

Prepared by Vice President for
Research and Graduate Education.
This replaces Executive Policy No. E5.214
dated April 1994

UNIVERSITY OF HAWAI'I

EXECUTIVE POLICY - ADMINISTRATION

February 1995

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E5.214 Conflicts of Interests

I. INTRODUCTION

In general, conflicts of interests of concern within the scope of this policy are related to the potential for self-gain, usually but not always of a fiscal nature. Such potential can on occasion undermine the judgment or objectivity of members of the faculty staff or administration so as to compromise their primary obligations and dedication to academic values. But it is not only self-gain but also the appearance of self-gain or bias, whether in research or some other pursuit normally conducted within the University's range of activities, that may undermine the public's trust in the institution.

Opportunities for investigators or scholars to receive financial or other personal rewards from their work are to be welcomed provided that they do not impair the objectivity, integrity, or professional commitments of the staff members involved. Thus it is important to emphasize that it is not participation in a situation offering opportunity for personal gain that is addressed here, but rather situations with recognizable potential to occasion conflicts of interests.

II. OBJECTIVES

The objectives of this executive policy and attendant procedures are (1) to define the conflicts of interest of concern, and (2) to supplement the policy of the Board of Regents pertaining to such conflicts through guidelines for and procedures to be followed by all affected employees of the University.

III. POLICY

A. DEFINITIONS

1. Conflict of Interests

A potential or actual conflict of interest exists when commitments and obligations to the

University or to widely recognized professional norms are likely to be compromised by a person's other interests or commitments, especially financial, particularly if those interests or commitments are not disclosed.

2. Members of the Immediate Family

Dependents, the spouse, and all members of the household are considered members of the immediate family. Circumstances or relationships that must be disclosed or resolved for members of the faculty, staff or administrators usually must also be disclosed or resolved if the faculty or staff member or administrator knows or should know that a member of his or her immediate family has or had such a relationship.

3. Administrators

"Administrators" in the context of this policy includes all administrative employees, whether or not they hold faculty rank, who direct or can materially influence the conduct of research.

4. "Staff" in the context of this policy includes all employees of the University, all RCUH employees involved in University research activities, and all students who are either employed or receiving stipends as a result of their involvement in University research activities.

B. SCOPE, REQUIREMENTS, AND SANCTIONS

Faculty members, staff and administrators of the University are required to make regular, timely, and full confidential disclosures to their administrative supervisors of all outside remunerative activities related to their teaching, research, service, or administrative responsibilities. They must also disclose equities and positions of members of their immediate family which could create a conflict or the perception of a conflict of interests between their academic obligations and their outside activities and/or holdings. Supervisory personnel, who are themselves subject to this policy and its requirements for full disclosures, are also obligated not to encourage, condone, or overlook such conflicts of interests of persons under their supervision. Failure, whether willful or not, to comply with the requirements or provisions of this policy may be sanctioned as is non-compliance with any other University policy.

University of Hawai'i faculty members, staff and administrators participating in PHS-supported research under consortium agreements are also covered by this policy.

C. GUIDELINES

1. Obligations

A person who accepts an appointment to the faculty, staff or administration of the University has an obligation to devote his/her primary professional effort to the University to the extent required by the appointment. Other activities or commitments must be arranged so as not to conflict with or dilute this commitment. While employment outside the contract period may not represent a conflict of commitment, it can generate a conflict of interest.

2. Confidentiality

To encourage full disclosure of potential conflicts without undue intrusion on the privacy of University personnel or their families, all information provided shall be treated confidentially and shall include data only to the extent necessary for review and consideration in the resolution of conflicts or apparent conflicts.

3. Subsequent Disclosure

Financial, personal, or professional relationships that indicate or suggest a potential conflict of interests or a perception thereof shall be fully and accurately disclosed in all formal communications relating to the sponsored research or similar activity, including communications in professional journals.

