

## Conflicts of Interest and Conflicts of Commitment for Faculty Policy

**Applies to the following people/groups:** Faculty

### I. Overview/Rationale

The College of Pharmacy and the University encourages faculty involvement in outside activities, including consulting, if this contributes to the intellectual enrichment of faculty members and their students and serves the University as a whole. At the same time, it is important faculty understand their primary professional responsibilities and obligations to the University of Michigan and ensure that outside activities do not interfere with, the expectations of the College and/or University.

### II. Definitions

#### *Examples of Potential Conflicts of Interest and Conflicts of Commitment:*

Potential conflicts of interest and/or conflicts of commitment may occur in a number of potential situations in which the faculty or their family members is involved including: consulting, giving presentations, working as a pharmacist outside of the scope of one's employment, license arrangements, owning stock/stock options, service on boards of directors or as officers, or obtaining gifts.

#### 1. Potential Conflict of Interest

Examples of situations that create potential conflicts of interest and the unit's general approach are listed below. This list is not exhaustive.

- A faculty member may not accept a gift of substantial value (including gifts of services) from a University student or University staff member unless there is a family relationship or the equivalent. The same prohibition (and exception) applies to gifts from people or institutions that contract with the University where the faculty member participates in decisions concerning that contract.
- A faculty member may generally accept honoraria and speaker fees. If a substantial time commitment is required, however, a potential conflict of commitment may arise.
- A faculty member may incur reasonable meal and travel expenses that are reimbursable either by the University or by external organizations. However, a faculty member may not accept reimbursement that amounts to a gift of substantial value from people or institutions that contract with the University where the faculty member participates in decisions concerning that contract.
- It is the responsibility of each faculty and staff member of the University as well as Purchasing Services to assure that the University does not knowingly enter into any purchase commitment that could result in a conflict of interest situation. Care must be taken to avoid that intent and appearance of unethical or compromising practice in relationships, actions and communications. Units with questions about a particular situation should contact Purchasing Services. All procurement activities conducted on behalf of the University of Michigan must be in compliance with the following ethical standards outlined in [SPG: 507.1](#)
- A faculty member may not require students or staff to contribute services or money to institutions or activities external to the University in which the faculty member has an interest, or to the faculty member personally. Where a student is given an opportunity through a faculty member to become associated with an external project, the student

should receive compensation or credit – and it must be clear to the student that the association is at his or her option. The association must be mutually agreed upon prior to allowing the student to participate.

- A faculty member may not claim (orally or in writing) that the unit or the University supports or endorses the mission of an external person, institution, or organization.
- University resources are generally to be used for university business. These resources include: University equipment, including copying and fax machines, office and computer supplies and electronic mail. Except as authorized by the appropriate University official, faculty members may make only incidental use of University resources for purposes unrelated to the missions of the University ([SPG: 201.65-1](#)). University policy allows for limited use of electronic mail resources for personal business.
- A faculty member may assign their own textbook to students according to the guidelines of the American Association of University Professors policy statement. Because faculty members can realize profits (financial or professional) they may be construed by some as enriching themselves to the expense of their students. Thus, faculty members intending to assign their own textbooks should disclose this as outlined in V.
- Prohibition Against Using Position or Influence for Personal Gain or Advancement: It is not acceptable for any University employee to use his or her official position or influence to further his or her personal gain or advancement, or that of family members or personal associates, at the expense of the University and against University policy. ([SPG: 201.65-1](#))
- A faculty member may not direct business to his/her spouse's or domestic partner's company or use University resources to promote outside business interests.
- A faculty member may not use University resources to support or oppose a political candidate or the qualification, defeat or passage of a ballot initiative. This is a violation of State Law for which there are individual fines and penalties (Michigan Campaign Finance Act section, [MCL 169.257](#))

