

Policy on Financial Conflict of Interest Pertaining to Grants and Contracts Research & Sponsored Programs

I. Introduction

The teaching, research, and service mission of California State University, Northridge (CSUN or University)* must be conducted in an objective manner, free from undue influence arising from private or other special interests. The purpose of this policy is to establish guidelines for recognizing, disclosing, and managing significant financial conflicts of interest in relation to the Public Health Service (PHS) and the National Institutes of Health (NIH) sponsored research pursuant to 42 C.F.R. 50 Subpart F and 45 C.F.R. 94; CSU HR 2015-05; NSF Proposal and Award Policies and Procedures Guide Chapter IV.A; and 21 C.F.R. 54 for USDA sponsored clinical trials.

These regulations require the University to maintain a written policy on conflict of interest disclosure as a condition for receiving awards. Therefore, the University is obligated to establish this policy consistent with these regulations to require disclosure, and identification and management of financial conflicts of interest for all Investigators supported by funding.

Consistent with regulations, this policy will be made available via a publicly accessible website <https://www.csun.edu/research-graduate-studies/research-sponsored-programs/conflict-interest>. All CSUN Investigators (that is, individuals who, regardless of position or title, are responsible for the design, conduct or reporting of supported research, and Investigators seeking research support) shall be informed where this policy and relevant reporting requirements may be accessed.

The University, its employees, and the public often benefit from CSUN employees' participation in both public and private activities outside the University. The University has no interest in setting forth detailed rules that may interfere with employees' legitimate outside interests. Employees, however, must ensure that their outside obligations, financial interests, and activities do not conflict or interfere with their commitment to the integrity of the research, the Public Health Service (PHS), the National Institutes of Health (NIH), National Science Foundation (NSF), certain projects supported by the U.S. Department of Agriculture (USDA), other agencies adopting federal requirements, non-governmental sponsors, or the University. This obligation pertains to both full-time and part-time employees.

* "CSUN" or "University" shall include The University Corporation, which is the legal awardee and receives and administers externally funded grants and contracts on behalf of the University.

This policy sets forth procedures and guidelines that are to be followed in resolving actual and potential conflicts of financial interest related to research sponsored by the PHS, NSF, USDA, other agencies adopting federal requirements, and non-governmental agencies. The Associate Vice President (AVP) for Research and Graduate Studies or designee is the designated Institutional Official responsible for ensuring implementation of this policy and may suspend all relevant activities until the financial conflict of interest is resolved or other action deemed appropriate by the Institutional Official is implemented. Violation of any part of these policies may also constitute cause for disciplinary or other administrative action pursuant to Institutional policy.

II. Definitions

Disclosure of significant financial interests means an Investigator's disclosure of significant financial interests to an Institution.

Family means any member of the Investigator's immediate family, specifically, the Investigator's spouse and any dependent children.

FCOI Report means an Institution's report of a financial conflict of interest to a funding agency.

Financial Conflict of Interest (FCOI) means a significant financial interest that could directly and significantly affect the design, conduct or reporting of externally funded research.

Financial Interest means anything of monetary value received or held by an Investigator or an Investigator's Family, whether or not the value is readily ascertainable, including, but not limited to: salary or other payments for services (e.g., consulting fees, honoraria, or paid authorships for other than scholarly works); any equity interests (e.g., stocks, stock options, or other ownership interests); and intellectual property rights and interests (e.g., patents, trademarks, service marks, and copyrights), upon receipt of royalties or other income related to such intellectual property rights and interests.

Financial Interest does NOT include:

- salary, royalties, or other remuneration from the Institution;
- income from the authorship of academic or scholarly works;
- income from seminars, lectures, or teaching engagements sponsored by or from advisory committees or review panels for U.S. Federal, state or local governmental agencies; U.S. institutions of higher education; research institutes affiliated with institutions of higher education, academic teaching hospitals, and medical centers; or
- equity interests or income from investment vehicles, such as mutual funds and

retirement accounts, so long as the Investigator does not directly control the investment decisions made in these vehicles.

For Investigators, *Financial Interest* also includes any reimbursed or sponsored travel undertaken by the Investigator and related to his/her institutional responsibilities. This includes travel that is paid on behalf of the Investigator as well as travel that is reimbursed, even if the exact monetary value is not readily available. *Financial Interest* excludes travel reimbursed or sponsored by U.S. Federal, state or local governmental agencies, U.S. institutions of higher education, research institutes affiliated with institutions of higher education, academic teaching hospitals, and medical centers.

Institution refers to any domestic or foreign, public or private, entity or organization (excluding a Federal agency) that is applying for or that receives research funding.