4. Withdrawal from Decisions

Members of the faculty, staff and/or administration shall not attempt to make decisions or exert influence concerning any University relationship affecting a company or comparable organization in which they or members of their immediate family have a personal or professional interest.

5. Technology Transfer

The commercialization and the transfer of technology can create conflicts of interest. Pertinent interim guidelines and procedures have been issued as an administrative directive under Section 5-3(f) "Patent and Copyright Policy" of the Bylaws and Procedures of the Board of Regents.



D. ENCOURAGING OPENNESS AND EXCHANGE OF INFORMATION

1. The free exchange of information is a fundamental value underlying the University's mission. Faculty members, staff and administrators have the right to know the general nature, purposes, methods, results, and sponsorship of research and related activities conducted within the University.
2. To avoid broad limitations on collegian communication, arrangements involving the receipt of confidential information, which may not be shared with colleagues reasonably promptly, shall be kept to a minimum. When such arrangements are unavoidable, the scope of the project shall be defined so as to permit the exchange of as much information as possible.
3. Insofar as possible and in accordance with all pertinent Regents' and Executive Policies on the conduct of research and technology transfer, all significant results shall be published or publicly disclosed with reasonable promptness whether the results are favorable or unfavorable to the interests of any sponsor. Certain restrictions or limited delays in dissemination of information may be warranted by scientific prudence, the need to prepare patent applications, other legal rights, or other justifiable reasons.

E. ASSIGNMENT OF STUDENTS AND STAFF

1. Staffing of sponsored research is subject to University policies, and sponsors may not interfere with staffing decisions.
2. Students and post-doctoral fellows shall not be exploited nor their education compromised in the service of sponsored research or the financial gain of the supervisor. Employment of students or fellows by companies in which their faculty supervisor has economic interests, or agencies in which their supervisor has other but comparable interests, must be disclosed on Part II of the attached Disclosure Form by the student's academic supervisor.
3. Faculty members shall take all necessary precautions to ensure that their students' progress and academic standing are not jeopardized by violations of any professional norms in projects in which they participate, or by students' naiveté about the circumstances surrounding industrially sponsored research.

F. COMPENSATION TO CLINICAL INVESTIGATORS

Arrangements for compensation for clinical studies shall not adversely affect the conduct or influence the outcome of clinical research.



Attachment: (1) University of Hawai'i Disclosure Form
(2) Procedures

This Disclosure Form must be completed by all faculty members, staff and administrators. Similar information will be collected by the Office of Research Administration as part of the grant application process.

UNIVERSITY OF HAWAI'I DISCLOSURE FORM

PART 1

Only those outside interests related to University activities need to be reported. Not all outside interests and financial relationships place the faculty or staff member or administrator in conflict with his or her obligations to the University and to their profession. Nor are all conflicting interests necessarily impermissible. Timely and complete disclosure of potential conflicts of interest protects faculty and staff members and administrators from suspicion and accusations of breaches of academic integrity.

Statement of Outside Interests and Activities

Name: _____ Date: _____

School/College/Unit: _____

Department or Subunit: _____

Purpose:

The purpose of this disclosure statement is for faculty members, staff and administrators of the University to ensure that no unresolved conflict exists between their primary University commitments and their outside interest and activities. This statement conforms with current federal guidelines requiring disclosure of professional activities of faculty members and administrators. This statement establishes specific facts to help supervisors determine whether potential conflicts exist, enabling them to anticipate and resolve problems.

Procedure :

All faculty members, staff and administrators must complete this form annually and submit it on or before April 15 to their department chairperson, unit director, dean, or other immediate supervisor. (see below.) In addition, faculty members and other professional employees who conduct or administer research supported by external funds must submit a **current** copy of this form to their supervisor with each proposal for funding if they believe new facts might create a potential or actual conflict of interests.

1. Ownership Interests

During the past calendar year, did you or members of your immediate family¹ own or control an equity interest in any organization² in your field of academic interest or specialization?

