



## SPONSORED PROJECTS CONFLICT OF INTEREST POLICY

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### PURPOSE:

To comply with the California Code of Regulations (2 CCR § 18755); Integrated CSU Administrative Manual (ICSUAM); the Code of Federal Regulations (2 CFR 200.112); and sponsor policies, as applicable.

### SCOPE:

Individuals subject to this policy are CSUSM Corporation and CSUSM employees, and in some cases, contractors or subawardees, with responsibility for the design and conduct of a research or sponsored project funded or supported, in whole or in part, by a contract or grant. The disclosure process for principal investigators and other personnel differ from the Conflict of Interest filing requirements of other employees. As a result, responsibility for the oversight and administration of the Conflict of Interest Policy is shared between CSUSM Human Resources, the Office of Graduate Studies and Research, and the Office of Sponsored Projects. The Conflict of Interest Policy reflects the requirements set forth by HR 2015-05 and ICSUAM Policy Number 11010.02, as well as applicable sponsors.

### POLICY:

#### I. General Requirements

**State of California:** Principal investigators are required to disclose financial interests when the funding from research or sponsored project funded or supported, in whole or in part, by a contract or grant is from a non-governmental source to ensure public employees are not personally benefitting at the expense of the public interest.

**NSF/PHS:** Investigators are required to disclose all financial interests that could potentially bias research outcomes. There are several other federal and non-federal funding agencies that have adopted the PHS policy on financial conflicts of interest. “Investigators” includes principal investigator or project director, co-principal investigator, and any other personnel who would be responsible for the design, conduct, or reporting of research or educational activities funded by the PHS/NSF or proposed for such funding, which may include, for example, consultants, investigators on subawards, and unpaid collaborators. For purposes of this policy, regardless of funding source, “Investigator” also includes the investigator’s spouse/domestic partner and dependent children.

**Disclosures of financial interests:** When proposals are submitted to non-governmental sponsors, to the NSF, or to PHS sponsors, the appropriate disclosure form must be completed and submitted to the Office of Graduate Studies and Research (during the proposal stage) or the CSUSM Corporation Office of Sponsored Projects (during the award period) as described in the CSUSM Corporation Conflict of Interest Procedure. Disclosures must be updated according to the requirements of the sponsor as described in the CSUSM Corporation Conflict of Interest Procedure.

## II. Financial Interest

**State of California:** The Integrated CSU Administrative Manual (ICSUAM) defines a Significant Financial Interest as “anything of monetary value, including but not limited to salary or other payments for service (e.g. consulting fees or honoraria); equity interests (e.g. stocks, stock options); being an owner, partner, director or officer in a non-publicly held company or entity; and, intellectual property rights (e.g., patents, copyrights) and royalties from such rights.”

**NSF/PHS:** A financial conflict of interest is a Significant Financial Interest (SFI) that could directly and significantly affect the design, conduct, or reporting of the funded research. The definition of SFI according to the PHS and NSF can be found in section II.A.3 of the CSUSM Corporation Conflict of Interest Procedure.

## III. Financial Conflict of Interest (FCOI) Disclosure Forms

**State of California:** The 700-U Statement of Economic Interests for Principal Investigators form is required for all persons employed by the CSU who have principle responsibility for a research project if the project is to be funded or supported, in whole or in part, by a contract or grant (or other funds earmarked by the donor for a specific research project or for a specific researcher) from a nongovernmental agency. Disclosure is required prior to final acceptance of a contract or grant, or within 30 days after funding is renewed.

**NSF/PHS:** All persons who will have a significant role in the design and execution of a NSF and/or PHS funded project must file a disclosure form of all financial interests that would reasonably appear to be directly or significantly affected by their activities.

## IV. Training

**State of California:** In accordance with Fair Political Practices Commission requirements and consistent with ICSUAM, Principal Investigators must complete the CSU Ethics and Conflict of Interest training within six (6) months of receiving an award. Subsequent training is required as least once each consecutive period of two (2) calendar years that the grant is in place. To ensure training is completed, the Office of Graduate Studies and Research Grants and Contracts Development will require training certificates prior to sharing the proposal records with the Office of Sponsored Projects for award set-up.

**PHS:** Such persons who have a significant role in the design and execution of the project are required to complete the Conflict of Interest training in CITI and the training must be repeated every four (4) years. Grants and Contracts Development will require training certificates prior to sharing proposal records with the Office of Sponsored Projects for award set-up.

## V. Review of Financial Disclosures

Disclosure forms submitted during the proposal stage and prior to award finalization will be reviewed by the Office of Graduate Studies and Research. Disclosure forms submitted once the award has been established will be reviewed by the Office of Sponsored Projects. If the Investigator states on the form that there are no reportable financial interests related to the project, no further action will

be taken and the form will remain in the project file.

If a related financial interest is reported on the form, the disclosure will be reviewed by the Director of Sponsored Projects and the Dean of Graduate Studies and Research to determine if it is a Significant Financial Interest (SFI), in which case it will be shared with the Conflict of Interest Review Committee (CIRC)<sup>1</sup> to determine if the nature of the Investigator's financial interest is such that a conflict of interest is unlikely to occur and would not compromise the quality and objectivity of the research, including not causing harm to the University or the misuse of state resources. See CSUSM Corporation Sponsored Projects Conflict of Interest Procedure for determination process and Resolution Plan.

## **VI. Enforcement Mechanisms and Sanctions**

No grant or contract will be accepted nor administered by CSUSM Corporation without full disclosure by the Investigator(s) as detailed in the applicable procedures. Failure to comply with this policy and its implementing procedures will result in non-acceptance by CSUSM Corporation of the grant or contract. Potential violations of the Conflict of Interest Resolution Plan shall be handled by the Dean of Graduate Studies and Research, who monitors the state of academic freedom and professional responsibility at CSUSM. The CSUSM Corporation Executive Director or designee, in consultation with the Provost or designee, will establish and enforce appropriate sanctions based on the specific conduct of an investigator failing to follow the approved Resolution Plan.

## **VII. Record Maintenance**

All financial disclosure statements and records of all actions taken in reviewing statements plus any actions taken to resolve actual or potential conflicts of interest will be retained for a minimum of three (3) years after the termination or completion of the related grant or contract. If any litigation, government action, or other controversy exists after such termination or completion, the records shall be retained for a minimum of three (3) years after any such litigation, government action or controversy has concluded. In those cases where a granting or contracting agency requires a longer period of record retention, CSUSM Corporation Office of Sponsored Projects will comply with that agency's requirements.

<sup>1</sup> The CIRC consists of two faculty selected in consultation with Academic Senate, one administrator from CSUSM Corporation, Dean of Graduate Studies and Research, and VPAS or designee.

## **REFERENCES**

Sponsored Projects Conflict of Interest Procedure

[ICSUAM Manual](#)