

Policy on Conflict of Interest and Conflict of Commitment

- **PURPOSE**

The purpose of this document is to define and to provide guidelines for the management of potential conflicts of interest or commitment on the part of faculty and academic staff, and further to promote objectivity in research by establishing a framework to ensure that the design, conduct, and reporting of research will not be biased by any conflicting financial interests of individuals or the institution.

- **INTRODUCTION**

Aiming for excellence in its missions of education, research, and clinical service, the University of Arkansas for Medical Sciences (UAMS) seeks continuing development of the knowledge, skills and expertise of its faculty. To this end, the university encourages faculty and academic staff to pursue outside activities which contribute to personal and professional growth and development. Further, the reservoir of skills and expertise and the new knowledge created can add substantial value to the common good and welfare through outside activities.

In the pursuit of such goals, there may inevitably arise conflicts between the demands of external activities and the primary obligations to UAMS activities. Moreover, the involvement in multiple enterprises may offer opportunities for divergence of personal or private interests from those of UAMS. In UAMS activities funded in whole or in part by external sponsors, there may be occasion for yet further conflicts of interest, and UAMS has an institutional responsibility to ensure compliance with the guidelines of the sponsor.

Some external activities or interests may be so far removed from the UAMS roles and responsibilities of the individual that the only considerations become those of impact on the time and energy available for primary university duties. Other external interests may not divert any energy from university duties but may introduce concerns about possible impact on objectivity in university-related activities. Still other activities may introduce both types of concerns. Since a single disclosure mechanism may support the management of both types of consideration, and because of the overlap in some activities, both types of conflicts are addressed in this policy.

This policy deals with general principles, procedures for disclosure and administrative review of potentially conflicting interests or commitments, guidelines for management of unavoidable conflicts, and administrative actions and appeals.

- **GENERAL PRINCIPLES**

Arrangements relating to external activities by faculty should never be allowed to undermine the basic missions of UAMS and should be specifically constrained to minimize distraction from primary obligations to UAMS and to minimize placing either the individual or UAMS in a position of having or appearing to have a conflict of interest. Such conflicts of commitment and conflicts of interest as arise must be managed according to appropriate guidelines.

Obligation to the University.

Faculty members must demonstrate primary professional loyalty to UAMS and devote themselves to teaching, caring for patients, interacting with students, carrying out research and

scholarly work, serving on appropriate campus committees, performing administrative duties, and other required functions. With an acceptance of a full-time appointment to the UAMS faculty, an individual makes a commitment to UAMS (and to the appropriate hospital, if part of a hospital-based department) which is full-time in the most inclusive sense.

Professional Growth.

The institution currently applies the generally accepted academic standard that affords faculty time, consistent with formally negotiated obligations, for extra-mural scholarly pursuits that relate to and advance professional growth and public service; however, any medical professional service is constrained by the MCPG By-Laws.

Objectivity in Research.

The fundamental values of the university include the highest standards of research integrity and objectivity. Thus, no conflict of interest on the part of academic staff members can be permitted to influence the design, conduct, or reporting of research.

Technology Transfer.

Appropriate transfer of technology can make the results of research more quickly available for the good of the public and can assist the state in commercial development and expansion of its economic base. Accordingly, efforts to commercialize or otherwise make quickly and widely available the results of new knowledge are encouraged.

- **GOVERNANCE**

This policy is governed by Arkansas State Law and by policies of the University of Arkansas Board of Trustees and is subject to change as those laws and policies are amended. Nothing in this policy shall be construed to supersede state or federal laws or the University of Arkansas Board of Trustees policies. Further, some funding agencies may establish further restrictions or requirements that must be met. It is the responsibility of Principal Investigators to familiarize themselves with such policies. The Office of Research Administration shall maintain current knowledge of such policies in order to assist investigators.

- **DEFINITIONS**

Academic staff member.

An academic staff member is a faculty member or, with respect to research, the principal investigator, co-principal investigator, and any other person at UAMS who is responsible for the design, conduct, or reporting of research or educational activities. The definition includes anyone who is paid by or whose work is supported by a grant or contract from an external source and includes any member of the UAMS faculty or staff who is eligible to apply for federal or other grants. It specifically includes postdoctoral fellows, research associates or assistants, and graduate students.