Institutional Official means the individual within the Institution that is responsible for the solicitation and review of disclosures of significant financial interests, including those of the Investigator's family, related to the Investigator's institutional responsibilities. For the purposes of this policy, the Institutional Official is designated as the Associate Vice President for Research and Graduate Studies or designee.

Institutional responsibilities means an Investigator's professional responsibilities on behalf of the Institution, and as defined by the Institution in its policy on financial conflicts of interest, which may include for example: activities such as research, research consultation, teaching, professional practice, institutional committee memberships, and service on panels such as Institutional Review Boards (IRB) or Data and Safety Monitoring Boards.

Investigator means any individual who is responsible for the design, conduct, or reporting of sponsored research, or proposals for such funding. This definition is not limited to those titled or budgeted as Principal Investigator (PI), Co-Principal Investigator (Co-PI), or Co-Investigator on a particular proposal, and may include Project Directors, senior/key personnel, evaluators, postdoctoral associates, senior scientists, or graduate students. The definition may also include subgrantees, contractors, consortium participants, collaborators or consultants as appropriate.

Manage means taking action to address an FCOI, which can include reducing or eliminating the FCOI, to ensure, to the extent possible, that the design, conduct, and reporting of research will be free from bias.

Research means a systematic investigation, study, or experiment designed to contribute to generalizable knowledge relating broadly to public health, including behavioral and social-sciences research. The term encompasses basic and applied research (e.g., a published article, book or book chapter) and product development (e.g., a diagnostic test or drug).

Significant Financial Interest (SFI) means:

1. A financial interest consisting of one or more of the following interests of the Investigator (and those of the Investigator's spouse and dependent children) that reasonably appears to be related to the Investigator's institutional responsibilities:
 - i. With regard to any publicly traded entity, a significant financial interest exists if the value of any remuneration received from the entity in the twelve months preceding the disclosure and the value of any equity interest in the entity as of the date of disclosure, when aggregated, exceeds \$5,000. For purposes of this definition, remuneration includes salary and any payment for services not otherwise identified as salary (e.g., consulting fees, honoraria, paid authorship); equity interest includes any stock, stock option, or other ownership interest, as determined through reference to public prices or other reasonable measures of fair market value;
 - ii. With regard to any non-publicly traded entity, a significant financial interest exists if the value of any remuneration received from the entity in the twelve months preceding the disclosure, when aggregated, exceeds \$5,000, or when the Investigator (or the Investigator's spouse or dependent children) holds any equity interest (e.g., stock, stock option, or other ownership interest); or
 - iii. Intellectual property rights and interests (e.g., patents, copyrights), upon receipt of income related to such rights and interests

2. Investigators also must disclose the occurrence of any reimbursed or sponsored travel (i.e., that which is paid on behalf of the Investigator and not reimbursed to the Investigator so that the exact monetary value may not be readily available), related to their institutional responsibilities; provided, however, that this disclosure requirement does not apply to travel that is reimbursed or sponsored by a Federal, state, or local government agency, an Institution of higher education as defined at 20 U.S.C. 1001(a), an academic teaching hospital, a medical center, or a research institute that is affiliated with an Institution of higher education. The Institution's FCOI policy will specify the details of this disclosure, which will include, at a minimum, the purpose of the trip, the identity of the sponsor/organizer, the destination, and the duration. In accordance with the Institution's FCOI policy, the Institutional Official(s) will determine if further information is needed, including a determination or disclosure of monetary value, in order to determine whether the travel constitutes an FCOI with the funded research.

3. The term significant financial interest does not include the following types of financial interests: salary, royalties, or other remuneration paid by the Institution to the Investigator if the Investigator is currently employed or otherwise appointed by the Institution, including intellectual property rights assigned to the Institution and agreements to share in royalties related to such rights; any

ownership interest in the Institution held by the Investigator, if the Institution is a commercial or for-profit organization; income from investment vehicles, such as mutual funds and retirement accounts, as long as the Investigator does not directly control the investment decisions made in these vehicles; income from seminars, lectures, or teaching engagements sponsored by a Federal, state, or local government agency, an Institution of higher education as defined at 20 U.S.C. 1001(a), an academic teaching hospital, a medical center, or a research institute that is affiliated with an Institution of higher education; or income from service on advisory committees or review panels for a Federal, state, or local government agency, an Institution of higher education as defined at 20 U.S.C. 1001(a), an academic teaching hospital, a medical center, or a research institute that is affiliated with an Institution of higher education.

