

## **University at Albany/Research Foundation Policy on Financial Conflict of Interest**

### **I. Purpose**

The employees of the University at Albany and the Research Foundation are committed to conducting themselves and University/Foundation activities in accordance with the highest standards of integrity and ethics. This includes the identification of the potential for financial conflicts of interest and the assurance that they do not improperly affect University/Research Foundation activities. The purpose of this policy is to establish principles for identifying such potential financial conflicts of interest, and the process and procedures for reviewing and addressing conflicts and the potential for conflicts that occur.

This document sets forth the University at Albany's financial conflict of interest policy, provides standards and criteria, describes the process and procedures for disclosure of possible conflicts of interest, and sets forth the sanctions for violation of the policy.

### **II. Applicability and Definitions**

As used in this policy, the term "University" shall mean the University at Albany. The term "Research Foundation" shall mean The Research Foundation of State University of New York.

The terms "officer" and "employee" shall include any person employed by, representing or acting on behalf of the University or Research Foundation, or who is in a significant decision-making capacity with respect to the professional, technical, or scientific aspects of a program or project conducted or administered through the University or Foundation.

### **III. Statement of General Policy**

It is the policy of the University and the Research Foundation that all of their activities, including research, training and administration, shall be conducted in a manner which will not reflect or appear to reflect adversely on the credibility, objectivity or fairness of the University or the Research Foundation. Therefore, all individuals to whom this policy is applicable must maintain high standards of honesty and integrity and must refrain from any use whatsoever of their positions or the information, privileges or influence such positions may provide, when such use is motivated by or gives the appearance that it is motivated by the desire for private gain or advantage for the individual or for other persons, institutions, or corporations which he/she has family, professional, business or financial connections.

A financial conflict of interest occurs when an officer or employee of the University or the Research Foundation compromises, or appears to compromise, his/her professional judgment in carrying out University or Research Foundation teaching, research, outreach, or public service activities because of an external relationship that directly or

indirectly affects the financial interest of the employee, any family member, or any associated entity.

No officers or employees of the University or the Research Foundation should have any financial interest, direct or indirect, or engage in any business or transaction or professional activity or incur any obligation of any nature that is in substantial conflict with the proper discharge of their duties in the best interests of the University or the Research Foundation.

#### **IV. Policy on Sponsored Research Activities**

When a University or Research Foundation employee undertaking or engaged in Government sponsored research has a significant financial interest in, or consulting relationship with a private business concern, it is important to avoid actual or apparent conflicts of interest between his/her Government-sponsored University/Research Foundation research obligations and his/her outside interest and other obligations. No officers or employees of the University or the Research Foundation should have any financial interest or benefit or privilege that will, or may be reasonably expected to, bias the design, conduct, or reporting of sponsored programs.

Without intending to list all possible situations falling within the scope of this policy, the following standards shall serve as general guidance for University or Research Foundation employees that undertake or engage in sponsored research:

1. No officers or employees of the University or the Research Foundation shall accept other employment that could impair their independence of judgment in the exercise of their University or Research Foundation duties or responsibilities.
2. No officers or employees of the University or the Research Foundation shall accept employment or engage in any business or professional activity that could require them to disclose information confidential to the University or the Research Foundation that they have gained by reason of their position or authority.
3. No officers or employees of the University or the Research Foundation shall disclose information confidential to the University or the Research Foundation acquired by them in the course of their duties except as required by law nor shall they use such information to further their personal interests, unless such information has previously been made public.
4. No officers or employees of the University or the Research Foundation shall use or attempt to use their position to secure undue privileges or exemptions for themselves or others.
5. No officers or employees of the University or the Research Foundation shall engage in any transaction as a representative or agent of the University or the Research Foundation with any business entity in which they, their spouse or any dependent, or any business partners have a direct or indirect financial interest that might conflict with the proper discharge of their duties or responsibilities.