Technology Transfer.

Technology transfer refers to the commercialization of ideas, concepts, and inventions through publication, patenting and licensing, and the formation of business entities.

Conflicts of Commitment.

The term "conflict of commitment" relates specifically to significant distraction of an individual academic staff member's attention or effort from obligations to the academic appointment (teaching, research, other services, and/or patient care) because of "outside" activities. The latter may include, but are not limited to, professionally-related and generally encouraged activities such as consulting, textbook authorship, involvement with professional societies, and participation in review panels. Such activities are usually expected of academic staff members to promote professional development and to enrich their contributions to the institution, their profession, and the community. Scientific consulting relationships, for example, may serve to create conduits for the exchange of information and technologies that enhance the university environment and permit academic staff to test the soundness of their ideas. Professional service activities on the part of College of Medicine faculty, such as patient care and professional consultation, are subject to special constraints as defined in the MCPG By-Laws.

Part-time faculty may not be subject to conflict of commitment guidelines due to the nature of their appointments; however they are subject to conflict of interest requirements, especially if they participate in sponsored activities. These instances should be discussed with individual chairs.

Conflicts of Interest.

A conflict of interest is defined as a divergence of interests away from professional obligations to the Institution or to external sponsors of research or other activities toward an individual's private or personal interests. Under these conditions, an unbiased observer would find it difficult to determine whether the individual's professional actions or deeds are determined by personal considerations of gain, financial or otherwise not in the best interest of the Institution and sponsor.

In particular, a conflict of interest exists in, but is not limited to, situations where a Significant Financial Interest could directly and significantly affect the design, conduct, or reporting of research.

Immediate Family.

The Immediate Family is defined to include spouse, domestic partner, and dependent children, as defined by the U.S. Internal Revenue Service.

Significant Financial Interest.

A 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 interests; (e.g. stocks, stock options or other ownership interests); and intellectual property rights (e.g. patents, copyrights and royalties from such rights). The term does not include:

- salaries, royalties, or other remuneration from UAMS;
- income from occasional seminars, lectures, or teaching engagements sponsored by public or nonprofit entities;
- income from service on advisory committees or review panels for public or non-profit entities;
- an equity interest that when aggregated for the Investigator and the Investigator's spouse and dependent children, meets both the following tests: Does not exceed \$10,000 in value

- as determined through the reference to public prices or other reasonable measures of fair market value, and does not represent more than a five percent ownership interest in any single entity;
- salary, royalties, or other payments from a single source that when aggregated for the Investigator and the Investigator's spouse and dependent children over the next twelve months, are not expected to exceed \$10,000.

Responsible Administrator.

With respect to the disclosure and management provisions of this policy, the term "Responsible Administrator" for an academic staff member refers, in the first instance, to the department chair of the person. For academic staff members not assigned to a department, or for department chairs, the Responsible Administrator is the dean. For deans, vice chancellors, or other university-wide officials, the Responsible Administrator is the chancellor or his/her designee. For purposes of second level review, the next higher administrator is responsible. The designated institutional official for purposes of supervising the broad operation of the system, protecting confidentiality and maintaining records and for assurances to providers of extra-mural support is the Vice Chancellor for Academic Affairs or, as his/her designee, the Director of the Office of Research Administration.

- **DISCLOSURE AND REVIEW**

Disclosure.

Outside activities or Significant Financial Interests relating to the professional roles for which academic staff members are employed by UAMS must be disclosed annually to the Responsible Administrator by all UAMS faculty (Full and Part-time), using Conflict of Interest disclosure forms (Appendix 4). All Significant Financial Interests which are directly or indirectly related to the professional activities of the faculty member must be disclosed, as must any external commitment which might be perceived as presenting a conflict of commitment. Other academic staff members who are to participate in externally funded research must also disclose Significant Financial Interests and are also otherwise subject to this policy. See Definition 5.6 and Appendices 1 and 2 for requirements, examples, and exceptions.

Any cases of potential conflicts of interest which arise between reporting periods must be disclosed promptly in writing to the Responsible Administrator and to the chair of the Conflict of Interest Committee, using a Conflict of Interest Disclosure Form.