III. Disclosure of Significant Financial Interests

This policy is predicated on the expectation that Investigators should conduct their affairs so as to avoid or minimize conflicts of interest, and must respond appropriately when conflicts of interest arise. To that end, this policy informs Investigators about situations that generate conflicts of interest related to research, provides mechanisms for Investigators and the Institution to manage those conflicts of interest that arise, and describes situations that are prohibited. Every Investigator has an obligation to become familiar with, and abide by, the provisions of this policy. If a situation raising questions of conflict of interest arises, an Investigator should discuss the situation with the Institutional Official.

Under the terms of this Policy, Principal Investigators must identify all Investigators on the award (that is, all individuals who will have responsibility for designing, conducting, or reporting the research to be funded) who are required to disclose Significant Financial Interests. All Investigators are required to disclose their outside financial interests as defined above to the Institution on an annual and on an ad hoc basis, as described below. The Institutional Official is responsible for the distribution, receipt, processing, review and retention of disclosure forms.

Disclosures

All Investigators must disclose their Significant Financial Interests that are related to the Investigator's institutional responsibilities to the Institution, through the Institutional Official, no later than the time of application and as conflicts develop.

All Investigators funded by the NSF or PHS must disclose their Significant Financial Interests that are related to the Investigator's institutional responsibilities to the Institution, through the Institutional Official, no later than the time of application for NSF- or PHS-funded research and annually thereafter during the period of the award.

All Investigators funded by non-governmental sponsors must disclose their Significant Financial Interests that are related to the Investigator's institutional responsibilities to the Institution, through the Institutional Official, no later than the time of application and disclose on 700U financial disclosures form prior to acceptance of an award and upon renewal of funding. The Pre-Award office will collect a 700U form prior to accepting an award from a non-governmental agency.

Ad Hoc Disclosures

In addition to annual disclosure, certain situations require ad hoc disclosure. All Investigators must disclose their Significant Financial Interests to the Institution, through the Institutional Official, within thirty (30) days of their initial appointment or employment.

Prior to entering into NSF- or PHS-sponsored projects or applications for NSF- or PHS-sponsored projects, where the Investigator has a Significant Financial Interest, the Investigator must affirm the currency of the annual disclosure or submit to the Institutional Official an ad hoc updated disclosure of his or her Significant Financial Interests with the outside entity. The Institution will not submit a research proposal unless the Investigator(s) have submitted such ad hoc disclosures.

In addition, all Investigators must submit to the Institutional Official an ad hoc disclosure of any Significant Financial Interest they acquire or discover during the course of the year within thirty (30) days of discovering or acquiring the Significant Financial Interest.

Travel

Investigators must also disclose reimbursed or sponsored travel related to their institutional responsibilities, as defined above in the definition of Financial Interest and Significant Financial Interest. Such disclosures must include, at a minimum, the purpose of the trip, the identity of the sponsor/organizer, the destination, the duration, and, if known, the monetary value. The Institutional Official will determine if additional information is needed (e.g., the monetary value if not already disclosed) to determine whether the travel constitutes a Financial Conflict of Interest with the Investigator's research.

Sponsored or reimbursed travel may be disclosed:

1. Prospectively listing all anticipated travel (including information about the purpose of the trip, the identity of the sponsor/organizer, the destination and the duration of the trip, as well as any other information that may be required by the campus) for the 12-month period following the filing of the Investigator's annual disclosure form; and/or
2. Within thirty (30) days of the occurrence of travel that either was not listed on the prospective annual travel report or that significantly varied in the

threshold reporting details from what was listed in the prospective report.

Subrecipients

Collaborators from other institutions who share responsibility for the design, conduct or reporting of research results, and who will be conducting research under a sub-grant or subcontract from the University are expected to comply with the policies and procedures for disclosure and review of a Significant Financial Interests at the institution at which they are employed or, if their institution does not have a conflict of interest policy that complies with NSF and PHS regulations, they must comply with the University's policies and procedures for disclosure and review of a Significant Financial Interests related to NSF and PHS sponsored awards. Subawards issued by the University will ask the subrecipient institution to certify that its policy is in compliance with NSF and PHS conflict of interest regulations, and unless the subrecipient does not have an NSF and PHS-compliant policy, will indicate that the recipient organization is responsible for reviewing the disclosures submitted by its Investigators and, if a Financial Conflict of Interest is identified, for sending the University notification of the conflict and of the subrecipient institution's plan to manage, reduce or eliminate the identified conflicts, in accordance with NSF and PHS reporting requirements.