6. No officers or employees of the University or the Research Foundation, or corporation, firm, or association of which they, their spouse or any dependent, or any business partner is a member, shall sell, contract for, or provide goods or services to the University or Research Foundation in connection with a program or project administered through the University/Research Foundation in a manner that is inconsistent with the University/Foundation's established procurement policy.
7. Officers and employees of the University or the Research Foundation shall not by their conduct give reasonable basis for the impression that any person can improperly influence them or unduly enjoy their favor in the performance of their duties, or that they are affected by the kinship, rank, position or influence of any party or person.
8. Officers or employees of the University or Research Foundation shall abstain from holding personal investments in enterprises that they have reason to believe may be directly involved in decisions to be made by them or that will otherwise create conflict between their duties and the best interests of the University or the Research Foundation

#### **V. Disclosure Statements**

All real, apparent, or potential conflicts of interest as defined under the standards (Section IV, above) must be disclosed for review and determination as to whether a violation of this policy exists. Financial disclosure statements must be filed by applicable officers or employees of the University or Research Foundation in accordance with the filing requirements of the New York State Ethics Law (Public Officers Law § 73a).

- SUNY 1 Forms (Disclosure Statement for Certain Academic Employees) shall be filed with the Vice President for Research by November 15 of each academic year by each University/Research Foundation officer or employee in accordance with the disclosure requirements of the New York State Ethics Commission
- SUNY 2 Forms (Grant Application Financial Disclosure Form) shall be filed with the Vice President for Research by each University/Research Foundation officer or employee as part of the application process for an external grant or contract in accordance with the disclosure requirements of the New York State Ethics Commission. Compliance with this requirement is a prerequisite to the acceptance by the Research Foundation of any research grant or contract.

#### **VI. Conflict Review Committee**

The Vice President for Research shall form a committee to review financial disclosure statements (SUNY 1 and SUNY 2 forms) for the potential of conflict of interest. The committee shall be composed of the Research Compliance Officer, who shall serve as

the committee's executive secretary; a representative from University/Research Foundation Human Resources; and a representative from the Faculty.

The committee shall convene on a biannual basis to review all financial disclosure statements submitted during an academic year. The principal objective of the committee is to help to ensure that officers and employees of the University or Research Foundation do not engage in activities where the risk to integrity and reputation as a result of an external relationship outweighs the value of the activity to University and Research Foundation goals.

Relevant factors for the review committee to consider are the size of the financial interest, when the relationship commenced, whether the conditions of the relationship have changed since the last disclosure statement was filed, the likelihood of actual conflict (i.e., will the results of the activity likely be affected by or affect the financial interest), the importance of the proposed activity, and availability of alternatives to avoid conflict or apparent conflict.

When a conflict of interest as defined by this policy is deemed to exist, the committee shall recommend to the Vice President for Research that an appropriate course of action be taken to manage, reduce, or eliminate such conflict. Recommended courses of action may include:

- 1) public disclosure of significant financial interests
- 2) monitoring of research by independent reviewers
- 3) modification of research plan
- 4) disqualification for participation in the portion of the sponsored research that would be affected by significant financial interests
- 5) divestiture of significant financial interests
- 6) severance of relationships that create actual or potential conflicts

To the extent possible and reasonable under the circumstances, and under the guidance of the Vice President for Research, the review committee will work with officers or employees of the University or Research Foundation to develop means for the activity to take place while protecting the integrity of the employee and the University or Research Foundation. In special circumstances, the Vice President for Research may approve the activity for a limited period of time due to the potential benefit of the activity. However, the Vice President for Research retains the right to terminate the research without prejudice.

#### Other Applicable Policies

The principles and policies contained in this document complement the provisions of the "Conflict of Interest Policy" of The Research Foundation of State University of New York (Informational Communiqué #172, September 20, 1995). These principles and policies also satisfy the requirements of the National Institutes of Health (42 CFR Part 50) and

the National Science Foundation (NSF Grant Policy Manual Section 510) regarding financial disclosure and disclosure review for financial conflicts of interest.

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