



**Responsible University Administrator:** Vice President  
for Research  
**Responsible Officer:** Director of the Office of Research  
Integrity |  
**Origination Date:** N/A **Current**  
**Revision Date:** 10/20/17  
**Next Review Date:** 10/20/21  
**End of Policy Date:** N/A  
**Policy Number:** RSCH-VP-003  
**Status:** Active

## FINANCIAL CONFLICTS OF INTEREST

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### Policy Statement

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In order to ensure the integrity of research, scholarship, and creative activity at Southern Miss, all members of the University community are responsible for appropriately disclosing and managing financial conflicts of interest.

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### Reason for Policy/Purpose

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The University of Southern Mississippi is committed to the integrity of research, scholarship, and creative activity, and is therefore committed to several values that are potentially threatened by relationships between University employees and external entities. These values include objectivity and transparency in the conduct of research and scholarship; the freedom and the responsibility to pursue ideas, creative activities, and to publish work results; the rights of both human and animal research subjects; and responsibilities to our students. Relationships with commercial and noncommercial outside entities often support these values and are a customary part of academic life. However, conflicts of interest created by these relationships can also challenge the University's commitments and its mission. Effective management of these relationships is thus necessary to ensure the integrity of our work so that it continues to contribute to the public good.

Those who are covered by this policy are responsible for avoiding or minimizing financial conflicts of interest and for dealing with them appropriately when they arise. It is wrong to allow the prospect of personal gain to unduly influence decisions made on behalf of other scholars, students, the profession, or the University. Nevertheless, conflicts of interest are often unavoidable, and merely having a conflict of interest does not entail wrongdoing.

The purpose of this policy is to set forth The University of Southern Mississippi's expectations and procedures for disclosing and managing financial conflicts of interest. This policy is intended to comply with Public Health Service (PHS) regulations 42 CFR Part 50, Subpart F and 45 CFR 94 (published 8.25.11), the NSF Grant Policy Manual (effective 7.1.2005), and policies

of the Board of Trustees of State Institutions of Higher Learning. It is not intended to address the improper use of office as defined in the *Mississippi Ethics in Government Law*.

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## **Who Needs to Know This Policy**

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This policy applies to all full-time faculty members of The University of Southern Mississippi and select students, staff and others as described below. All the aforementioned have a responsibility to know and abide by its provisions. The Vice President for Research is responsible for ensuring its implementation and may suspend activities until the relevant issues have been appropriately resolved. Violations of this policy may constitute grounds for disciplinary or other administrative action consistent with other University policies and procedures.

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## **Website Address for this Policy**

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[www.usm.edu/institutional-policies/policy-rsch-vp-003](http://www.usm.edu/institutional-policies/policy-rsch-vp-003)

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## **Definitions**

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<b>Conflict of Interest (COI)</b>	a situation in which an individual's personal interests or commitments compromise or might reasonably appear to compromise the independence of judgment needed for the individual to appropriately fulfill his or her Institutional Responsibilities.
<b>Conflict of Interest Review Committee (COIRC)</b>	an ad hoc committee appointed by the DO for the purpose of a) determining whether disclosed conflicts are FCOIs, b) recommending resolution plans to manage FCOIs, c) assisting the DO in conducting a retrospective review in the case of non-compliance. The COIRC will include the chair or director of the individual's unit, Dean of the individual's college, University Counsel, the Director of the Office of Technology Development, the Director of the Office of Research Integrity, a member of the University Research Council, a faculty member, and other members deemed necessary and appropriate by the DO.
<b>Designated Official (DO)</b>	the Vice President for Research, unless the Vice President has a conflict of interest in a particular case, in which case the DO will be appointed by the Provost.
<b>External Sponsor</b>	any agency or entity outside the University that provides funds for research, education, creative, or service activities, including both governmental and non-governmental sponsors.