## **2. Potential Conflict of Commitment**

- The existence of a potential conflict of commitment must be evaluated in light of the minimum time and effort requirements applicable to the faculty member in question as described above. With these principles in mind, examples of potential conflicts of commitment and our general approach are listed below. This list is not exhaustive.
- Any work external to the department potentially raises a question of conflict of commitment. In general, however, any such work that contributes to the scholarly or educational goals of the department is permitted.
- For full-time faculty, other professional work is permitted, up to a total of 4 days per month as outlined under the outside employment policy in the faculty handbook, as long as that other professional work does not interfere with the minimum expectations outlined above. If there is any question about whether a particular commitment falls within these categories, or if there is any potential for interfering with the minimum expectations above, the matter should be disclosed as described in section V. of this policy, below.

- A full-time professional faculty member may not establish a business that competes with the University.
- Part-time faculty members need disclose only commitments that have the potential for interfering with their minimum obligations to the University.

### III. Policy/Regulations

Potential conflicts of interest and commitment are inevitable where faculty are engaged, as they ought to be, with individuals and institutions outside the University. Nor are these potential conflicts necessarily problematic. Rather, the University allows and encourages faculty to engage in outside activities and relationships that enhance the University's mission. 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** arises when external ties might appear to bias a faculty member's judgment in performing his or her University obligations. Usually, a conflict of interest arises when faculty member enters into situation that leads to or has the potential to result in personal or family member's financial gain. A **potential conflict of commitment** arises when a faculty member engages in external activities or assumes external commitments (consulting, public service or *pro bono* work) 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 existence of a potential conflict of commitment must be evaluated in light of the minimum time and effort requirements applicable to the faculty member in question. The term faculty shall refer to lecturers, members of the tenure track faculty (all professorial ranks), clinical faculty (instructor as well as professorial ranks) and primary research faculty members.

All faculty, including visiting, research and clinical faculty, with at least half-time University 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. Part-time faculty, similarly owe the University time and effort commitments commensurate with their appointments.

To meet the minimum time and effort commitments within the College of Pharmacy, faculty members are expected to teach an assigned number of hours each year; engage in active and productive scholarly activities; fulfill administrative obligations, including participation on assigned departmental, college and university committees; regularly attend faculty meetings; and participate in student/faculty educational and collegial functions.

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 full-time member of the faculty shall not during the academic year be employed for remuneration by other agencies than the University except with approval of the proper University authorities. Such approval may be granted in the case of professional employment only when either or both of the following conditions exist: (1). When the work in question gives promise of enhancing

the individual's usefulness as a teacher and scholar in the individual's field to a greater degree than a corresponding amount of work within the walls of the University and/or (2). When the work is of a distinctly public nature or when for any other reason the University wishes to be actively engaged in its furtherance. In the case of nonprofessional employment, such approval may be granted 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 and a scholar. ([UM Bylaws 5.12](#))

Any work external to the University raises a potential question of conflict of commitment. In general, however, any such work that contributes to the scholarly or educational goals of the University is permitted. Outside employment (as described in the faculty handbook) including consulting, is allowed by the University for up to four days per calendar month for full-time faculty. Documentation of all outside employment is to be submitted in advance via the Monthly Absence Report as outlined in the College of Pharmacy Faculty Handbook. Any academic or other activities that are traditionally considered to contribute to the central mission of the College would not be considered outside employment, such as: participation on government and foundation panels and study sections or attendance at professional meetings. In instances where a professional meeting is attended and consulting will occur at some point during the meeting, the consulting time will be considered as "outside employment" and the rest of the time considered University business.

If a potential conflict of interest or conflict of commitment exists it must be disclosed and managed as outlined in section V.

Part-time faculty members need to disclose only commitments that have the potential of interfering with their minimum obligations to the University.

#### **IV. Applicability/Eligibility**

This policy applies to all faculty of the College of Pharmacy including both full- and part-time faculty, whether classified as regular instructional, clinical, primary research, or visiting faculty.

