ROSE-HULMAN INSTITUTE OF TECHNOLOGY (RHIT)
Conflict of Interest Policy and Procedures

A. It is the policy of the Institute:

1. To expect its trustees, faculty and staff, while acting for or engaging in an activity affecting the Institute, to do so with loyalty to the Institute and maintenance of the highest standards of ethics and awareness of conflicts of interest, both in fact and appearance;

2. To respect the rights of its trustees, faculty and staff to engage in activities outside the normal scope of their role at the Institute, provided such activities do not conflict with or reflect adversely on the Institute’s interest, or deprive the Institute of an appropriate measure of their time and effort (conflict of commitment); this policy, while generally applicable to all affairs relative to the Institute, shall not be construed so as to unreasonably or unfairly curtail the Institute policy on academic freedom as stated in the Faculty Handbook;

3. To require every member of the Board of Trustees, faculty, and staff to identify and avoid where possible situations involving ethical, legal, financial, or other conflicts of interest, such as (but not limited to):
   - financial dealings that are contrary to the Institute’s best interests,
   - membership or employment relationships that may be in conflict, or;
   - acceptance of favors, money or other considerations which might obligate the recipient to take actions adverse to the Institute’s interest;

4. To require a written conflict of interest disclosure to be completed by each trustee, faculty and staff member at least annually as well as immediately upon the identification of any apparent or implied conflict;

5. To comply with federal regulations1 concerning objectivity in research and err on the side of avoiding (even the appearance of) a conflict of interest by requiring Investigators2 (including those working for subrecipients) to disclose: “Significant Financial Interest”2 that would reasonably appear to be related to the Investigator’s institutional responsibilities or “Significant Financial Interest” in entities whose financial interest would reasonably appear to related the Investigator’s institutional responsibilities.

6. To ensure all subrecipients’ compliance with the applicable federal regulations regarding Financial Conflict of Interest. To this end, the Institute shall enter a written agreement with each sponsored project subrecipient that shall specify whether this policy or the applicable policy of the subrecipients’ institution will apply to subrecipient Investigators. Said agreement will specify the timing for reporting of FCOIs by subrecipients to Rose-Hulman to enable the timely review and reporting of such FCOIs in compliance with funding agency requirements.

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1 Public Health Service (PHS) policy is entitled “Objectivity in Research”; National Science Foundation (NSF) policy is entitled “Investigator Financial Disclosure Policy. Contact the Sponsored Programs Office with questions.

2 See Appendix for Definitions related to Sponsored Programs Federal regulations
7. To review each “Significant Financial Interest” and conflict of interest disclosure, carefully weigh the nature of each conflict and determine if a potential conflict or appearance of such, in fact, exists, and implement a plan to either manage, reduce or eliminate the conflict prior to the expenditure of any funds under an award.

8. To fully comply with reporting obligations imposed by federal agencies.\(^3\)

9. To fully comply with training requirements imposed by federal agencies\(^4\)

10. To maintain records of conflict of interest disclosure and subsequent actions recommended and taken for a period of three years. Sponsored project conflict of interest disclosure records and action taken to resolve conflicts shall be retained for a period of at least three years after termination or completion of a sponsored project or resolution of any civil, government or Institute action involving the records;

11. To circulate this policy at least annually and to new faculty and staff upon hiring or new Trustees upon election to the Board, and to provide procedures for its implementation and administration; this policy can also be found at the Department of Human Resources web page at http://www.rose-hulman.edu/offices-services/human-resources/employee-policies-forms.aspx

B. The following procedures have been adopted to carry out the conflict of interest policy:

1. The Chairman of the Board of Trustees shall designate the person(s) responsible for collecting an annual conflict of interest disclosure form from the Board of Trustees, the President, and Vice Presidents. The VP for Academic Affairs and the VP for Business and Finance are responsible for collecting all annual conflict of interest disclosure forms from all faculty and staff respectively.

2. On an annual basis, The Chairman of the Board of Trustees shall also designate the person(s) responsible for reviewing these collected forms. No reviewer shall simultaneously (1) serve as collector nor (2) be a direct report of another reviewer.

3. These designated reviewers will review all collected conflict of interest disclosure forms, determine whether a conflict exists, and work with the appropriate individual(s) to design a plan to manage, reduce, or eliminate the conflict in a manner consistent with the best interest of the Institute and the rights of the individual, while maintaining the highest ethical standards.\(^5\)

\(^3\) Currently, PHS requires reporting of the existence of any identified conflict of interest and assurance that the conflict has been managed, reduced, or eliminated before expenditure of award funds. NSF currently requires reporting of any conflict which the Institute has been UNABLE to manage, reduce or eliminate.

\(^4\) Currently, PHS requires training of each investigator prior to engaging in research related to any PHS funded grant or contract and at least every four years, and immediately under the designated circumstances:
- Institutional FCOI policies change in a manner that affects Investigator requirements
- An Investigator is new to the Institution
- An Institution finds an Investigator noncompliant with Institution’s FCOI policy of management plan

\(^5\) Conditions or restrictions that may be used to manage, reduce, or eliminate conflicts include:
- Appropriate public disclosure of interests
- Adoption of review or monitoring (by independent reviewers) procedures for funded research projects or other activities to ensure the conflicting interests do not violate the RHIT Conflict of Interest Policy or the integrity of the design, conduct or reporting of a funded research project.
- Withdrawal of the investigator or individual from the project or activity with whom the conflict exits
- Divestiture of financial interests
4. During the course of reviewing and investigating a potential conflict or appearance of conflict of interest, the designated reviewers may request additional confidential information from the discloser, other Trustees, officers, faculty, and staff. It is understood that at this stage these individuals will share confidential information only as necessary to resolve the conflict or as required by law.

