



# CHICAGO STATE UNIVERSITY

## Financial Conflict of Interest Policy (January 2021)

### I. INTRODUCTION AND PURPOSE

As an integral part of its institutional mission, Chicago State University (the “University”) upholds the principles of free and unbiased inquiry, transfer of ideas and technologies for public benefit, and stewardship of the resources entrusted to it. As Faculty and Staff increasingly build complex relationships with private companies, financial and other internal and external relationships must not conflict nor appear to conflict with these principles.

Faculty and Staff of the University have a professional obligation to act in the best interests of the University. The Financial Conflicts of Interest Policy (“Policy”) delineates the requirements for disclosing significant financial interests that may constitute financial conflicts of interest, regardless of whether the Faculty or Staff is performing research under U.S. Public Health Service (“PHS”) grants and cooperative agreements.

### II. APPLICATION

The Policy applies to all Faculty and Staff (as defined in Section III, Definitions) of the University.

### III. DEFINITIONS

Term	Definition
Faculty	Any person possessing a full-time or part-time academic appointment in the University.
Family	Any member of the Faculty or Staff’s immediate family; specifically, the Faculty or Staff’s spouse/domestic partner and any dependent children.
Financial Conflicts of Interest (“FCOI”)	A significant financial tie or interest that may adversely affect, or have the appearance of adversely affecting, a Faculty or Staff’s professional judgment in exercising any University duty or responsibility in administration, management, instruction, research, and other professional activities.
Institutional Official	The individual within the University who has been designated to solicit and review disclosures from Investigators of significant financial interests related to the Investigators’ institutional responsibilities. For the purposes of the University, the Institutional Official is the Associate Vice-President for Research and Grant Administration.
Significant Financial Interest (“SFI”)	<ol style="list-style-type: none"><li>1. A financial interest consisting of one or more of the following interests of the Faculty or Staff (and those of the Faculty or Staff’s Family) that reasonably appears to be related to the Faculty or Staff’s institutional responsibilities.<ol style="list-style-type: none"><li>a. In the context of a publicly traded entity, an SFI exists if: The value of any remuneration (e.g., salary and any payment for services not otherwise identified as salary, such as consulting fees, honoraria, paid</li></ol></li></ol>

Term	Definition
	<p>authorship) received from the entity in the 12 months preceding the disclosure; <u>and</u></p> <ul style="list-style-type: none"> <li>i. The value of any equity interest (e.g., stock, stock option, or other ownership interest) in the entity in the 12 months preceding the disclosure, when aggregated, either exceeds \$10,000 or is more than five percent (5%) of a company's equity for any single business.</li> <li>b. In the context of a non-publicly traded entity, an SFI exists if <u>either</u>: <ul style="list-style-type: none"> <li>i. The value of any remuneration received from the entity in the 12 months preceding the disclosure, when aggregated, exceeds \$10,000; or</li> <li>ii. When the Faculty or Staff (or the Faculty or Staff's Family) holds any equity interest, even if the value of such interest is zero or unknown; or</li> </ul> </li> <li>c. Intellectual property rights and interests (e.g., patents, copyrights), upon receipt of income related to such rights and interests.</li> </ul> <p>2. Faculty and Staff should disclose any other financial or related interest that might present an actual, potential, or perceived significant conflict of interest. Examples include:</p> <ul style="list-style-type: none"> <li>a. Payments for activities or services that are outside the scope of the Faculty or Staff's employment at the University;</li> <li>b. Consulting fees;</li> <li>c. Royalties;</li> <li>d. Payments for speaking engagements;</li> <li>e. Consulting and travel;</li> <li>f. Service on boards or civic or charitable organizations; and</li> <li>g. Gifts.</li> </ul> <p>3. The term Significant Financial Interest does <u>not</u> include the following types of financial interests:</p> <ul style="list-style-type: none"> <li>a. Salary, royalties, or other remuneration from the University;</li> <li>b. Income from seminars, lectures, or teaching engagements sponsored by a federal, state, or local government agency, an Institution of higher education as defined at 20 U.S.C. § 1001(a), an academic teaching hospital, a medical center, or a research institute that is affiliated with an Institution of higher education;</li> <li>c. Income from service on advisory committees or review panels for a federal, state, or local government agency, an Institution of higher education as defined at 20 U.S.C. § 1001(a), an</li> </ul>

Term	Definition
	<p>academic teaching hospital, a medical center, or a research institute that is affiliated with an Institution of higher education;</p> <p>d. Income from investment vehicles or equity interests, such as mutual funds and retirement accounts, so long as the Faculty or Staff does not directly control the investment decisions; or</p> <p>e. Intellectual property rights assigned to the University and agreements to share in royalties related to such rights.</p>
Staff	Any regular, non-exempt, and exempt staff in research, academic, or administrative positions.

#### IV. **SIGNIFICANT FINANCIAL INTERESTS AND FINANCIAL CONFLICTS OF INTEREST**

##### A. **Initial and Annual Disclosures of SFIs**

All Faculty and Staff must complete, sign, and submit a [Conflict of Interest Disclosure Form](#) upon hiring and on an annual basis thereafter. Faculty and Staff must disclose and report on the Form all SFIs (including the SFIs of Faculty and Staff's Family), regardless of amount. If there is doubt about the existence of an SFI, Faculty and Staff should err on the side of disclosing. All Faculty and Staff must complete, sign, and submit, a Form regardless of whether there are no SFIs to report.

##### B. **Updating Disclosures of SFIs**

Within 30 days of any change, addition, or elimination of an SFI, Faculty and Staff must complete, and submit an updated Form disclosing and reporting the change, addition, or elimination.

##### C. **Reviewing SFIs**

If the Form discloses an SFI, the University's Institutional Official shall review the Form to make a determination of whether the SFI constitutes an FCOI. For purposes of the Policy, an FCOI exists when the Institutional Official, working with the University General Counsel, reasonably determines that the SFI may adversely affect, or have the appearance of adversely affecting, the Faculty or Staff's professional judgment in exercising any University duty or responsibility in administration, management, instruction, research and other professional activities.

#### V. **Managing FCOIs**

If the Institutional Official determines that an FCOI exists, the Institutional Official shall require the creation of and approve a written plan for the management of the FCOI. The Faculty or Staff, in cooperation with the University, shall develop and present to the Institutional Official a Conflict of Interest Management Plan detailing proposed steps that will be taken to manage, reduce, or eliminate any actual or potential conflict of interest presented by the SFI.

#### VI. **NONCOMPLIANCES**

Failure to comply with the Policy may result in sanctions or disciplinary action, including but not limited to one or more of the following:

- Removal of the Faculty or Staff from a particular project;
- Written reprimand;
- Suspension of project funding;
- Restriction of the Faculty or Staff's privileges;
- Suspension without pay;
- Dismissal; and/or
- Other appropriate sanctions or discipline, depending on the severity and nature of the non-compliance, up to and including termination of employment or faculty appointment.