

William Paterson University
CONFLICT OF INTEREST AND COMMITMENT DISCLOSURE POLICY
(DRAFT 7/2006)

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Introduction

This policy has been developed to guide the management and resolution of situations where faculty, librarians, professional staff, administrators and others at William Paterson University, and in limited circumstances consultants, are involved in outside employment or other activities that may have a financial relationship or time commitment related to their duties at the University. This policy also applies to the activities of close relatives as they may impact on an employee's responsibilities to the University.

Examples when this policy would be enforced include (1) situations where the University receives or provides funding for a research project to study the value of a product or service offered for sale by a company controlled by the researcher or his/her close relative, (2) situations where a University employee uses his/her time at work to conduct work for another agency or their own business enterprise, (3) situations where an employee receives compensation for work he/she undertook as part of a work assignment, or (4) situations where an employee directs the acquisition of a service or resource from a company that he/she controls. See Attachment 1 for examples of situations where this policy would be applicable.

I. Authority

This policy has been developed in accordance with the provisions of the *William Paterson University Institutional Code of Ethics* (Adopted September 2004; see Attachment 2), the *New Jersey Conflict of Interest Law* (NJSA 52:13D-12 et seq.), and the *New Jersey Institutional Code of Ethics Regulations* (NJAC 9A:3-1.1 et seq.), and the New Jersey Executive Commission on Ethical Standards (NJAC 19:61-1.1).

Additionally, the *Code of Ethics* for the New Jersey Department of Education, the Federal Office of Management and Budget Circular A-110: *The Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals and Other Nonprofit Organizations*, and the National Institutes of Health's *Grants Policy Statement on Ethical and Safe Conduct in Science and Organizational Operations* provide additional standards.

See Attachment 3 for a bibliography of requirements by various governmental oversight and funding agencies concerning their Conflict of Interest and Commitment positions, requirements and regulations.

II. Statement of General Policy and Applicability

A. Integrity, objectivity, honesty and the avoidance of self-dealing are essential at all levels and in all aspects of governmental and private activities. The William Paterson University of New Jersey (WPUNJ) and its employees are committed to conducting themselves and their activities in accordance with the highest

standards of integrity and ethics as defined by the WPUNJ Institutional Code of Ethics (Attachment 1). In summary, this includes but is not limited to assuring that employees do not:

1. Have a direct or indirect financial or other interest in a business, transaction or professional activity that is in substantial conflict with the proper discharge of their duties.
 2. Act in an official capacity in any matter where a direct or indirect personal or financial interest might reasonably be expected to impair objectivity or independence of judgment.
 3. Undertake employment or service, whether compensated or not, that might reasonably be expected to impair objectivity and independence of judgment.
 4. Own or control more than a 1% interest of the stock or capital of a partnership or other business that knowingly undertakes to execute a contract or agreement awarded or granted by or to the University, except after public notice and competitive bidding, or any contract with the University for the development of scientific or technological discoveries or innovations in which the University has a property right.
- B. The University recognizes that actual or potential conflicts may occur in the normal conduct of research and other activities. Thus, it is essential that the significant potential for conflicts be disclosed to and reviewed by the University. After disclosure, the University can make an informed judgement about a particular activity and require appropriate oversight, limitations, or prohibitions in accordance with this policy.
- C. It is the purpose of this policy: (1) to set forth rules, principles, and procedures to ensure that the personal or financial interests of William Paterson University employees do not compromise the objectivity with which research is designed, conducted, and reported, as well as the objectivity with which intellectual property is developed, publications are written and community service is provided; (2) to comply with state and federal regulations that are designed to promote objectivity in research activities; and (3) to protect the legal and personal responsibilities of all involved parties and entities.
- D. This policy applies to all full- and part-time faculty, staff, librarians and students involved in research, publications, consultation services, and related activities and to the disclosure and subsequent development of intellectual property.

III. Conflicts of Interest and Commitment Defined

A potential or actual conflict of interest exists when a significant financial interest or commitment to an outside activity or relationship of a University employee, a member of his/her immediate family or an associated entity would reasonably appear to affect the objectivity and independence of judgement of the employee.

A significant financial interest is anything of monetary value, including, but not limited to, salary or other payments for services (e.g., consulting fees, 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) not received from the University, from public or nonprofit entities, that exceeds \$10,000 in value or more than a 1% ownership or controlling interest in a partnership or other business entity when aggregated for the employee and members of the employee's immediate family.

A significant commitment to an outside activity or relationship generally involves a perceptible reduction of the individual's time and energy devoted to University activities, the use of University facilities for more than incidental support of non-profit or community organizations, or the commitment and support of agencies, organizations or activities that affect the individual's time, energy and commitment to the University.

