike. The record may be as simple as identifying the disclosure and, when no further action is required, including a notation to that effect on the disclosure description.

The COI/COC Manager will make all reasonable efforts to preserve the privacy and confidentiality of personal information revealed as part of this process; to that end, the COI/COC Manager will keep all records that include personal information about named individuals in a secure file accessible only to the COI/COC Manager and key staff. When any other faculty or staff member has a legitimate administrative reason to access the documentation, then the COI/COC Manager may either authorize access to the file or provide copies and/or information, as may be required, for the stated administrative purpose. If the COI/COC Manager provides copies of information in the files to a faculty or staff member, he or she must also ask that individual to maintain the same level of confidentiality as applicable to the original information or documents. Record retention and destruction will follow general University and unit procedures.

In some circumstances, the University is required to disclose potential conflicts to people within or outside the University. For example, if a conflict exists within the context of a NIH sponsored project, the University *is required* both to disclose the existence of that conflict (without providing identifying information) to the NIH and to indicate whether it has managed that conflict. Also, the University may be legally required to disclose information in response to requests made under the Michigan Freedom of Information Act (FOIA). Should any other individual have a legitimate reason to access the confidential records, whether in the context of a federally sponsored project, a FOIA request, or otherwise, the COI/COC Manager may authorize access to the file, provide copies, or provide oral or written summaries. Where possible, the individual to whom the COI/COC Manager authorizes disclosure will be required to maintain at least the same level of confidentiality as applicable to the original information or documents.

Any faculty member who becomes aware that the COI/COC Manager has provided or may have provided unwarranted access to conflict documentation or information, as defined in this policy, should inform the Vice President for Research for appropriate action.

D. Dispute Resolution

A faculty member may dispute any decision made in response to the disclosure or non-disclosure of a potential conflict of interest or commitment by a written appeal for reconsideration by the COI/COC Manager. If the reconsideration determination is not acceptable to the faculty member, he or she may send a written appeal to the Vice President for Research, who may support or reject the appeal. Other disputes between a faculty member and the unit should be resolved through the normal grievance procedures.

E. Education and Training

This policy will be provided to new faculty at the time they are hired into OVPR or its reporting units. Discussion and instruction on implementation of the policy will be included in OVPR Unit Directors meetings. OVPR will develop and maintain a Web site including the OVPR Policy, links to relevant University policies, examples of potential COI issues, Frequently Asked Questions as they are developed, and other appropriate resources. Training will also be provided to unit administrators on a yearly basis.

F. Violations

Any failure to comply with SPG 201.65-1, its procedures, or this implementing policy may lead to disciplinary action, up to and including termination of appointment in accordance with applicable disciplinary procedures. Possible violations that may lead to disciplinary action include, but are not limited to, the following: failure to disclose fully a potential conflict; failure to comply fully with a required conflict management plan; failure to maintain the confidentiality of conflict documentation and information; and failure to complete any required training or education regarding the policy.

G. Policy Review and Revision

The Unit Directors and the Associate Vice Presidents will annually review all actions taken under this policy and make recommendations to the Vice President for Research regarding any needed revisions to the policy or any need for increased education. Any revisions in policy or practices will be distributed to OVPR units through the Unit Directors and key Unit Administrators for review. If the Vice President for Research determines that any of the changes he or she would like to adopt will materially change the policy, the Vice President for Research will distribute proposed changes to Unit Directors, who will further distribute them for comment to OVPR unit faculty. The Vice President for Research will submit any materially revised policy to the President for further review and approval and for formal adoption. A current version of the OVPR's policy should be on file with the President's Office at all times.

H. Governing Policies

This policy implements SPG 201.65-1, *Conflicts of Interest and Conflicts of Commitment*, incorporates SPG 201.65-1 in its entirety, and includes all elements required under that SPG. Implementation of SPG 201.65-1 within the OVPR requires compliance with other University policies and procedures, including all Regents' Bylaws and SPGs, as well as with any relevant external rules of professional conduct and applicable law. Relevant policies, procedures, rules, and law include (but are not limited to) the items listed on Table 1.

Table 1.

Issue	Policy and link
Gifts to UM employees	Regents' Bylaw 2.16
Outside Employment	Regents' Bylaw 5.12
Governmental elected or appointed service	Regents' Bylaw 5.13
Leaves of absence	Regents' Bylaw 5.14
Appointment of individuals with close personal or external business relationships	SPG 201.23
Employment outside the University	SPG 201.65
Special stipends for work performed for other University units, the payment of honoraria, and the payment of travel expenses	SPG 201.85
Copyright and other appropriate use of University resources, such as the libraries, office space, computers, secretarial and administrative support staff, and supplies	SPG 500.01 , 601.03-2 , and 601.11
Contracts of public employees with their employers.	Michigan Compiled Laws § 15.321 et seq
Policy on Conflict of Interest in Sponsored Research and Technology Transfer Agreements	OVPR Web Site