

Minnesota State University, Mankato University Procedure	
<b>Procedure Name:</b> Conflict of Financial Interest with Grants and Sponsored Programs	<b>Effective Date of Last Review:</b> August 1, 2024
<b>Custodian of Procedure:</b> Provost and Vice President for Academic Affairs	<b>Date of Last Review:</b> September 2023
<b>Date of Adoption:</b> October 2003	<b>Date of Next Review:</b> September 2030

## PROCEDURE

Each PI/PD and co-applicant participating in a sponsored project covered by this policy must disclose whether or not he/she/they have external affiliations that may constitute a conflict as described above. A disclosure form is to be completed and submitted to the Office of Research and Sponsored Programs at the same time the required Campus Approval for Externally Funded Projects form (CAEFP) is submitted for institutional approval. The form must be updated on an annual basis and whenever new significant financial interests relevant to a project are secured.

### Negative Disclosure

Negative disclosures will be filed in the Office of Research and Sponsored Programs, with no further review required.

### Positive Disclosure

Positive disclosure forms will be held by the Office of Research and Sponsored Programs as sealed confidential material while a proposal is pending. The Associate Provost for Research will convene a Conflict Review Committee consisting of the appropriate Vice President (or appointed designee), one MSUAASF representative, and one faculty representative. **The review of a positive disclosure must be completed prior to the University's acceptance of the sponsored project or issuance of purchase orders or subcontracts for the acquisition of goods and services.**

In reviewing positive disclosures, the Conflict Review Committee will be guided by the following:

- Assure adherence to relevant state law and University policies such as Minnesota Statute 43A.38, Code of Ethics for employees in the executive branch; Minnesota State University Association of Administrative and Service Faculty (MSUAASF) bargaining agreement provisions on Ethical Standards and Outside Employment; and Inter Faculty Organization (IFO) bargaining agreement

provisions on Ethical Standards related to External Employment and Other Activities, Conflict of Interest, Confidentiality, and Patents and Intellectual Property; and other University documents the Conflict Review Committee may deem appropriate.

- Review the potential conflict of interest, obtain additional information from the investigator as necessary and make a determination of whether the financial conflict of interest is significant or not.
- Consider the nature and extent of the financial interests in the relationship of the PI/PD, co-applicants, and their spouses or dependents to the external organization.
- Give special consideration to the terms and conditions of sponsored project agreements that may mitigate or complicate the given situation.
- Consult with and obtain additional information from the PI/PD or co-applicant as either the Conflict Review Committee or the PI/PD or co-applicant feel may be helpful in resolving actual or potential conflicts.
- Act in a timely manner so as not to delay unduly the conduct of a sponsored project.
- Identify possible actions the University might take to ensure that financial conflict of interest(s) will be appropriately managed, reduced, or eliminated.

Based on the Conflict Review Committee's recommendation, the University administration may take one of the following actions:

1. Accept the sponsored project award.
2. Not accept the sponsored project award.
3. Accept the sponsored project award subject to suitable modifications in the award document or in the PI/PD's, co- applicants', or their spouses' or dependents' affiliation with the external organization. Such modifications might include:
  - Appropriate public disclosure of the financial interests.
  - Review of data and research results by in-house or external independent reviewers identified by the committee and the PI/PD(s).
  - Modification of the research plan.
  - Disqualification from participation in a portion of the research.
  - Divestiture of significant financial interests.
  - Severance of relationships that create actual or potential conflicts.

### Appeals Process

If the PI/PD or co-applicant(s) are dissatisfied with the Conflict Review Committee's findings, an appeal may be made to the President, who will consult with the PI/PD and Conflict Review Committee as deemed necessary and appropriate to the particular circumstance. The decision of the President upon appeal shall be final.

The Office of Research and Sponsored Programs shall maintain records pertaining to each disclosure in accordance with the requirements of the Minnesota Data Practices Act. Access to such records will be limited to the PI/PD(s), the Conflict Review Committee, the President, and others who have a legal right to review the records, in accordance with the appropriate collective bargaining agreement. Certain sponsors, particularly federal agencies, may establish requirements that differ from this policy with regard to the timing and frequency of disclosures and other conflict considerations as well. In the case of such discrepancies, the sponsors' requirements will generally prevail.

### Management Plan

Any significant financial conflict of interests determined under a National Science Foundation (NSF)- or Public Health Service (PHS)-funded research shall be subject to a management plan. Management plans for significant financial conflict of interests on NSF- or PHS-funded research must be in place prior to the expenditure of federal grant dollars related to the research.

If the institutional official determines imposing conditions or restrictions would be either ineffective or inequitable and 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 institutional official may allow the research to go forward without imposing certain conditions or restrictions.

### Training Requirements

Financial conflict of interest training shall be provided through the Collaborative Institutional Training Initiative (CITI) required and elective courses. Investigators identifying a conflict of interest on an externally funded grant or contract, or all new or existing investigators of NSF- or PHS-funded research are required to complete conflict of interest training prior to engaging in the research and every four years thereafter. Training is also required when the institution finds an investigator not in compliance with the institution's financial conflict of interest policy or management plan.

### Subrecipients of Federal Funds

When the University carries out federally funded research through a subrecipient, the University must meet applicable agency requirements to ensure subrecipient investigators also comply with federal conflict of interest requirements. Unless the information is publicly available, sub awardees on NSF- or PHS-funded research will be required to disclose in writing which entity's conflict of interest policy shall be followed for the duration of each entity's participation in the federally funded project. Subrecipients that do not have a conflict-of-interest policy in compliance with federal

requirements must adhere to the conflict of interest policy established and enforced by the University.