A member of the immediate family is a spouse, child, parent or sibling of the employee who resides in the same household.

See Attachment 4 for definitions of terms related to this policy.

IV. Disclosure Requirements

- A. A summary flowchart of the Disclosure and Management Process is included as Attachment 5.

Disclosures shall be made on standard disclosure forms available from the WPUNJ Office of Sponsored Programs, included as Attachment 6.

- B. Initial Disclosure.

1. An employee may not engage in research, consulting or creative activities in which a potential or actual conflict of interest exists in fact, or develop intellectual property for which actual or potential conflict exists, unless authorized in writing by the Provost and conducted in full accord with conditions and restrictions imposed by the University.

No application for funding from an external agency or an internal University funding program may be submitted to the agency until all senior personnel associated with the project have completed required disclosure forms. Disclosure forms must be completed whether or not relevant significant conflicts of interest exists so that the University may determine if any conflict exists and what should be done to manage identified conflicts.

2. An investigator (researcher/consultant/creator/agent/employee) shall disclose relevant significant financial interests, activities and relationships of the investigator and the investigator's family members (1) prior to the initiation of research, consulting or creative activities, (2) prior to the application for financial or other support from internal or external sources; and (3) prior to submission of intellectual property (specifically, copyrights, patents, and trademarks) for registration and/or filing.

- C. Updating Disclosure.

1. For as long as the research, consulting or creative activity is ongoing, disclosures under this provision relating to ongoing research must be updated (1) by the anniversary date of the Provost's authorization, (2) any time a relevant significant financial interest, not originally disclosed, develops or is acquired, or (3) more frequently if the changing or developing circumstances of situation are determined to be unpredictable but frequent.
2. Disclosures under this provision related to intellectual property shall be updated prior to the execution of any contract, license, or a transaction involving intellectual property.

V. Review of Disclosure Statements and Management of Conflicts

- A. Primary Review

1. Disclosures required by this provision shall be submitted to the Director, Office of Sponsored Programs (Director-OSP). In any instance in which the required Disclosure Statement(s) are related to an application for external or internal financial or other support, if the Disclosure Statement(s) is not submitted by the time the application is received by the Director-OSP, he/she shall solicit such statement(s) from the investigator and withhold approval pending the receipt of the statement(s). Disclosure Statements shall be reviewed by the Director-OSP, or his/her designee, within three working business days of receipt. The Director-OSP may, at his/her discretion, consult with experts, other University officials and the University's legal counsel if necessary or advisable.
2. If the primary review reveals no relevant significant personal financial or commitment conflicts of interest,

the Disclosure Statement shall immediately be submitted to the Provost, or his/her designee, to initiate Secondary Review.

3. If the primary review reveals a relevant significant personal financial or commitment conflict of interest, the Director-OSP and the employee will jointly review the Disclosure Statement and the employees activity to eliminate or develop a plan to manage the conflict (as per methods in Section V.C.) for submission to the Provost within ten working business days of the Director-OSP's decision.
 - a. If a management plan is agreed to, the Director-OSP will submit the Disclosure Statement and management plan to the Provost to initiate Secondary Review.
 - b. If elimination of the conflict or potential conflict is not possible, the employee and the Director-OSP shall develop and submit the Disclosure Statement with separate management plans to the Provost to initiate Secondary Review.

B. Secondary Review

1. The Provost will review the Disclosure Statement along with the proposed management plan(s) if needed. The Provost may, at his/her discretion, consult with experts, other University officials and the University's legal counsel if necessary or advisable.
 - a. If a management plan is not required and the Disclosure Statement is acceptable to the Provost, the Provost will accept the plan and forward it to the Office of Sponsored Programs for filing and management.
 - b. If the parties have submitted a joint plan, the Provost may, within ten working business days, either (1) accept the proposed course of action, notify the parties of his/her approval and return the Disclosure Statement and management plan to the Office of Sponsored Programs, or (2) refer the matter to the Conflicts of Interest Committee.
 - c. If the parties have submitted separate management plans, the matter shall submitted to the Conflict of Interest Committee by the Provost.
2. The Conflicts of Interest Committee (See Section VI. A.) shall provide the employee and the Director-OSP an opportunity to meet with the Committee to discuss the situation, provide additional information, and consider possible courses of action. The Committee may, at its discretion, consult with experts, other University officials and the University's legal counsel if necessary or advisable.
3. The Committee shall provide a report to the Provost within fifteen working business days that (a) proposes a management plan to the Provost, (b) concludes that the potential or actual conflict is sufficiently remote or unrelated so that no action, other than the disclosure and annual reporting requirements, is required, or (c) concludes that the conflict cannot be managed and the proposal/project not be submitted or pursued. The employee or the Director-OSP may also submit written objections or exceptions to the report to the Provost.
4. The Provost may accept the report and recommendations of the Committee, or return the matter to the Committee for further review with stated concerns or suggestions within ten working business days. When the Provost renders the final decision by approving the report and recommendations of the Committee, he/she shall provide the employee, the Director-OSP, and the Committee copies of the management plan, and forward the plan and Disclosure Statement to the Office of Sponsored Programs. The Office of Sponsored Programs will prepare and provide to the employee the official notification of approval or denial/rejection within three working business days.
5. Decisions of the Provost are final. The affected parties may request, within ten working business days of