Disclosure forms are to be reviewed by the Responsible Administrator for possible conflicts before forwarding to the appropriate Dean and subsequently to the Vice Chancellor for Academic Affairs.

Federal Grants.

At the time of submission of a proposal for any federal grant, the principal investigator of that grant shall provide a verification of currency of disclosure of Significant Financial Interests for all academic staff members involved in the proposed work(Appendix 5), and in the event of an award shall be responsible for assisting in developing an assurance of management of conflicts of interest.

If federally funded research is to be carried out in part by subgrantees, contractors, or collaborators, the principal investigator is responsible for securing the compliance by such other investigators with this UAMS policy or for providing from the external entities assurances that will enable UAMS to comply with its institutional responsibilities to the funding agency.

Prior to expenditure of any funds from a federal award, the Office of Research Administration shall report to the awarding agency the existence of any conflicting interest with respect to the research proposed (but not the nature of the interest or other details) and assure that the interest has been managed, reduced, or eliminated. For any conflicting interest identified subsequent to the initial report under the award, a report shall be made and the conflict managed, reduced, or eliminated within sixty days.

Maintenance of Records.

All financial disclosures and records of actions taken by UAMS with respect to each conflicting interest shall be maintained for at least three years from the date of the submission of the final expenditure report for any federally funded project. Such information shall be provided to the funding agency upon appropriately authorized request.

Conflict of Interest Committee.

The Conflict of Interest Committee shall be appointed by the Vice Chancellor for Academic Affairs and shall be a standing committee of UAMS. The Chair shall be appointed by the Vice Chancellor for Academic Affairs, and the Committee shall meet regularly in order to act in a timely fashion. The Conflict of Interest Committee shall review disclosures for possible conflict and shall advise appropriate officials on the management of the situations. The Committee shall also publish and periodically revise concrete guidelines to assist faculty and administrators.

Approval of Outside Employment.

As outlined in University of Arkansas Board Policy 450.1, written approval must be obtained from the department head and/or Dean in advance of outside employment. All other provisions of that policy should be adhered to as well, including annual disclosure of such employment.

Special Circumstances.

Arkansas state law provides certain exemptions from prohibitions on activities of state employees that encourage facilitation of commercialization of university-generated technology or discovery. These exemptions from the state ethics law do not necessarily exempt an individual from any restrictions imposed by UAMS policy. In particular, UAMS policy requires full disclosure through the mechanism outlined in Section 6.1.

Business Incubators. Faculty or staff of state-supported institutions of higher education may participate in business incubators within the state. This exemption includes companies in which faculty or staff may have an ownership interest.

University Intellectual Property. State Law also provides that it is not a conflict of interest, or a breach of ethical standards for an institution of higher learning to contract with a person or firm in which an employee or former employee has a financial interest if such contract, subcontract or proposal involves patents, copyrights, or other proprietary information in which the institution and the employee have rights or interests.

There are restrictions on such activities: the contract or agreement must be approved by the University of Arkansas Board of Trustees in an open meeting.

Blind Trusts. Where an employee or any member of the employee's immediate family holds a financial interest in a blind trust, the employee shall not be deemed to have a conflict of interest with regard to matters pertaining to that financial interest if disclosure of the blind trust has been made to the Conflict of Interest Committee.

- **MANAGEMENT**

Resolution of Conflicts of Commitment.

Ordinarily, conflicts of commitment shall be resolved at the first level of review by the Responsible Administrator. Disclosure forms must be forwarded, with attachments indicating actions and resolution, to the appropriate Dean and subsequently to the office of the Vice Chancellor for Academic Affairs.

Resolution of Conflicts of Interest.

The Responsible Administrator in the primary review shall attempt to identify and resolve potential conflicts of interest and attach any recommendations to the disclosure form before forwarding. In cases of potential or actual conflicts of interest, one or more of the following steps shall be taken under guidance from the department chair, the appropriate Dean, the Vice Chancellor for Academic Affairs, and/or the Conflict of Interest Committee:

- Public disclosure of Significant Financial Interests.
- Monitoring of research by independent reviewers.
- Modification of the research plan.
- Withdrawal from participation in all or a portion of the research to which the conflict applies.
- Divestiture of Significant Financial Interests.
- Severance of relationships that create actual or potential conflicts.