Collaborators who share responsibility for the design, conduct, and reporting of research results and who will participate in research under an independent consulting agreement issued by the University should be identified as Investigators by the Principal Investigator and should complete the University disclosure forms. If, upon review, the University determines that these financial interests could directly and significantly affect the design, conduct, or reporting of the research to be performed under the agreement, consultants will be expected to adhere to the plans put in place to eliminate, reduce or manage the identified conflicts of interest.

IV. Review and Decision of the Institutional Official

If the disclosure form reveals a Significant Financial Interest, the Institutional Official or designee will review it to determine whether it constitutes a Financial Conflict of Interest. If a Financial Conflict of Interest exists, the Institutional Official will take action to manage the financial conflict of interest including the reduction or elimination of the conflict, as appropriate.

A Financial Conflict of Interest will exist when the Institutional Official or designee determines that a Significant Financial Interest could directly and significantly affect the design, conduct, or reporting of sponsored research. If the Institutional Official determines that there is a Financial Conflict of Interest that can be managed, he or she must develop and implement a written management plan. The affected Investigator must formally agree to the proposed management strategies and sign the written management plan before research goes forward.

The Institutional Official will periodically monitor the conduct of the activity (including use of students and postdoctoral appointees) to ensure open and timely dissemination of the research results, and to otherwise oversee compliance with the management plan.

V. Reporting

Reporting to PHS

The Institutional Official will report financial conflicts of interest or non-compliance to PHS in accordance with PHS regulations. If the funding for the Research is made available from a prime PHS-awardee, such reports shall be made to the prime awardee prior to the expenditure of any funds and within sixty (60) days of any subsequently identified financial conflict of interest such that the prime awardee may fulfill their reporting obligations to the PHS.

For any Financial Conflict of Interest that the University reports to a PHS awarding agency, the University shall provide to the PHS awarding agency an annual Financial Conflict of Interest report that addresses the status of the conflict and any changes to the management plan, for the duration of the project. The annual report shall specify whether the financial conflict is still being managed or explain why it no longer exists. The University must provide annual reports to the PHS awarding agency for the duration of the project period (including extensions with or without funds).

Within sixty (60) days of determining that a Financial Conflict of Interest exists for a new Investigator who joins an ongoing PHS-funded research activity, the University must implement a management plan and submit a report to the PHS funding agency.

Reporting to NSF

In situations where the Institution cannot satisfactorily manage a conflict of interest or where research will proceed without the impositions of conditions or restrictions to mitigate a disclosed conflict, the University, via its Authorized Organization Representative (AOR), will submit a notification to the NSF Office of the General Counsel (OGC). The University will work with the OGC in their review of applicable policies, including this FCOI policy, and conflict management plans.

VI. Investigator Noncompliance

Disciplinary Action

In the event of an Investigator's failure to comply with this policy, the Institutional Official may advise The University Corporation to suspend expenditures on the project until the matter is resolved or other action deemed appropriate by the Institutional Official is implemented.

An Institutional Official's decision to impose sanctions on an Investigator because of failure to comply with this policy, or failure to comply with the decision of the Institutional Official, will be described in a written explanation of the decision to the Investigator, and, where applicable, the IRB. The written explanation of the Institutional Official's decision will also notify the Investigator of their right to appeal the decision. If applicable, the institution will promptly notify the PHS Awarding Component of the action taken or to be taken. If the funding for the research is made available from a prime PHS awardee, such notification shall be made promptly to the prime awardee for reporting to PHS.

Retrospective Review

In addition, if the Institutional Official determines that a Financial Conflict of Interest was not identified or managed in a timely manner, including but not limited to an Investigator's failure to disclose a Significant Financial Interest that is determined to be a Financial Conflict of Interest, or failure by an Investigator to materially comply with a management plan for a Financial Conflict of Interest, the Institutional Official will complete a retrospective review of the Investigator's activities and the sponsored research project to determine whether the research conducted during the period of non-compliance was biased in the design, conduct or reporting of the research.

Documentation of the retrospective review shall include the project number, project title, PI, name of Investigator with the Financial Conflict of Interest, name of the entity with which the Investigator has the Financial Conflict of Interest, reason(s) for the retrospective review, detailed methodology used for the retrospective review, and findings and conclusions of the review.

For PHS-funded projects, based on the results of the retrospective review, if appropriate, the Institutional Official will update any previously submitted report to the PHS or the prime PHS-awardee relating to the research, specifying the actions that will be taken to manage the Financial Conflict of Interest going forward. This retrospective review will be completed in the manner and within the time frame established in PHS regulations. If bias is found, the institution will promptly notify the PHS Awarding Component and submit a mitigation report in accordance with the PHS regulations. The mitigation report will identify elements documented in the retrospective review, a description of the impact of the bias on the research project, and the plan of action to eliminate or mitigate the effect of the bias.