notification, the Provost to reconsider the decision, but he/she is not obligated to do so. The affected parties may also request, within ten working business days of notification, the President of the University to review the Provost's final management plan and, if he/she decides it is warranted, to reconsider the plan, but the President is not obligated to do so. The Provost and the President will decide whether or not to review within three days of the request and immediately inform the affected party. No other requests for reconsideration will be accepted by the University.

6. The employee will be required thereafter to provide updated information as required in Section IV.

C. Management Plans

A management plan of a conflict of interest will include conditions or restrictions that will manage, reduce, or eliminate such conflicts. These can include, but are not limited to:

1. public disclosure of significant personal financial interests
2. monitoring of the research by independent reviewers
3. modification of the research plan
4. disqualification from participation in all or a portion of the research
5. divestiture of the significant financial interest
6. severance of relationships that create the actual or potential conflict of interest.

VI. Support and Enforcement

A. Conflict of Interest Committee

1. The Conflict of Interest Committee (the Committee) will be a standing committee to advise the University community on issues pertaining to potential conflicts of interest, to monitor and assist in the application of Conflict of Interest and Commitment Disclosure Policy, and to monitor relevant state and federal policies. It shall accept and review reports of conflicts of interest and recommend appropriate actions, and will work with the Provost to develop management plans as required. The Committee's activities will be supported by the Office of Sponsored Programs.
2. The Committee membership shall consist of at least five members appointed by the Provost, including four employees representing the faculty, the professional staff and librarians, and one outside, unaffiliated member. The University counsel and the Director, Office of Sponsored Programs shall serve as non-voting, ex-officio members. The Faculty Senate will be asked to nominate employees for appointment to the Committee; the Provost may accept or reject the nominations for appointment. Appointed members shall serve one term that will not exceed two years. There will be no consecutive term appointments for any individual. An employee may serve more than one term, but no two terms may follow consecutively.

B. Office of Sponsored Programs

The Office of Sponsored Programs will (a) receive, review and respond to Disclosure Statements for the Primary Review phase, (b) maintain the University's official copies of Disclosure Statements, management plans, and related documentation, (c) notify employees when their periodic updated disclosure forms are due, (d) provide advice and support to University employees and officials concerning the Conflict of Interest and Commitment Disclosure Policy, its forms and processes, (e) provide reports to funding and other agencies and offices as required or requested, and (f) provide staff support for the Conflict of Interest Committee.

C. Violations

The following acts and failures violate the provisions of this policy:

1. Intentionally or recklessly providing incomplete, erroneous, or misleading information on a disclosure

form.

2. Failing for any reason to make any required disclosure.
3. Failing to submit updated Disclosure Statements.
4. Failing to provide requested information needed for an appropriate review of potential or actual conflict of interest situations.
5. Failing to implement the approved management plan.
6. Continuing an activity for which the University has been unable to approve a management plan.

D. Sanctions for finding of Conflict of Interest or Commitment

1. Sanctions and final decisions will be issued by the Provost.
2. There will be a logical relationship between the nature and severity of the conflict of interest or commitment and the sanctions imposed.
3. Sanctions may range from the notification of editorial or regulatory bodies and funding agencies, disaffirmation of the research or activity in question, prohibition of the employee from conducting research in the area of the conflict, preclusion from submission of funding requests to internal or external programs or agencies, or referral of the matter to appropriate legal authorities (as per the *New Jersey Conflict of Interest Law* and the *New Jersey Code of Criminal Justice*). All sanctions and preclusions will be for a specified number of years which will be determined by the Provost. Additional sanctions by the University, following disciplinary proceedings conducted in accordance with WPUNJ's established disciplinary policies and procedures, will be by the President and may include suspension without pay, other appropriate sanction, up to and including termination of employment.