#### **V. Procedures**

##### ***A. Disclosure, Evaluation, and Management of Potential Conflicts of Interest and Commitment***

###### **1. Disclosure of Potential Conflicts**

In general, each faculty member must promptly disclose **potential** or **perceived** conflicts of interest or commitment to the Department Chair in writing as they arise using the online COI/COC reporting form. Issues that indicate a conflict of interest or conflict of commitment concern to the Department Chair must be brought to the attention of the Associate Dean serving as the Unit COI/COC Manager. Assessment of the conflict as well as the management plan will be documented (as outlined below, within a database). Recurring and long-term commitments must be included in the annual report of each faculty member to their Chair or Director. Each year all COI/COC issues and the procedures for managing them will be reported to the Dean.

The College of Pharmacy requires that all **potential** or **actual** COI or COC, regardless of the value or percentage of the interest at stake, (even if uncompensated) be disclosed.

In addition to disclosure as outlined within the College of Pharmacy, any **actual** or **potential** COI also are disclosed through the following methods.

1. Proposal Approval Form: Every proposal for externally sponsored research requires an internal document called a "Proposal Approval Form" or "PAF." This Form includes a conflict of interest disclosure portion.
2. Material Transfer Approval Form: Every proposal that involves the transfer of materials (e.g., compounds, equipment, prototypes) requires an internal document called a "Material Transfer Approval Form" or "MTAF". This Form includes a conflict of interest disclosure portion.
3. eResearch: Any application through eResearch includes a conflict of interest disclosure section.

## 2. Management of Potential Conflicts

Upon disclosure of a **potential** conflict of interest or commitment, the Department Chair (in consultation as needed with the Associate Dean serving as the Unit COI/COC Manager) will evaluate the extent of the potential conflict to determine whether it is necessary to manage or eliminate the potential conflict. The Department Chair and/or the Unit COI/COC may ask the faculty member to provide additional information or documentation if necessary.

In some circumstances, evaluation of the **potential** conflict will require consultation 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, by the Office of the Vice President for Research;
- Where there may be a conflict between two academic units, by the Provost's Office;
- Where legal obligations or potential liability may be involved, with the General Counsel's Office and
- Where the disclosure involves a purchase of goods or services, by Purchasing.

In many cases, consultation with central administration offices, even when processing by those offices is not required, may help determine how to respond to a given disclosure. For example in a situation where the disclosure involves sponsored research or technology transfer, consultation with the Office of the Vice President for Research may be appropriate.

In response to a disclosure of a potential conflict, the Department Chair (in consultation as needed with the Associate Dean serving as the Unit COI/COC Manager) may, after consulting with the faculty member, determine that no action is necessary.

In other cases, the Department Chair (in consultation as needed with the Associate Dean serving as the Unit COI Manager) may decide that it is sufficient to document the disclosure and his or her determination that no further management is required.

If the Department Chair (in consultation as needed with the Associate Dean serving as the Unit COI/COC Manager) determines that management of the potential conflict is necessary, however, he/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 the University.

### 3. Record-Keeping and Issues of Confidentiality and Privacy

The Associate Dean serving as the Unit COI/COC Manager 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. Department Chairs will also have access to departmental records of disclosures and related actions. The record may be as simple as identifying the disclosure and, when no further action was required, including a notation to that effect on the disclosure description.

Appropriate records will also be maintained in the individual faculty member's personnel file.

Department Chairs and the Associate Dean serving as the Unit 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, all records that include personal information about named individuals will be kept in a secure file accessible only to the Department Chair and the Associate Dean serving as the Unit COI/COC Manager and the Dean of the College of Pharmacy, respectively.

Where any other faculty or staff member has a legitimate educational or business reason to access the documentation, then either the Dean may authorize access to the file and provide either copies and/or information, as may be required for the stated educational or business purpose. If the Dean 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.