<b>Family</b>	any and all members of an individual's immediate family, including both spouse and dependent children as defined by the Internal Revenue Service code.
<b>Financial Interest</b>	anything of monetary value received or held by an individual or family. This includes, but is not limited to, salary or other payments (such as honoraria or consulting fees), equity interests (such as stocks, stock options, or other ownership interests), reimbursed or sponsored travel, intellectual property rights (such as patents, copyrights, royalties and trademarks), and gifts. It does not include compensation from The University of Southern Mississippi; income from the authorship of scholarly works (excluding teaching materials); compensation for seminars, lectures, or other teaching engagements; advisory panels or review committees paid for by a U.S. governmental agency or U.S. institution of higher learning, or equity interests and income from investment vehicles in which the individual does not directly control investment decisions (such as mutual funds).
<b>Financial Conflict of Interest (FCOI)</b>	a Significant Financial Interest that compromises or might reasonably appear to compromise the appropriate fulfillment of an individual's Institutional Responsibilities.
<b>Institutional Responsibilities</b>	an individual's duties relating to his or her appointment at the University. These might include, but are not limited to, research; scholarship; creative activity; teaching; and administrative, University, and professional service.
<b>Investigator</b>	anyone who participates in the design, conduct, or reporting of an externally-funded research or scholarly project, regardless of discipline, title, or position. Depending on the nature of the project, this could include faculty collaborators, postdoctoral associates, staff, students, and consultants.
<b>Key Personnel</b>	Project Directors, Principal Investigators, and anyone else designated as senior or key by the University in a grant application or other report filed with an external sponsor, or others who have contributed substantially to the design or development of a project.
<b>Resolution Plan</b>	a document detailing steps to be taken to manage, reduce, or eliminate an individual's FCOI, agreed upon and signed by both the DO, the individual, and the individual's immediate supervisor.
<b>Significant Financial Interest (SFI)</b>	a financial interest (or a financial interest of a family member) that exceeds one or more of the following: 1) regarding publicly-traded entities, remuneration and equity interests together have an

aggregate value of more than \$5000 (remuneration includes salary and non-salary compensation received in the twelve months preceding disclosure; equity interests include the fair market value of stock, stock options, or other ownership interests at the date of disclosure); 2) regarding non-publicly traded entities, either any equity interests (such as stock, stock options, or other ownership interests) at the date of disclosure or aggregate remuneration from the entity in the preceding twelve months of more than \$5,000; 3) receipt of income from intellectual property rights and interests (such as patents and copyrights) in the twelve months preceding disclosure; or 4) any reimbursed or sponsored travel reasonably related to the Investigator's institutional responsibilities other than that paid for by a U.S. governmental agency or U.S. institution of higher learning.

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## **Policy/Procedures**

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### **1.0 Employee Responsibilities**

- 1.1 All University full-time faculty members, research scientists and librarians are responsible for completing a financial conflict of interest disclosure form annually and for completing an updated disclosure form within 30 days of a change in status. The form requires reporting Significant Financial Interests as defined above. All investigators on externally-funded projects – including post-doctoral associates, students, staff, collaborators at other institutions, and subcontractors – must also complete disclosures when required by sponsors. Electronic disclosure is available via the ORI website at <http://www.usm.edu/research/financial-conflict-interest>.
- 1.2 When external sponsors require training in Financial Conflicts of Interest, as is the case for PHS-funded projects, all investigators on such projects must complete the training prior to expenditure of grant funds. The training modules are part of the University's Research and Scholarly Integrity Assurance Program (formerly RCR), coordinated by the Office of Research Integrity. FCOI training must be completed every four years.
- 1.3 Individuals with conflicts determined to be FCOIs are responsible for adhering to agreed-upon resolution plans.
- 1.4 An individual who refuses to accept the resolution plan proposed by the DO may appeal to the President of the University. Such an appeal must be in writing and must be presented to the President within five working days of receipt of the decision from the DO.