VII. Record Keeping and Reporting

- A. Disclosure Statements, other documentation used in the review of such statements, and records of institutional action taken pursuant to this policy shall be maintained for (1) a period of at least three years following completion of the project or activity that generated the Disclosure Statements, documentation, and/or institutional actions,(2) a period of time needed for resolution of government action involving such records, or (3) a period of time fixed by the Provost, whichever is longer. To the extent permitted and required by law, such records shall be maintained confidentially. The Office of Sponsored Programs will be responsible for the safe storage and maintenance of these records.
- B. The University will make the information described in the preceding paragraph available, upon request, to external funding or review agencies, along with requested information as to how a relevant potential or actual conflict of interest was managed, reduced, or eliminated to protect the integrity of the project, the University, the State of New Jersey, and any agencies or entities that provided financial or other support to a project and the employees involved. If a potential or actual conflict of interest is identified after a grant or contract has been awarded, the University will inform the awarding agency of that conflict within sixty days of its discovery (or as otherwise required by law or regulation) along with actions taken to manage, reduce, or eliminate the actual or potential conflict of interest. The Office of Sponsored Programs will be responsible for fulfilling this requirement.
- C. If the University ever determines that it is unable to manage satisfactorily a potential or actual conflict of interest that threatens the objectivity of particular research activity, the University will promptly inform the relevant external funding agencies of that fact. The Office of Sponsored Programs will be responsible for fulfilling this requirement.
- D. The University will publish this policy so that it is known to University employees, particularly faculty, librarians, professional staff and senior administrators. In making applications for external or internal funding for research or other activities, investigators and project directors will be required to certify that they have read, understand and will abide by this policy and that the other key faculty or staff involved have also read, understand and will abide by this policy.

Attachment 1: Examples of Conflicts of Interest

The following examples do not constitute the only scenarios where a conflict of interest may exist.

Situations in which the time or creative energy an employee may devote to external activities, such as assuming executive or consultative responsibilities for an outside professional or non-profit organization, or a corporation, appear substantial enough so as to compromise the amount or quality of his or her participation in the instructional, scholarly, or administrative work of the University. Example: As chair of XYZ Social Service Agency, the employee provides enough hours of service to the agency that he/she is not available to serve on any committees or to fulfill committee responsibilities.

Situations in which an employee receives payment for work that the University has already compensated the employee for performing. Example: The employee provides consultation services to a local arts agency through a service program at the University that is considered to be part of the employee's regular responsibilities, then receives a payment from the agency for the consultation service he/she provided.

Situations in which an employee receives payments for work performed when the employee is already being paid by WPUNJ for release time to do the same work. Example: A faculty member is released from a class to conduct research at a local school, and then receives a payment from the school for the research and related activities.

Situations in which the employee receives payments, royalties and other forms of compensation for products or services produced as a result of work that the University has already compensated the employee for producing or provided release time to produce. Example: An employee constructs a specialized piece of furniture with students as a class project and then accepts payment for the item from a third party.

Situations in which the employee receives payments for use of WPUNJ facilities or resources. Example: An employee collects and keeps a room rental fee from an outside organization for a room that does not normally have a fee attached for its use by outside organizations.

Situations in which relationships might enable a faculty member to influence the University's dealings with an outside organization in ways leading to personal gain or improper advantage for the faculty member, or his or her associates or family members. Example: A faculty member could have a financial interest in an organization with which the University does business and could be in a position to influence relevant business decisions.

Situations where a faculty member directs students into a research area or other activity from which the member intends to realize personal financial gain. In such situations, the ability of a faculty member to render objective, independent judgement about the students' scholarly best interests may be diminished. Example: A faculty member is developing a new tool and has students perform work on the tool as a course requirement, as an independent study project, or as a WPUNJ-paid research assistant.

Situations where a faculty member directs students to areas of lesser scientific or scholarly merit to enhance the potential for monetary gain of the faculty member. Example: A faculty member is developing a new tool that has lesser scientific value than a research project that is sponsored by the University and requires students to perform work on the tool rather than the research project.

Situations where a substantial body of research that could and ordinarily would be carried on within the University is conducted elsewhere to the detriment of the University and its legitimate interests. Example: A researcher uses the facilities and resources at another institution of higher education that duplicate or are not as complete as WPUNJ facilities and resources because that institution has a higher profile than WPUNJ, and then only credits the other institution.