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 federally sponsored project, the University *is required* both to disclose the existence of that conflict (without providing identifying information) to the federal government 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, appropriate Department Chair, Associate Dean or the Dean may authorize access to the file, provide copies, or provide oral or written summaries. Where possible, the individual to whom disclosure has been authorized will be required to maintain at least the same level of confidentiality as applicable to the original information or documents.

Any faculty or staff member who becomes aware that the Department Chair, Associate Dean serving as the Unit COI/COC Manager or Dean has provided or may have provided unwarranted access to conflict documentation or information, as defined in this policy, should inform the relevant superior for appropriate action.

### ***B. 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 appeal to the Associate Dean serving as the Unit COI/COC Manager. Further pursuit of an appeal would fall under the College of Pharmacy Faculty Grievance Procedure as described in the Faculty Handbook. Following exhaustion of these unit-specific procedures, the faculty member may dispute any action or decision under this policy in accordance with applicable University procedures. Sponsored research/tech transfer must be handled in accordance with the processes adopted by OVPR Conflict of Interest Review Committee.

### ***C. Education and Training***

This policy will be provided to new faculty at the time they are hired and when they begin work at the University. The policy will be circulated each fall to all returning faculty members who are governed by the policy. The College will develop a website including the College of Pharmacy policy, links to relevant University policies, examples of COI/COC issues, frequently asked questions and other appropriate links.

### ***D. 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. Existing College of Pharmacy and University procedures governing faculty misconduct shall apply.

### ***E. Policy Review and Revision***

The Associate Dean serving as the Unit COI/COC Manager will annually review all actions taken under this policy and make recommendations to the Dean regarding any needed revisions to the policy or any need for increased education. Any revisions in policy or practices will be discussed with the faculty. If the Dean in consultation with the College of Pharmacy Executive Committee determines that any of the changes he or she would like to adopt will materially change the policy, the Dean will follow the procedures used to adopt the original policy. In particular, the Dean will submit any materially revised policy to the Office of the Provost and Executive Vice President for Academic Affairs for further review and approval and then to the President for formal adoption. A current version of the College of Pharmacy's policy should be on file with the Provost's Office at all times.

## **VI. Other Relevant Policies/Procedures (references/links to other related COP or U-M policies or procedures)**

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 College of Pharmacy 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 following

- [Regents' Bylaw 2.16](#), regarding gifts to University employees;
- [Regents' Bylaw 5.12](#), regarding outside employment of University faculty;
- [Regents' Bylaw 5.13](#), regarding governmental elected or appointed service;
- [Regents' Bylaw 5.14](#), regarding leaves of absence;
- [SPG 201.23](#), regarding appointment of individuals with close personal or external business relationships;
- [SPG 201.65](#), regarding employment outside the University;
- [SPG 500.01](#) and [601.11](#), in particular to the extent that they address appropriate use of University resources, such as the libraries, office space, computers, secretarial and administrative support staff, and supplies;
- Office of Vice President for Research (OVPR) Policy on Conflict of Interest in Sponsored Research and Technology Transfer Agreements;
- The procedures outlined in the College of Pharmacy Faculty Handbook
- [Michigan Compiled Laws 15.321](#) et seq., regarding contracts of public employees with their employers.

In the event of any inconsistency between this policy and other University or external requirements, those other requirements will prevail. In interpreting this policy the Dean and the Associate Dean serving as the Unit COI/COC Manager should be attentive to preserve the principle of academic freedom of speech and thought. In addition, policy administrators will make every reasonable effort to preserve confidentiality and protect the privacy of all parties in the course of investigating and managing a potential conflict of interest or commitment.

<b>Responsible officer:</b> Associate Dean for Academic Affairs	
<b>Responsible department or title of contact person:</b> Dean's Office	
<b>Previous version approval date:</b> 3/23/2009	
<b>Reviewed/discussed by:</b>	<b>Date:</b>
<b>Approved by:</b> Existing policy converted to new template	<b>Date:</b>