

INVESTIGATOR FINANCIAL DISCLOSURE FOR SPONSORED PROGRAMS

What is required?

Beginning October 1, 1995, federal regulations require that the University manage, reduce, or eliminate any actual or potential conflicts of interest that may be presented by a financial interest of a principal investigator or project director of a sponsored project. Accordingly, the University must require that investigators and project directors disclose any significant financial interest that may present an actual or potential conflict of interest in relation to a sponsored project. The federal regulations also require that such a disclosure be made before submitting a sponsored project proposal, or, if a significant financial interest comes into existence.

In order to comply with these federal requirements regarding sponsored project proposal submissions, Arkansas State University, Jonesboro, has established this policy, and the Investigator Financial Disclosure Policy Summary form.

Who must make a disclosure?

“Investigator” means the principal investigator, co-principal investigator, and any other person at the University who is responsible for the design, conduct, or reporting of research, education, or service activities funded, or proposed for funding, by an external sponsor. (For the purposes of disclosing the Investigator’s significant financial interest, the term “Investigator” includes the Investigator’s spouse and dependent children.)

What must be disclosed?

Each Investigator shall disclose all **significant financial interests**:

1. that would reasonably appear to be directly and significantly affected by the research, educational, or service activities funded, or proposed for funding, by an external sponsor; and/or
2. in entities whose financial interests would reasonably appear to be directly and significantly affected by such activities.

What is a significant financial interest?

“**Significant financial interest**” means anything of monetary value, including, but not limited to, salary or other payments for services (e.g., consulting fees or honoraria); equity interests (e.g., stocks, stock options or other ownership interests); and intellectual property rights (e.g., patents, copyrights, and royalties from such rights). **The term does not include:**

1. salary, royalties or other remuneration from Arkansas State University, Jonesboro
2. income from seminars, lectures, or teaching engagements sponsored by public or nonprofit entities;
3. income from service on advisory committees or review panels for public or nonprofit entities; or
4. an equity interest that when aggregated for the investigator and the investigator’s spouse and dependent children, meets both of the following tests: 1) does not exceed \$10,000 in value (or \$10,000 per annum if such interests represent salary, fees, or other continuing payments) and 2) does not represent more than 5% ownership interest for any one enterprise or entity.

Disclosure Procedures:

1. Disclosure by the investigator of any significant financial interest is required prior to the submission of a sponsored project proposal. This should be done using the Disclosure of Financial Interests Related to Sponsored Projects Form found in Appendix A.
2. The Office of Research and Technology Transfer will be responsible for obtaining disclosures as part of the normal sponsored project proposal review and approval process. The Office of

Research and Technology Transfer will use a two-page Financial Disclosure Statement to document the University's compliance with federal regulations and this policy. The Associate Vice Chancellor for Research and Technology Transfer shall review all Financial Disclosure Statements.

3. Disclosures of significant financial interests that develop after a proposal is submitted or after an award is received must be made immediately by the investigator to the office of Research and Technology Transfer.
4. Financial disclosures must be updated during the period of the award, either annually or as new reportable significant financial interests develop or are obtained.
5. To the extent permitted by University policy and State and Federal laws, all records of financial interest will be maintained confidentially. Disclosures of significant financial interest will be provided by the Office of Research and Technology Transfer to department chairpersons for evaluation and other actions, which may include reporting to the appropriate dean or other academic official and to the Vice Chancellor for Research and Academic Affairs (VCRAA).
6. If any actual or potential conflict of interest exists, the investigator and the University must enter into a Memorandum of Understanding (MOU), resolving the conflict of interest prior to the acceptance of an award.
7. The President will approve or disapprove the MOU and transmit the decision to the investigator, the investigator's department chairperson and dean, and the Associate Vice Chancellor for Research and Technology Transfer.
8. In cases involving disapproval of an MOU or a decision that the proposed sponsored project will involve activity inconsistent with University policy, Research and Technology Transfer must withdraw the proposal from consideration by the sponsoring agency.
9. In cases involving disclosure of a significant financial interest after an award is issued and a decision is made that the activity is inconsistent with University policy, the award must be terminated.
10. The Office of Research and Technology Transfer must report all financial interest disclosure to the relevant sponsoring agency prior to the issuance of an award.
11. The sponsoring agency has the right to obtain from the University all information related to a disclosure, the MOU's, or any other information and/or action relating to the manner in which the University has handled a disclosure.
12. The Office of Research and Technology Transfer will maintain records, identifiable for each award, of all financial disclosures and all actions taken by the University for at least three years beyond the award termination date, or until resolution of any action by the sponsoring agency involving the records, whichever is longer.
13. The University will promptly notify the funding agency if the University is unable to manage satisfactorily an actual or potential conflict of interest situation within a funded project.
14. Violations of this Financial Disclosure Policy shall be referred to the Research Council and sanctions shall be in accordance with the University's Research Misconduct Policies and Procedures (August 2005).

It is important to note that the requirements being imposed by the federal government are specifically related only to sponsored project proposals. The University's Conflict of Interest and Commitment Policy continues to apply fully to all University personnel under all circumstances.