Situations where an activity that a faculty member may wish to undertake on an individual basis (1) involves or appears to involve the University significantly through the use of these resources, facilities, or the participation of academic colleagues, students, and staff, or, (2) inappropriately involves the use of the University's name or implies the University's endorsement. Example: The employee uses the University as the mailing address for a political action committee.

Situations where an employee uses, for personal profit, unpublished information emanating from sponsored agreements or confidential University sources, or assists an outside organization by giving it exclusive access to such information, or provides consulting services to an outside organization that imposes obligations upon the employee or the University that conflict with the University's Intellectual Property Policy or with the University's obligations under the sponsored project contract or other contracts. Example: A faculty member receives a grant to conduct research on the perceptions of WPUNJ students in certain situations. The faculty member then sells that information for their own profit to companies that provide services that students in those situations may be interested in using. Example: A faculty member receives a grant to provide a community service then commits the University to pay for transportation that is not included in the grant award or had not been previously approved by the University.

Situations where an employee's consultant activities for local businesses or non-profit organizations duplicate services provided by the University, and where the employee is expected to provide that service on behalf of the University, but does not because he/she can contract with the agency for greater compensation. Example: The University provides planning services to local small business as a community outreach. A faculty member refuses to participate because he/she already provides the same service at a fee to local small businesses.

Situations where a researcher alters or improperly manipulates data to enhance the value of his/her findings. Example: A researcher develops a new tool that must meet specific standards to be commercial, and so uses only the test data that proves the required standard in reports.

Situations where an employee who has developed an outside business uses WPUNJ employees to support that business during working hours. Example: An employee develops a company that manages data for small businesses and asks clerical staff in his/her WPU department to perform data entry tasks.

Situations where an employee is in a position to influence or effect the purchase of products or services from a company controlled by a close relative. Example: An employee's spouse owns a company that provides office supplies and the employee orders all his/her supplies from the spouse's company and encourages others, especially his subordinates, to do the same. An exception to this is when the spouse's company has won the competitive bid after an open competition to provide office supplies.

Situations where a faculty member uses grant funds for unauthorized purposes, whether or not those funds are used for their own profit. Examples: (1) A faculty member receives funds to research a particular topic and the terms of the grant do not include conference travel. The faculty member then uses the funds to travel to a conference. (2) A faculty member receives a grant for him/her to conduct research in a specific location then uses the funds to pay a student to undertake research in another location.

Situations where the employee does not place the University first in his/her business dealings. Example: The employee is working as a consultant to a business and chooses to attend a meeting at the business rather than attend a meeting or cover a class at the University.

Situations where an employee may take full (single) credit for the outcome of a project for which the University provided funding, release time, services or other resources. This would also include taking single credit for work accomplished by several individuals. Example: A faculty member receives release time to write a book then does not acknowledge the University's (or other faculty's) contributions to the project.

Attachment 2: WPUNJ Institutional Code of Ethics

The William Paterson University of New Jersey

Institutional Code of Ethics

Purpose

To provide a code of ethics for all trustees, officers and employees of William Paterson University. The code establishes guidelines and standards of ethical behavior in order to assure the public's confidence in the conduct of business and operations of the institution.

Scope of Authority and Application of the Code of Ethics

In addition to this code of ethics, the trustees, officers and employees of William Paterson University are expected to fully comply with all applicable provisions of N.J.A.C. 9A:3-1.1 et seq. (Institutional Code of Ethics), N.J.S.A. 52:13D-12 et seq. (New Jersey Conflicts of Interest Law) and N.J.A.C. 19:61-1.1 (Rules: Executive Commission on Ethical Standards) which comprise the statutory and regulatory bases for this code of ethics.

Policy

The following code of ethics is applicable to all members of the Board of Trustees, officers and employees, including student employees of William Paterson University.

1. No trustee, officer or employee should have any interest (financial or otherwise, direct or indirect) or engage in any business, transaction or professional activity that is in substantial conflict with the proper discharge of his/her duties.
2. No trustee, officer or employee should use or attempt to use his/her official position to secure unwarranted privileges or advantages for him/herself or others.
3. No trustee, officer or employee should act in his/her official capacity in any matter wherein he/she has a direct or indirect personal financial interest that might reasonably be expected to impair his/her objectivity or independence of judgment in the exercise of their official duties.
4. No trustee, officer or employee should undertake any employment or service, whether compensated or not, that might reasonably be expected to impair his/her objectivity and independence of judgment in the exercise of official duties.
5. No trustee, officer or employee should accept any gift, favor, service or other

item of value under circumstances from which it might be reasonably inferred that it was given or offered for the purpose of influencing him/her in the discharge of official duties. Nevertheless, a trustee, officer and employee, during the course of his/her official duties, may accept meals which are offered as part of a meeting or event so long as all attendees of such meeting or event are also provided such meals. In the event that a sponsor of a meeting has pending with the institution a matter on which the trustee, officer or employee must act in the exercise of his/her duties, during the time that said matter is pending, he/she shall not accept meals from any such sponsor.