In the event that there appears to be no satisfactory arrangement to manage a conflict of interest related to externally sponsored research or other activities, appropriate officials of the sponsoring entity shall be informed by the Vice Chancellor for Academic Affairs or his/her designee.

- **ADMINISTRATIVE ACTIONS, PENALTIES, AND APPEALS**

Judgment.

Legal penalties may be adjudged in cases of conflict of interest or commitment that violate state or local laws; any such penalties shall be determined by duly constituted judicial bodies. Non-judicial or administrative actions may result from a determination by the appropriate University official with the right of appeal to the UAMS Conflict of Interest Committee and the Chancellor.

Notification of Federal Agencies.

If the failure of the investigator to comply with this conflict of interest policy has biased the

design, conducting, or reporting of federally funded research, UAMS shall promptly notify the awarding agency of the corrective action taken or to be taken.

Administrative Sanctions.

Failure to disclose conflicts of interest in an appropriate and timely manner, or failure to comply with procedures to resolve conflicts of interest as recommended by the Conflict of Interest Committee shall result in administrative sanctions determined by the Vice Chancellor for Academic Affairs with advice from the appropriate Dean or other administrative officials and the Conflict of Interest Committee.

Additional administrative action may include oral admonishment, written reprimand, reassignment, disqualification from submitting proposals for research support to Federal Agencies or other sponsors, demotion, suspension, or separation.

Appeal.

Appeal of any determination by a Responsible Administrator may be made to the next higher level or to the Conflict of Interest Committee. Appeal of sanctions determined as above may be made to the Chancellor, whose decision shall be final.

- **Appendix 1**

Examples of Activities or Interests which Require Disclosure and may Require Special Procedures because of Potential Conflicts of Interest and/or Commitment

1. Any Significant Financial Interest (Definitions, 5.6), on the part of an academic staff member or his/her immediate family, that would reasonably appear to be affected by research for which external funding is sought or in entities whose financial interests would reasonably appear to be affected by the research.
2. The undertaking of basic or clinical research when the investigator (or the investigator's immediate family) has a Significant Financial Interest in the sponsoring entity or in the entity producing the product being evaluated or in a competing entity.
3. Gifts, favors, or gratuities from suppliers, research sponsors, organizations, corporations, or persons who have dealings with UAMS, if these gifts exceed a nominal value (see Appendix 3 for further discussion).
4. Side agreements to any contracts or business dealings between UAMS and suppliers, research sponsors, corporations, or other entities or persons.
5. Use of institutional supplies or equipment to support the research or other efforts of an independent company, agency, or institution in which the investigator has a Significant Financial Interest.
6. Use of the name of UAMS, The University of Arkansas, a college, a center or a department in a manner to produce personal financial benefit.
7. Accepting support for research under terms or conditions in which the information will not be published in a timely manner. (It is recognized that, for proprietary reasons, sponsoring agencies or commercial companies may delay publication for finite, but limited, periods; this is not considered a delay in timely publication.)
8. Negotiation of contracts between UAMS and companies in which the faculty member has a Significant Financial Interest.

9. Accepting external sponsorship for research or for a contract without processing through the normal administrative channels (ORA for UAMS, ORA and ACHRI for ACHRI, VA R&D Committee for VA).
 10. A faculty member conducting research, professional practice, or educational activities externally that would ordinarily be conducted within UAMS or affiliated hospitals, in view of a primary commitment to UAMS.
 11. A faculty member publishing research results of a clinical trial or other investigation in which the member has a Significant Financial Interest in those results.
 12. Participation in UAMS committee or purchasing or contracting decisions that are related in any way to a business enterprise in which the faculty member has a Significant Financial Interest (see Definitions, 5.6).
 13. Assumption of an executive position in a for-profit or not-for-profit institution or agency engaged in biomedical research.
 14. Use of students or employees of UAMS to perform personal or commercial services unless these personnel are administratively separate and are compensated for work performed on off hours, and the work is not related in any way to their academic pursuits.
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- **Appendix 2**
Activities That Are Normally Allowable and Need Not Be Disclosed