5. If the designated reviewers are unable to recommend a resolution to a given conflict of interest case, it shall be referred as follows:
   a. For a Trustee, the President or a Vice President - to the Audit Committee of the Board of Trustees. Conflicts unresolved by the Audit Committee shall be referred to the Executive Committee of the Board of Trustees.
   b. For Faculty and Staff - to the President of the Institute. Conflicts unresolved by the President shall be referred to the Chairman of the Audit Committee.

6. The President, Audit Committee, or its Chairman, and/or the Executive & Planning Committee of the Board of Trustees shall resolve conflict of interest matters referred to it by determining a course of action that will follow the Policy as stated in Section “A” above, best serve the Institute’s interests and be in accordance with the highest ethical standards.

7. In the case of sponsored programs (funded or potentially funded research projects), investigators will be asked to certify their familiarity with the RHIT conflict of interest policy and disclosure requirements for each proposal submitted to an external funding source. If there is an apparent conflict to be disclosed, the investigator must complete the disclosure form and forward it to the VP for Academic Affairs prior to the submission of the proposal to the external funding source. The VP of Academic Affairs will notify the Director of Sponsored Programs when the conflict has been resolved and provide sufficient information to the Director to meet reporting requirements of external funding agencies.

8. Failure to disclose conflicts of interest in a timely manner or refusal to cooperate in the management, reduction, or elimination of conflicts of interest will be grounds for disciplinary action consistent with the RHIT Staff Handbook or Faculty Handbook or Executive Committee of the Board of Trustees, as appropriate.

9. Designated reviewers will prepare a summary report of all disclosures reviewed, as well as specific actions recommended and taken, to be distributed to the President, the Audit Committee and the Executive Committee at least annually (for all outstanding conflict situations) and at every Audit Committee meeting (for newly disclosed and reviewed situations). This report is intended to be for information purposes only.

10. Records will be maintained in the Institute’s secured, confidential files in the Office of Business and Finance. Sponsored project conflict of interest disclosure records and action taken to resolve conflicts shall be retained by the VP for Academic Affairs for a period of at least three years after termination or completion of a sponsored project or resolution of any civil, government or Institute action involving the records.

11. Each investigator must complete FCOI training prior to engaging in research related to any PHS/NIH funded project. Training will be facilitated by the Office of Sponsored Programs.

- Severance of the relationships that create actual or potential conflicts
12. The Institute will provide a written response within five business days to any public request for information of PHS/NIH identified FCOI Senior/Key Personnel.

Trustees and employees involved in activities with Rose-Hulman Ventures (RHV) should refer to “Additional Policies and Procedures Regarding Conflict of Interest with Respect to Rose-Hulman Ventures,” a copy of the policy may be obtained from Robert Coons, Senior Vice President and Chief Administrative Officer, (812) 877-8007.
Appendix

Definitions related to Sponsored Programs Federal Regulations:

A. **Conflict of Interest** means a state of affairs in which an investigator or his or her immediate family has significant financial interests that could lead an independent observer to reasonably question whether the design, conduct, or reporting of federally-funded research might be influenced by the possibility of financial gain.

B. **Investigator** means the project director or any other person regardless of title who is responsible for the design, conduct, or reporting of research funded by the federal agency (PHS/NIH, NSF, etc.) which may include collaborators, subcontractors, and consultants.

C. **Immediate family** means an investigator’s spouse, domestic partner, and anyone who receives directly or indirectly, more than one half of his or her support from the investigator or from whom the investigator receives, directly or indirectly, more than one half of his or her support.

D. **Institutional Responsibilities** means an investigator’s professional responsibilities on behalf of RHIT, including research, research consultation, teaching, professional practice, and Institute committee membership.

E. **Significant Financial Interest** means one or more of the following interests of the investigator and those of his/her immediate family that reasonably appears to be investigator’s institutional responsibilities:

1. (i) With regard to any publicly traded entity, a *significant financial interest* exists if the value of any remuneration received from the entity in the twelve months preceding the disclosure and the value of any equity interest in the entity as of the date of disclosure, when aggregated, exceeds $5,000. For purposes of this definition, remuneration includes salary and any payment for services not otherwise identified as salary (e.g., consulting fees, honoraria, paid authorship); equity interest includes any stock, stock option, or other ownership interest, as determined through reference to public prices or other reasonable measures of fair market value;

(ii) With regard to any non-publicly traded entity, a *significant financial interest* exists if the value of any remuneration received from the entity in the twelve months preceding the disclosure, when aggregated, exceeds $5,000, or when the Investigator (or the Investigator’s spouse or dependent children) holds any equity interest (e.g., stock, stock option, or other ownership interest); or

(iii) Intellectual property rights and interests (e.g., patents, copyrights), upon receipt of income related to such rights and interests.

2. For Investigators on a PHS/NIH award, a significant financial interest includes the occurrence of any reimbursed travel or sponsored travel related to Institutional responsibilities, with the exception of travel that is reimbursed or sponsored by a federal, state or local government agency, and Institute 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. This disclosure should include the purpose of the trip, the identity of the sponsor/organizer, the destination, and the duration. The Institution will determine if any travel requires further investigation, including determination or disclosure of the monetary value.
The following are excluded from the definition of significant financial interests:

1. salary, royalties or other remuneration paid by RHIT to the investigator for appropriate grant activity;
2. intellectual property rights assigned to RHIT and agreements to share royalties related to those rights;
3. income from investment vehicles such as mutual funds and retirement accounts as long as the investigator does not directly control the investment decisions made in these vehicles;
4. income from seminars, lectures or teaching engagements sponsored by RHIT or some other federal, state, or local agency or institution of higher education or academic hospital, medical center or research institute affiliated with a university;
5. income from service to advisory committees or review panels associated with the same agencies identified in item 4 above.