6. No trustee, officer or employee should knowingly act in any way that might reasonably be expected to create an impression or suspicion, among the public having knowledge of his/her acts, that he/she may be engaged in conduct violative of his/her trust as a public trustee, officer or employee.

7. No trustee, officer or employee should use or allow to be used his/her public office or employment or any information not generally available to members of the public for the purpose of securing financial gain for him/herself or others with whom he/she is associated.

8. No trustee, officer or employee shall knowingly himself/herself, or by his/her partners or through any corporation in which he/she owns or controls more than 1% of the stock, or by any other person for his/her use or benefit or on his/her account, undertake or execute any contract, agreement, sale or purchase of the value of \$25,000 or more made, entered into, awarded, or granted by any State agency, except as provided in the New Jersey Conflicts of Interest Law. A trustee, officer, employee can only contract with a State agency if the contract is (a) made after public notice and competitive bidding or which pursuant to N.J.S.A. 18A:64-56 may be made without public advertising for bids or (b) is a contract of insurance entered into pursuant to N.J.S.A. 52:27B-62. The contract must have prior approval of the Executive Commission on Ethical Standards.

9. Notwithstanding the New Jersey Conflicts of Interest Law and section eight above, any faculty or staff member or his/her partners or any corporation or firm in which he/she controls more than 1% of the stock, assets or profits may enter into a contract or agreement with the University, where the contract or agreement is for the development of scientific or technological discoveries or innovations in which the University has a property right, if the faculty or staff member receives approval to do so in accordance with the administrative procedure adopted for this purpose as specified in University policy.

10. No trustee, officer or employee, nor any partnership, firm or corporation in which he/she has an interest, nor any partner, officer or employee of any such partnership, firm or corporation, shall represent, appear for, or negotiate on behalf of, or agree to represent, appear for or negotiate on behalf of, any person or party

other than the University in connection with any cause, proceeding, application or other matter pending before any State agency, except as provided in N.J.S.A. 52:13D-16.

D. Reporting Outside Employment (Full-time Employees)

Employees must annually disclose outside employment and/or business interests to the president or his designee. Employees may not engage in outside employment which occurs at a time when the employee is expected to perform his/her assigned duties at the University or diminishes that employee's efficiency in performing his/her primary work obligation. The Office of Human Resources will maintain and furnish forms.

E. Employment of Family or Household Members

To avoid issues of favoritism and potential conflict, no employee shall act in his or her official capacity in any University matter where a family member of the employee has a direct or indirect interest that might reasonably be expected to impair the employee's objectivity or independence of judgment. Family members are defined as spouses, children, parents or siblings residing in the same household or cohabitants with whom there is a financial relationship. Direct interests include, but are not limited to, initial employment, retention, job classification, salary, performance appraisals and work assignments. No employee shall directly supervise a member of his or her own family. It is the intent of the University to avoid instances that could be influenced by the family relationship in hiring, performance evaluation, promotion, reclassification, discipline, grievance or dismissal processes.

F. Accountability and Oversight

Any employee who violates the Code of Ethics may be subject to sanctions in accordance with the Conflicts of Interest Law (N.J.S.A. 52:13D-12 et seq.). In addition to the above, University employees who violate this Code of Ethics are subject to disciplinary action by the University and the Executive Commission on Ethical Standards. Under the direction of the president, the Provost and Executive Vice President is responsible for ensuring compliance with this policy.

Each trustee, officer and employee shall sign a receipt indicating the date on which the Code of Ethics was received and acknowledge that he/she is responsible for reading the Code and is bound by it. Receipts shall be maintained in the employee's personnel file pursuant to N.J.A.C. 19:61-2.2.

Any trustee, officer or employee can seek clarification of the Code's provisions from the Director of Employee Relations, Allison Boucher, the University's ethics liaison officer, or from the Executive Commission on Ethical Standards.

Attachment 3: Bibliography

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Conflict of Interest and Disclosure Policies from Rowan University, Princeton University, Rutgers University, West Chester University (PA), Armstrong Atlantic State University (GA), Valdosta University (GA), California State University at Fullerton (CA), California State University at Long Branch (CA), Metropolitan State College of Denver (CO), University of Michigan (MI), Cornell University (NY), California State University at Irvine (CA), Yale University, the University of Kentucky, and others.