YES _____ NO _____

2. Office and Positions

During the past calendar year, were you or a member of your immediate family a director, officer, partner, employee, or agent, or in any managerial position of any organization outside the University of Hawaii that might be affected by your research, creative, or administrative activities? (You need not answer with respect to governmental committees, community, political, academic, charitable, religious, social, or professional nonprofit organizations.)

YES _____ NO _____

3. Remunerative Activities

During the past calendar year, have you received income (cash or in-kind, ignoring reimbursement of reasonable expenses) related to your teaching, research, creative, or administrative activities from any one organization outside the University and its affiliated entities in excess of 1% of your University salary? (Exclude income totaling \$500 or less [cash or in-kind] from any one source on an annual basis. Check NO if total annual remuneration from any one organization does not exceed 1% of your University salary.)

YES _____ NO _____

4. Outside Employment of Students or Staff

Do you now, or did you during the past calendar year, employ any of your students or staff in a company or organization outside the University?

YES _____ NO _____

¹Dependents, the spouse, and all members of the household.

² Any corporation, partnership, proprietorship, firm, enterprise, franchise, association, trust, government agency, or other entity, but not including mutual funds over which you have no control.

5. Other Transactions or Facts

During the past calendar year, did you or any member of your immediate family have an interest in any contract, sale, or other transaction to which the University of Hawai'i or one of its affiliates was a party, or are there other situations, not listed above, that you believe may create an actual or perceived conflict of interest? (Exclude your own or your spouse's employment contract with the University.)

YES _____ NO _____

The above is an accurate and current statement of my reportable outside interests and activities.

Signature: _____ Date: _____

Supervisor's Statement

I certify that the person named above reports to me and to the best of my knowledge does not have any conflicts of interests or has reported and resolved them.

Typed Name: _____ Date: _____

Signature: _____

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COMPLETE PART II ONLY IF YOU ANSWERED "YES"
TO ANY OF THE QUESTIONS OF PART I.

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UNIVERSITY OF HAWAI'I DISCLOSURE FORM

PART II

CONFIDENTIAL DISCLOSURES

Detailed statement of Outside Interests and Activities
(when applicable)

Name _____ Date _____

School/College/Unit _____

Department/Subunit _____

1. Ownership Interests

If during the past calendar year you or members of your immediate family owned or controlled an equity interest in any organization in your field of academic interest or specialization, give details below.

Organization	City & State	Nature of Business	Relationship of Family Member
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2. Officer and Positions

Please give details if, during the past calendar year, you or a member of your immediate family were a director, officer, partner, employee, or agent or in any managerial position of any organization outside the University of Hawai'i that might be affected by your research, creative, or administrative activities. (You need not answer with respect to governmental committees, community, political, academic, charitable, religious, social, or professional nonprofit organizations.)

Organization	Position	City & State	Nature of Business	Relationship of Family Member
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3. Remunerative Activities

Please give details if, during the past calendar year, you have received income (cash or in-kind, other than reimbursement of reasonable expenses) related to your teaching, research, creative, or administrative activities from any organization outside the University and its affiliated entities in excess of 1% of your University salary. (Exclude listing any income totaling \$500 or less [cash or in-kind] from any one source on an annual basis.)

Organization	Nature of Business	Does the total annual remuneration per year exceed 1% of your University salary? (answer yes or no)
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4. Outside Employment of students or Staff

Do you now, or did you during the past calendar year, employ any of your students or staff in a company or organization outside the University? If so, please list below.

<u>Name of Student/Staff</u>	<u>Employer</u>	<u>Effort (Hrs/Year)</u>
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5. Other Transactions or Facts

During the past calendar year, did you or any member of your immediate family have an interest in any contract, sale, or other transaction to which the University of Hawai'i or one of its affiliates was a party, or are there other situations, not listed above, that you believe may create an actual or perceived conflict of interests? (Exclude your own or your spouse's employment contract with the University.) Please identify such transactions or facts, including date, parties, subject matter, etc.