1. Salary, royalties, or other remuneration received from UAMS, including equity ownership.
 2. Receipt of royalties for published scholarly works and other writings.
 3. Acceptance of honoraria for papers, occasional lectures, and seminars as long as the honoraria are not excessive and are sponsored by public or non-profit entities.
 4. Occasional income from service on advisory committees or review panels for public or nonprofit entities.
 5. Significant interests in business enterprises or entities on the part of an investigator and the investigator's spouse and dependent children, which are not in any way related to the investigator's professional role and obligations.
 6. Any "arms length" financial interests which occur through participation in mutual funds or employer's retirement plans.
 7. Participation in clinical or other research sponsored by companies in which the faculty or staff member holds no financial interest or in which financial interest has been divested, provided the research has been reviewed by the appropriate administrative channels (ORA for UAMS, ORA and ACHRI for ACHRI, VA R&D Committee for VA).
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- **Appendix 3**
Excerpted from: REPORT OF THE COUNCIL ON ETHICAL AND JUDICIAL AFFAIRS
(adopted by the American Medical Association, December 4, 1990).

Guidelines for Gifts from Industry to Academic Staff.

1. Any gifts accepted by academic staff individually should primarily entail a benefit to academic pursuits and should not be of substantial value. Accordingly, textbooks, modest

meals and other gifts are appropriate if they serve a genuine educational function. On the other hand, cash payments serve only the academic staff's personal interest and therefore should not be accepted from industry.

A gift which is appropriate because of its contribution to academic pursuits may become inappropriate because of its extravagance.

Gifts of minimal value raise fewer concerns and are permissible as long as the gifts are related to the staff member's work (e.g., pens, diaries, books or rulers).

2. Gifts by drug companies to underwrite medical conferences or other professional meetings enhance the ability of academic institutions, professional associations and health care organizations to provide continuing education to academic staff. Consequently, such gifts make an important contribution to academic pursuits. Subsidies from industry should not be accepted to pay for the costs of travel, lodging or other personal expenses of staff attending conferences or meetings, nor should subsidies be accepted to compensate for the staff's time. Subsidies for hospitality should not be accepted outside of modest meals or social events held as a part of a conference or meeting.

It is appropriate for faculty at conferences or meetings to accept reasonable honoraria and to accept reimbursement for reasonable travel, lodging and meal expenses. It is also appropriate for consultants who provide genuine services to receive reasonable compensation and to accept reimbursement for reasonable travel, lodging and meal expenses. Token consulting or advisory arrangements cannot be used to justify compensating academic staff for their time or their travel, lodging and other out-of-pocket expenses.

The giving of a gift directly to an academic staff member from a company's sales representative may create a personal relationship which would influence the use of the company's products. Accordingly, when a company contributes funds for conferences that are sponsored by academic or other educational institutions, the funds should be given by the company to the conference sponsor who in turn can use the money to reduce the conference registration fee. Payments to defray the costs of a conference should not be accepted directly from the company by the staff attending the conference.

3. No gifts should be accepted if there are prerequisites to their acceptance.
4. Sponsors of continuing medical education conferences have a special responsibility to ensure that gifts are appropriate. The Accreditation Council for Continuing Medical Education has adopted a number of useful guidelines to prevent industry funding for continuing medical education conferences from leading to undue influence by the companies: (a) responsibility for and control over the selection of content, faculty education methods and materials should belong to the accredited sponsors of conferences, (b) presentations must give a balanced view of all therapeutic options, and (c) financial support must be acknowledged in printed announcements and brochures, but reference should not be made to specific products.

The Task Force on Pharmaceutical Industry/CME Cooperation is currently developing an updated set of guidelines for industry funding of continuing medical education conferences.

Some of these guidelines are appropriate for smaller educational meetings and in other educational contexts, for example, when companies support meetings or lectures for medical trainees.

5. Financial support for conferences should be disclosed publicly. Staff will be able to evaluate the information presented to them more appropriately if they are aware that companies have contributed funds to defray the costs of the presentation.

- **Appendix 4**

[UAMS Annual Disclosure of Outside Activities and Interest Form](#)