Attachment 4:Definitions

(Alphabetized)

The following definitions used in this policy is provided to give clear interpretations of key terms. If a different definition is used by an applicable federal, state or other agency, the definition used in their regulations will apply.

"Associated Entity" means any trust, organization, or enterprise over which an investigator or a family member of the investigator, individually or collectively, exercises a controlling interest.

Conflict of Interest: A situation where the financial interests or non-employment commitments of employees compromise the objectivity with which research or other activities are designed, conducted, and reported, as well as the objectivity with which intellectual property is developed and reported. A potential conflict of interest situation would be when a significant financial interest or commitment to an outside activity or relationship of a University employee, a member of their immediate family or an associated entity, would reasonably appear to affect the objectivity and independence of judgement of the employee.

"Consultants and subcontractors" means individuals and entities providing substantive assistance to the University for a specific project or program. Consultants and subcontractors employed by other educational institutions or nonprofit entities will provide certification that their activities have been approved under their own conflict of interest policy, or will be required to complete the WPUNJ disclosure form.

"Creative Activity" means works of creative expression in the arts, business, the humanities and other disciplines not produced in accordance with the principles of scientific inquiry and which is subject to the accepted cannons or codes of conduct for the discipline in question.

"Disclosure Statement" means the University's *Conflict of Financial Interest and Commitment Disclosure Statement* and any reports, management plans, memorandum and correspondence related to a potential or actual conflict of interest.

"Employee" means any full- or part-time person employed by the University, including those individuals paid through grant, contract or other special funding. This includes faculty and staff on paid leave or sabbatical, unpaid administrative leave, or during unpaid summer months when they are still seen by the public as representing the University.

"Intellectual Property" means creations of the mind - creative works or ideas embodied in a form that can be shared or can enable others to recreate, emulate, or manufacture them. (US Patent & Trademark Office, Glossary.)

"Management Plan" means the activities that are chosen to disclose, reduce or eliminate a potential or actual conflict of interest.

"Member of the immediate family" means the person's spouse, child, parent or sibling residing in the same household. (NJSA 52:13D-13(i))

"Parties" identified as involved in a potential conflict of interest situation means William Paterson University, the investigator, family members, associated entities, and the sponsor of the research.

"Research" or "research activity" means a systematic investigation designed to develop or contribute to generalizable knowledge. The term encompasses basic and applied research such as bench work, clinical trials and/or other work and product development, and other forms of creative activity. The term includes any such research or creative activity conducted at the University, using University resources, services or facilities, by University personnel under the auspices of the University, or conducted in situations in which University positions or titles are utilized in resultant publications/presentations/other forms of intellectual

property, irrespective of whether such research is funded by contract, gift, cooperative agreement, and/or general funds of the State. The term also includes collaborative work with a manufacturer, a distributor, or a sponsor of the research and includes any tangible or intangible inventions, discoveries, patents, or ideas necessary for development, utilization or processes associated with the activity.

"Researcher" means the principal investigator, a co-principal investigator, any other person at the University who is responsible for the design, conduct, or reporting of research, and other project, department or University staff who supervise the activities of investigators.

Significant Financial Interest: Anything of monetary value, including, but not limited to, salary or other payments for services (e.g., consulting fees, 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) not received from the University, from public or nonprofit entities, that exceeds \$10,000 in value or more than a 1% ownership or controlling interest in a partnership or other business entity when aggregated for the investigator and members of the investigator's immediate family.

The term does not include salary, royalties, or other remuneration from the University, income from seminars, lectures, or teaching engagements sponsored by public or nonprofit entities, income from service on advisory committees or review panels for public or nonprofit entities, income (e.g., salary, fees, or other continuing payments) in an amount of \$10,000 or less per annum from any one business enterprise or entity when aggregated for the investigator and members of the investigator's family, and financial interests in any one business enterprise or entity if the value of those interests does not exceed \$10,000.00 in value as determined through public prices or other reasonable measures of fair market value, and does not represent more than a 5% ownership interest when aggregated for the investigator and members of the investigator's family.

