Faculty/Academic Staff Conflict of Interest

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Complete Your 2015 Conflict of Interest Disclosure and Training Now!

http://coi.msu.edu/
In a Nutshell:

- **Who**: All faculty and academic staff
- **What**: Must complete an Annual Disclosure of Significant Financial Interests
- **When**: January 1, 2015
- **Where**: [http://coi.msu.edu/](http://coi.msu.edu/)
- **Why**: MSU's Faculty/Academic Staff Conflict of Interest Policy, as approved by the Board of Trustees, requires that, beginning January 1, 2015, all MSU faculty and academic staff submit an annual disclosure of all significant financial interests related to their MSU responsibilities.
- **How**: [http://coi.msu.edu/how-to-disclose](http://coi.msu.edu/how-to-disclose)
What is a Financial Conflict of Interest?

- **Financial Conflict of Interest (FCOI):** Situation where a person has a Significant Financial Interest that could directly and significantly affect the design, conduct, or reporting of research.

- Faculty members must annually disclose all significant financial interests and other opportunities for tangible personal benefit that are related to the faculty member’s institutional responsibilities.
Why are we concerned about COI?

• We must maintain the trust of the general public which supports us and which we serve.
• We must promote objectivity in research and scholarship.
• An unmanaged conflict of interest can undermine confidence in the University and, thus, harm its standing and that of its entire faculty.
• An investigator’s interest could lead others to question their professional motives.
• Federal and state requirements mandate that financial conflict of interest policies and procedures be in place.
What is a significant financial interest (SFI)?

• Financial interests consisting of one or more of various types of financial interests that, when aggregated over the previous calendar year, exceeds $5,000, or...

• If the value is not evident (as with equity interest in a non-publicly traded entity, or travel that was paid on behalf of the investigator), then it must be considered an SFI.
  • Not only your own personal interests, but also financial interests held with or by your immediate family (spouse, domestic partner, dependent children, and other dependents) and with or by any legal entity that you or your family owns or controls.
Examples of Significant Financial Interests

- **Income** or payments of any kind totaling more than $5,000 over the last calendar year from a single entity;
- **Ownership** greater than 1% of a single outside entity or ownership interests greater than $5,000 (e.g., stock);
- **Intellectual property** rights or licenses with an established fair market value exceeding $5000 or which generate income of any value from other than MSU (including royalties from other domestic universities);
- **Unvalued options** for stock or ownership of any value in a private company;
- Serving on a **governing or advisory board**, or in a **fiduciary or managerial role**, or as a general partner with or without pay
Exceptions

• SFIs unrelated to your MSU Institutional Responsibilities;
• MSU salary, remuneration by MSU, or other payments at MSU's behest (including from an MSU-approved practice plan);
• SFIs from seminars, lectures, teaching engagements, or service on advisory committees or review panels paid by domestic (U.S.):
  • Federal, state, or local government agencies;
  • Institutions of higher education;
  • Academic teaching hospitals and medical centers; or
  • Research institutes affiliated with an institution of higher education.
• (You do have to report nonprofits and foreign institutions)
Who manages COIs?

• The Conflict Review Committee (CRC)
  • Composed of at least five faculty members from different disciplines
  • Convenes ~ every 2 months

• The Conflict of Interest Office is managed by the Financial Conflict of Interest Officer (FCOIO)
  • Development of policies and procedures related to the identification and disclosure of significant financial interests,
  • Initial determination of potential conflicts of interest
  • Non-voting member of CRC
What happens if a COI is identified?

• The FCOIO, with the VPRGS and/or the CRC make a determination of appropriate action.

• **Conflict Management Plan (CMP):**
  • An agreement that sets out limits and restrictions on the investigator for the purpose of reducing or eliminating a conflict of interest, and to ensure that the design, conduct, and reporting of research will be free from bias.
  • May include:
    • public disclosure when presenting or publishing
    • Appointment of independent monitor
    • Meeting with chair and/or dean
    • Reduction or elimination of interest
    • Reporting to funding agency
Current MSU Policy

• NSF & PHS Investigators must annually disclose all personal Significant Financial Interests that are related to their institutional responsibilities.

• Investigators must also submit an updated disclosure within thirty days of acquiring any new significant financial interest or other opportunity for tangible personal benefit.

• Non-NSF/PHS: All related significant financial interests must be disclosed by investigators when a proposal is submitted
MSU Policy, January 1, 2015

• **All MSU faculty and academic staff** must submit an annual disclosure of all significant financial interests related to their MSU responsibilities.

• Disclosures must be updated within 30 days of acquiring or discovering any new significant financial interest.

• **The MSU policy applies to everyone who is:**
  - appointed through the academic personnel system with research, teaching, outreach, or service responsibilities:
MI Contracts of Public Servants with Public Entities Law

- Contract terms must be submitted to the Board of Trustees for review and approval when a contract is with:
  - an **employee** of the University;
  - any **partnership** or unincorporated association of which the employee is a partner, member, or employee;
  - any private **corporation** of which the employee is
    - a director, officer, or employee; or
    - a stockholder
  - any trust of which the employee is a beneficiary or trustee.
MI Contracts of Public Servants with Public Entities Law:

- Only the University President and specific authorized individuals may execute contracts on behalf of MSU.
- Conflicting interests created by the contract must be managed as a prerequisite for the Provost to recommend the contract terms to the Board for consideration.
- Law requires that the employee’s interest in a contract be disclosed to the Board of Trustees (BOT), and then the terms of the contract voted for approval at another meeting.
  - Time must be allowed for review of possible conflict of interest, development and approval of a conflict management plan, and submission to the Office of General Counsel for inclusion on the Board agenda.  [http://trustees.msu.edu/meetings/](http://trustees.msu.edu/meetings/)
MI Contracts of Public Servants with Public Entities Law

- Examples:
  - Purchase of goods or services
  - Licensing agreements involving intellectual property rights
  - Lease agreements for land or space use
  - Sponsored Projects funded by Small Businesses
  - Sponsored Project subcontracts to Small Businesses
  - Use of MSU facilities for private purposes
Need help completing your disclosure or have other questions?

Email: fcoiio@msu.edu

Phone: (517) 884-7000
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