### **2.0 Designated Official (DO) Responsibilities**

- 2.1 When financial interests that might interfere with an individual's fulfillment of his or her institutional responsibilities are disclosed, the DO is responsible for reviewing the disclosure in a timely manner, determining the significance of the financial interest, and reaching a final decision as to whether or not the situation is a financial conflict of interest. To assist in these judgments, the DO may appoint an ad hoc Conflict of Interest Review Committee (COIRC) in an advisory capacity.
- 2.2 When the DO decides that a disclosed conflict is a financial conflict of interest, as defined above, the DO is responsible for coming to an agreement with the investigator regarding an appropriate resolution plan and for ensuring adherence to the resolution plan. In these decisions, the DO should consult with the ad hoc COIRC committee. Resolution plans might include, but are not limited to, public disclosure; monitoring of research by independent reviewers; modification of the research plan; disqualification from participation in certain portions of the work, scholarship, or creative activity; divestiture of the SFIs; or severance of relationships.
- 2.3 The DO is responsible for making required FCOI reports to external sponsors or for designating someone else to make the requisite reports.
- 2.4 In the event of non-compliance with either this policy or an agreed-upon resolution plan, the DO is responsible for implementing the appropriate disciplinary actions. Disciplinary actions could include the suspension of certain activities, increased monitoring, or other arrangements.
- 2.5 In the event that non-compliance is reasonably likely to have interfered with an individual's research, scholarly or creative activity, the DO is responsible for conducting a retrospective review. For the purpose of this review, the DO may appoint a COIRC in an advisory capacity. The purpose of retrospective review is to ascertain whether and to what extent the interference took place and how and whether the damaging effects of the interference can be eliminated or mitigated. At the conclusion of the review, the DO must produce a written report detailing the Financial Conflict of Interest, findings, and conclusions. If non-compliance occurs in work related to a Public Health Service (PHS) grant, the DO must update any previously submitted reports to the PHS, specifying actions needed to manage the Financial Conflict of Interest going forward.

### **3.0 Key Personnel Responsibilities**

- 3.1 Key Personnel on externally-funded projects are responsible for ensuring that other Investigators working on the project have also completed the annual disclosure and the relevant training. This might include post-doctoral associates, students, staff, collaborators at other institutions, and subcontractors.

### **4.0 Conflict of Interest Review Committee (COIRC) Responsibilities**

- 4.1 The COIRC is responsible for advising the DO regarding whether a disclosed conflict

is an FCOI; for proposing resolution plans to eliminate, reduce, or manage disclosed conflicts, as appropriate, in consultation with the relevant individual(s); and for assisting the DO in conducting a retrospective review in the case of non-compliance.

- 4.2 Upon completing its deliberations, the COIRC will present its findings and recommendations to the DO in writing. After final review, the DO will notify the relevant individual and the Director of Sponsored Programs Administration of his or her decision. Resolution Plans must be signed by the individual, the DO, and the chair, director, or other immediate supervisor of the individual's unit.

## **5.0 Office of Research Integrity (ORI) Responsibilities**

- 5.1 ORI is responsible for ensuring that all regular University full-time faculty members, research scientists and librarians complete an annual FCOI disclosure and updates when necessary.
- 5.2 The Office of Research Integrity is responsible for making FCOI training materials available to investigators who are required to complete the training and for ensuring that they complete the training as necessary.

## **6.0 Office of Research Administration (ORA) Responsibilities**

- 6.1 Depending on the requirements of external sponsors, SPA is responsible for ensuring that sub-recipient Investigators comply with the relevant regulations, such as PHS regulations found at 42 CFR 50.604.

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## **Review**

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The Director of the Office of Research Integrity is responsible for the review of this policy every four years (or whenever circumstances require immediate review).

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## **Forms/Instructions**

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Disclosure Form: <http://www.usm.edu/research/financial-conflict-interest>

Disclosure Addendum Form: <http://www.usm.edu/research/financial-conflict-interest>

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## **Appendices**

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N/A

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## **Related Information**

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N/A

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## **History**

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2/22/16: Minor Revision to name of ORA (formerly SPA)

11/3/14: Minor Revision to who must file Financial COI disclosure report in § 1.1.

03/07/13: Formatted for template.

02/22/16: Revised delivery method.

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## Authorization

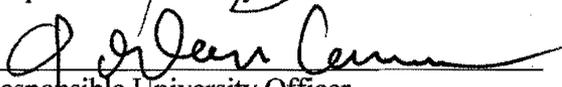
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FINANCIAL CONFLICTS OF INTEREST  
RSCH-VP-003

**RECOMMENDED BY:**

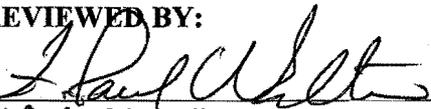
  
Responsible University Administrator

5/23/18  
Date

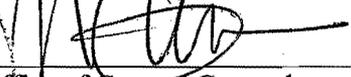
  
Responsible University Officer

5/23/18  
Date

**REVIEWED BY:**

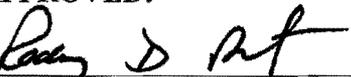
  
Director of Compliance

5/23/18  
Date

  
Office of General Counsel

May 23, 2018  
Date

**APPROVED:**

  
President

5/29/18  
Date