VII. Training

Each Investigator must complete training on conflict of interest through the CITI Program prior to engaging in sponsored research, and at least every four (4) years thereafter. They must also complete training within a reasonable period of time as determined by the Institutional Official in the event that this policy is substantively

amended in a manner that affects the requirements of Investigators, if the Investigator is new to the institution, or if it is determined that the Investigator has not complied with this policy or with a management plan related to their activities. The Pre-Award office will email the PI and ensure training is completed prior to processing an award to post-award.

Each non-governmental funded Principal Investigator is responsible for completing the mandatory FCOI California state ethics trainings within six months of receiving an award and renewing this training at least once every two years thereafter for the duration of the award. The Pre-Award office will follow up with CSUN Human Resources department after six (6) months of the award to ensure training is completed, and biannually thereafter for the duration of the award.

VIII. Record Retention

Per the pre-award record retention policy in the Joint Statement of Policies and Procedures for Administering Grants and Contracts, the Institutional Official will retain all disclosure forms, conflict management plans, and related documents for a period of five (5) years from the date the final expenditure report is submitted to the sponsor, unless any litigation, claim, financial management review, or audit is started before the expiration of the five year period, in which case the records shall be retained until all litigation, claims, or audit findings involving the records have been resolved and final action taken.

IX. PHS and 700-U Conflict of Interest Form Processing

1. The Pre-Award office reviews the Financial Conflict of Interest (FCOI) section in the project Cayuse record and verifies that the information is complete.
2. The Pre-Award office adds a workflow within Cayuse labeled by the PI's name and project number. If the project involves PHS funding, the Pre-Award office also enters future workflows for the form and due dates of one year minus one day from the date of the PI's signature (e.g., if the PI signed 4/23/19, the expiration date would be 4/22/20).
3. If the PI has disclosed no significant conflict of interest on the form, the Pre-Award office will note in Cayuse that no further review is required. The Pre-Award office will then prepare to issue the award.
4. If PI has disclosed a significant financial interest on the form, the Pre-Award office will inform the Institutional Official, who will then review the conflict.
 - a. If the significant financial interest is determined by the Institutional Official to not constitute a conflict of interest, the Pre-Award office will then prepare to issue the award.

- b. If there is a conflict of interest, the IO will notify the Pre-Award office once s/he has determined that the conflict is appropriately managed. The Pre-Award office will then prepare to issue the award.
5. For PHS funding, the Pre-Award office will prepare documents to be submitted through the FCOI eRA Commons module.
6. The Pre-Award office will attach the 700U form, signed management plan, and any other applicable documents to the project's Cayuse record.
7. The Pre-Award office will request and obtain applicable disclosure forms on an annual basis for funded PHS Projects.

X. Public Accessibility

Prior to the expenditure of funds, the Institution will publish on a publicly-accessible website, or respond to any requestor within five (5) business days of the request, information concerning any Significant Financial Interest that meets the following criteria:

1. The Significant Financial Interest was disclosed and is still held by the senior and key personnel;
2. A determination has been made that the Significant Financial Interest is related to the PHS-funded research; and
3. A determination has been made that the Significant Financial Interest is a Financial Conflict of Interest.

The information to be made available shall be consistent with the requirements of the PHS regulation.

XI. Confidentiality

Notwithstanding the public accessibility requirements, to the extent permitted by law, all disclosure forms, conflict management plans, and related information will be confidential. However, the Institution may be required to make such information available to the PHS Awarding Component and/or HHS, to a requestor of information concerning financial conflict of interest related to PHS funding, to the NSF Office of the General Counsel, or to the primary entity who made the funding available to the Institution, if requested or required. If the Institution is requested to provide disclosure forms, conflict management plans, and related information to an outside entity, the Investigator will be informed of this disclosure.

XII. Regulatory Authority

This policy implements the requirements of 42 C.F.R. 50 Subpart F and 45 C.F.R. 94; Conflict of Interest Update – Principal Investigators - Nongovernmental CSU HR 2015-05; NSF Proposal and Award Policies and Procedures Guide Chapter IV.A; and 21 C.F.R. 54 for USDA sponsored clinical trials. Where there are substantive differences between this policy and the requirements, the requirements shall take precedence.

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Contact information:

Charlene Rosenda Manzueta

Lead Grants & Contracts Analyst, Research & Sponsored Programs

Phone: 818-677-5008; Email: charlene.manzueta@csun.edu