The above is an accurate and current statement of all my reportable outside interests and activities.

Signature: _____ Date: _____

I have reviewed this form and find (no) reason for further action.

Typed Name: _____ Date: _____
Supervisor

Signature: _____

PROCEDURES

Regarding Avoidance/Resolution of Conflicts of Interests

Disclosure of outside interests and commitments by faculty members, staff and administrators to their chairpersons, deans, directors, or other direct higher-level supervisors shall be made upon appointment and each April 15 thereafter. In special situations, faculty members, staff or administrators may request that their dean or director (rather than their department chairperson or other immediate supervisor) conduct the initial review of the disclosure. The dean or director will then rule if the information must also be disclosed to the department chairperson or other immediate supervisor.

If chairpersons or other supervisors perceive that they have a "conflict of interest" in reviewing the disclosure, they shall disqualify themselves and request their supervisors to conduct the review.

Such reviews must take place promptly and help faculty and administrators to determine which interests are not in conflict, which conflicting interests may be permissible, and which conflicting interests place the faculty member or administrator at risk of jeopardizing the integrity of his/her academic or administrative work.

The choice of full disclosure in place of prohibitions is based on the assumption that, once a conflict is recognized, it can be avoided or resolved. Disclosures shall be kept confidential, except to the extent necessary to review, consider, and resolve any conflicts. The definitions, guidelines, and procedures pertaining to conflicts of interests shall at all times be read and interpreted in coordination with all relevant existing Board of Regents' and Executive policies.

A. Faculty Members, Staff and Administrators

1. All faculty members, staff and administrators must complete, annually, the Statement of Outside Interests and Activities and submit it on or before April 15 to their supervisors, e.g., the chairperson of his/her department, dean, or director of his/her unit. If, in the judgment of the faculty member or administrator, a potential or actual conflict arises, the Disclosure Form should promptly be brought up to date. The supervisors receiving these forms are required to keep them in a secure place.
2. All faculty members, staff and administrators who conduct or administer research supported by external funds must

provide the information requested in the Statement of Outside Interests and Activities to the Office of Research Administration with each proposal for external support. This disclosure must be kept in a secure place, identified by project title, and be maintained for at least three years after the termination/expiration of the project.

3. Principal Investigators shall be responsible for ensuring that research staff and fellows involved in their research projects submit a Statement of Outside Interests and Activities at least annually or whenever a change occurs that might indicate a potential conflict of interest.
4. Faculty members, staff and administrators shall also discuss, **prospectively**, with their supervisors any **planned** outside interests or activities that have the potential to conflict with, could appear to be in conflict with, or are in conflict with their commitment to the University or to their research or creative activities, for the purpose of resolving the potential or actual conflict.

B. Department Chairpersons, Deans, or Unit Directors

1. Chairpersons, deans, or unit directors shall maintain in confidence all Statements of Outside Interests and Activities submitted to them by faculty members, staff and administrators, except for the disclosure (of Part I) which is authorized by this Conflict of Interest Policy.
2. They shall:
 - a. review all faculty members', staffs' and administrators' Statements of Outside Interests and Activities for real, apparent, or potential conflicts of interest, and request and document additional details including precise dollar figures for ownership interests or remuneration if such details appear necessary for a sound determination of the presence or absence of an impermissible conflict of interest;
 - b. notify their supervisors that specific faculty members, staff or administrators have outside interests, based on affirmative answers to Part I and additional details provided in Part II of the Disclosure Form:

- c. determine whether their supervisors wish to review the detailed information provided by faculty members, staff or administrators of outside interests and, if so, notify them the supervisor will be reviewing the Disclosure Forms they have submitted;
 - d. meet with individual faculty members, staff or administrators to discuss collegially how potential or actual conflicts shall be resolved; and
 - e. recommend and initiate action to resolve the apparent, potential, or real conflict.
3. Any faculty or staff member or administrator who disagrees with the recommendation of his/her supervisor for resolving conflicts of interest may appeal to the next higher level of administration as specified below. As a second step they may follow the established grievance procedures described in other University documents.
4. Department chairpersons, deans, or other supervisory administrators may demand disclosure by faculty or staff members or administrators of all outside income related to professional responsibilities at the University regardless of any threshold amount listed in the Statement of Outside Interests and Activities.
5. Whenever a conflict of interest is determined to exist for an individual in or planning to become involved in any extramurally funded project, the Office of Research Administration (ORA) shall be immediately notified and ORA shall be given access to all records regarding the specific case. The Chair, Dean or unit Director and ORA will work collaboratively in meeting the requirements of external sponsors.

C. Annual Summary Reports

1. The department chairpersons, deans, and unit directors shall compile an annual report for their respective supervisors by June 30 each year of largely anonymous data that shall include the following:
 - a. the number and percentage of department/unit faculty or staff members or administrators who have had to submit detailed Statements of Outside Interests and Activities (Part II);

- b. concerning each question on the Statement of Outside Interests and Activities, the number and percentage of department/unit faculty or staff members or administrators who have answered each question affirmatively;
 - c. the number and percentage of department/unit faculty or staff members or administrators whose outside interests and activities were found to be in conflict with their University and/or professional commitments, but which conflicts were resolved;
 - d. the number and percentage of any faculty or staff members' or administrators' conflicts of interests which were not resolved; and
 - e. details regarding remedial action recommended and taken.
2. The deans and directors of all units shall be responsible for submitting an annual review of the data summary of faculty and staff members' and administrators' Statements of Outside Interests and Activities to their respective Vice President or Chancellor for evaluating independently or in coordination with department chairpersons or subunit supervisors any faculty or staff members' or administrators' outside interests and activities that present real, apparent, and/or potential conflicts of interests. The deans and directors have the right and authority to request from their department chairpersons or subunit supervisors the complete Statement of Outside Interest and Activities of any faculty or staff member or administrator within their respective school, college, or unit.

D. Review Procedure

1. At the request of faculty members, administrators, department chairpersons, or subunit supervisors within their respective schools, colleges, or units, deans and directors shall also be responsible for evaluating the recommendations made by the chairpersons or subunit supervisors, and deciding whether additional action is necessary to avoid and prevent conflicts of interests. If the faculty or staff member, administrator, department chairperson, or subunit supervisor is still dissatisfied with the determination of the dean or director regarding a potential conflict of interest, the faculty member, administrator, department chairperson, or subunit

supervisor may request the dean or director to present the matter to the appropriate Vice President or Chancellor for consideration and determination, who shall review the matter and recommend action to prevent or resolve the conflict.

2. Conflicts can be managed, reduced, or eliminated in several ways and generally should be addressed on a case-by-case basis. The following is a non-exclusive list of conditions and restrictions that could be imposed:
 - a. Public disclosure of all significant financial interests;
 - b. Monitoring of research by independent reviewers;
 - c. Modification of research plan;
 - d. Disqualification from participation in all or a portion of the research;
 - e. Divestiture of significant financial interests; and
 - f. Severance of relationships that create actual or potential conflicts.
3. The President of the University has the ultimate authority to determine how conflicts of interest should be prevented or resolved.

E. Failure to disclose potential conflicts of interest.

1. Failure to disclose a potential conflict of interest places the University and the individual at risk, constitutes a serious misconduct in science, and can result in the imposition of sanctions on the University and/or on the individual(s) involved. Failure to disclose a conflict of interest is a violation of University policy, can result in charges of scientific misconduct, and may result in administrative or other sanctions as appropriate. Sanctions may include, but are not limited to:
 - a. Resolution of the conflict as described in D.2. above;
 - b. Suspension of funding;

- c. Disclosure of the financial interest in all public presentations and all publications of the results of the research; and
- d. Any other action deemed appropriate and/or necessary by the appropriate University authority.