

These guidelines define general Moravian University policy and procedures regarding financial conflicts of interest (FCOI) in relationship to sponsored projects involving research, education, and service. Their purpose is to protect the credibility and integrity of Moravian's faculty and staff so that public trust and confidence in Moravian's sponsored activities is ensured.

When a sponsor requires grantee institutions to maintain and enforce a written policy on conflict of interest, this policy will apply (e.g., the National Science Foundation). For research funded by the U.S. Public Health Service (PHS), Moravian's PHS/NIH Financial Conflict of Interest Policy will apply.

Definitions

Conflict of interest: For the purposes of this policy, a conflict of interest exists when the University, through procedures described herein, reasonably determines that a significant financial interest could directly and significantly affect the design, conduct, or reporting of sponsored projects.

Family means any member of the Investigator's immediate family, specifically, any dependent children, spouse, or registered domestic partner.

Investigator means the principal investigator/project director, co-principal investigators/co-project directors, and any other person identified on the proposed project who is responsible for the design, conduct, or reporting of research, educational, or service activities funded, or proposed for funding, by an external sponsor.

Significant Financial Interest means anything of monetary value, including, but not limited to:

- salary or other payments for services (e.g., consulting fees or honoraria)
- equity interest (e.g., stocks, stock options or other ownership interests)
- intellectual property rights (e.g., patents, copyrights, and royalties from such rights)

Significant Financial Interest does not include:

1. Salary, royalties, or other remuneration from Moravian University;
2. Income from seminars, lectures, or teaching engagements sponsored by public or nonprofit entities;
3. Income from service on advisory committees or review panels for public or nonprofit entities.
4. An equity interest that, when aggregated for the Investigator and the Investigator's Family, meets both of the following tests:
 - a. does not exceed \$10,000 in value as determined through reference to public prices or other reasonable measures of fair market value; and
 - b. does not represent more than a five percent ownership interest in any single entity; or
5. Salary, royalties or other payments that, when aggregated for the Investigator and the Investigator's Family are not expected to exceed \$10,000 during the prior twelve-month period.

Provided, however, that the exclusions in the first three items shall not apply if the compensation or transfer of an equity interest is conditioned upon a particular outcome in a sponsored research project.

Disclosure

In accordance with Federal regulations, Moravian University has a responsibility to manage, reduce, or eliminate any actual or potential conflicts of interest that may be presented by a financial interest of an Investigator. Thus, Moravian requires that Investigators disclose any significant financial interest that may reasonably appear to be affected by sponsored projects.

Each Investigator is required to disclose Significant Financial Interests of the Investigator and his/her Family (1) that would reasonably appear to be affected by the research or educational activities funded or proposed for funding, by an external sponsor; or (2) in entities whose financial interests would reasonably appear to be affected by the research or educational activities funded, or proposed for funding, by an external sponsor.

Regardless of the above minimum requirements, a faculty or staff member, in his or her own best interest, may choose to disclose any other financial or related interest that could present an actual conflict of interest or be perceived to present a conflict of interest. Disclosure is a key factor in protecting one's reputation and career from potentially embarrassing or harmful allegations of misconduct.

As required by Federal regulation, Investigators must disclose all Significant Financial Interests prior to the time a proposal is submitted. All financial disclosures must be updated by Investigators during the period of the award, either on an annual basis or as new reportable Significant Financial Interests are obtained. Investigators should submit a Financial Conflict of Interest Disclosure Form to the Provost's Office, and, when a Significant Financial Interest is identified, the disclosure form should be accompanied by any supporting documentation that identifies the business enterprise or entity involved and the nature and amount of the interest in a sealed envelope marked CONFIDENTIAL.

Review Process

The Provost or designee shall review all financial disclosures to determine whether a conflict of interest exists. A **conflict of interest** exists when the reviewer reasonably determines that a Significant Financial Interest could directly and significantly affect the design, conduct, or reporting of the proposed sponsored project. If the reviewer determines that there is a potential for conflict of interest covered by this policy, then the Provost will determine what conditions or restrictions, if any, should be imposed by Moravian University to manage, reduce, or eliminate conflicts of interest arising from the disclosed Significant Financial Interests.

Examples of conditions or restrictions that might be imposed to manage, reduce, or eliminate conflicts of interest include, but are not limited to:

1. Public disclosure of significant financial interests;
2. Monitoring of research by independent reviewers;
3. Modification of the research plan;
4. Disqualification from participation in all or a portion of the research funded;
5. Divestiture of significant financial interests; or
6. Severance of relationships that create actual or potential conflicts.

The Provost may require that a plan for reducing or eliminating conflicts of interest be incorporated into a Memo of Understanding between the University and the Investigator.

If the Provost determines that imposing the above referenced conditions or restrictions would be either ineffective or inequitable, and that the potential negative impacts that may arise from a significant financial interest are outweighed by interests of scientific progress, technology transfer, or the public health and welfare, then the Provost may allow, to the extent permitted by Federal regulations [PHS policy, for example, does not permit such an action], the research go forward without imposing such conditions or restrictions.

Managing Conflicts of Interest

Financial conflicts of interest will be satisfactorily managed, reduced, or eliminated in accordance with this policy and all required reports regarding the conflict of interest submitted to the sponsor prior to expenditure of any funds under an award. For example, NSF requires Moravian University to report conflicts that cannot be satisfactorily managed, reduced, or eliminated, and if Moravian finds that the research will proceed without the imposition of conditions or restrictions when a conflict of interest exists.

Violations of Conflict of Interest Policy

Whenever an Investigator has violated this policy or the terms of any resolution plan required by the Provost (including failure to file or knowingly filing incomplete, erroneous, or misleading disclosure forms), the Provost will impose sanctions or institute disciplinary proceedings against the violating individual.

If the violation results in a collateral proceeding under University policies regarding research integrity, then the Provost will defer decision on sanctions until the research integrity process is completed.

In addition, Moravian University will follow Federal regulations regarding the notification of the sponsoring agency in the event an Investigator has failed to comply with this policy. The sponsor may take its own action as it deems appropriate, including the suspension of funding for the Investigator until the matter is resolved.

Record Maintenance

Records of Investigator financial disclosures and of actions taken to resolve conflicts of interest will be retained by the Provost's Office for at least three years beyond the termination or completion of the grant award to which they relate, or until the resolution of any government action involving those records, whichever is longer.

Collaborative Projects/Subagreements

Collaborators/subrecipients/subcontractors from other organizations must either comply with this policy or provide a certification that their organizations are in compliance with Federal policies regarding Investigator significant financial interest disclosure and that their portion of the project is in compliance with their institutional policies.

This policy has been reviewed and accepted by the President's Cabinet (10/17/2017).

Origination Date: 9/28/2017
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