Significant Commitment to an Outside Activity or Relationship: This generally involves a perceptible reduction of the individual's time and energy devoted to University activities, the use of University facilities for more than incidental support of non-profit or community organizations, or the commitment and support of agencies, organizations or activities that affect the individual's time, energy and commitment to the University. Definitions of these terms used by other institutions:

A conflict of interest may arise when the potential or appearance of a compromise of professional judgement is present in carrying out University teaching, research, outreach, or public service activities because of an external relationship that directly or indirectly affects the financial interest of the academic employee, any family member, or any associated entity. (NCURA, pg 16: University of Minnesota)

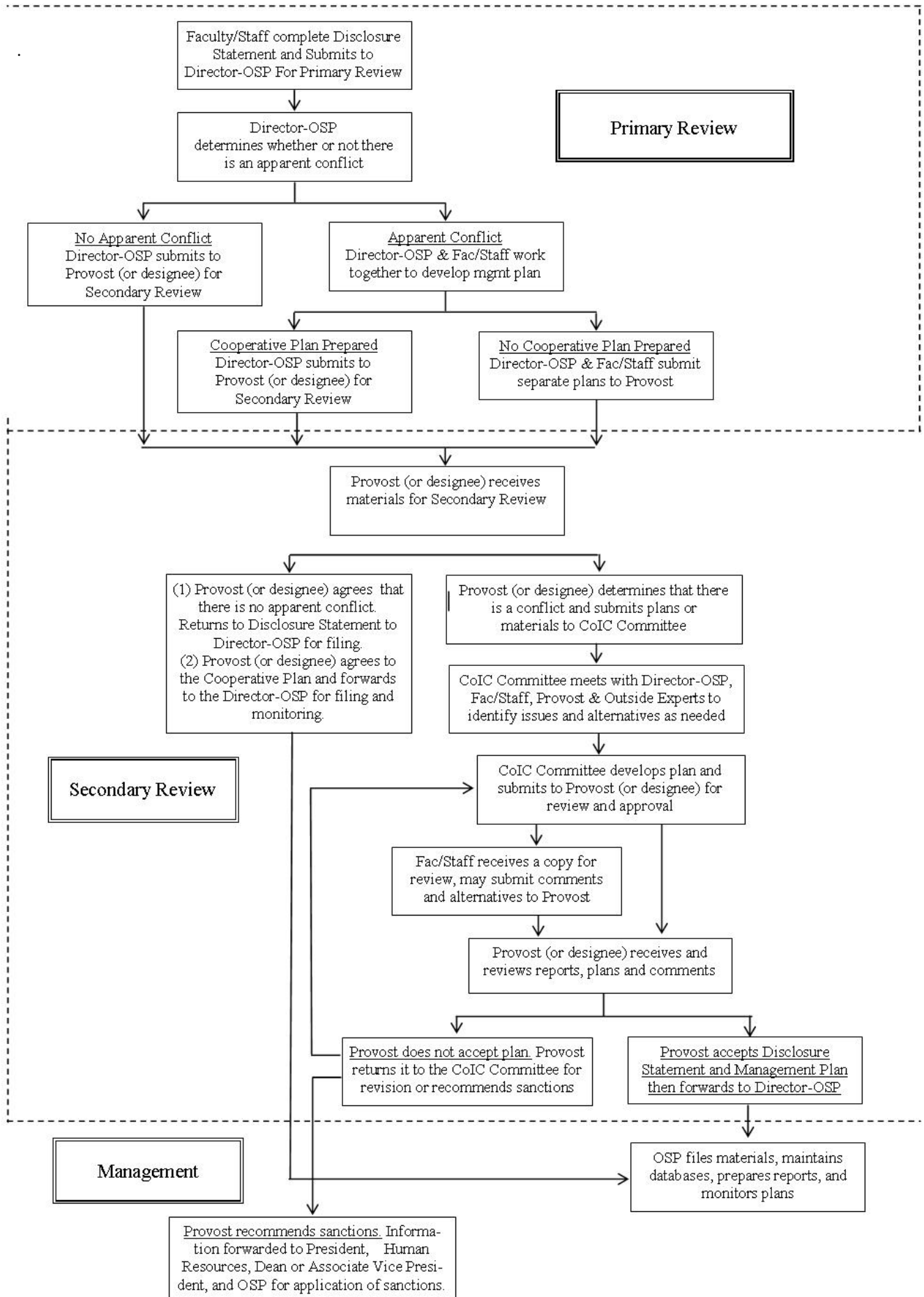
A conflict of interest occurs when there is a divergence between an individual's private interests and his or her professional obligations to the University, such that an independent observer might reasonably question whether the individual's professional actions or decisions are determined by considerations of personal gain, financial or otherwise. A conflict of interest depends on the situation, and not on the character or actions of the individual. (NCURA, pg 16: Stanford University)

A conflict of interest occurs when the commitment to external activities of a faculty or staff member adversely affects his or her capacity to meet University responsibilities. This form of conflict is easily defined and recognized since it involves a perceptible reduction of the individual's time and energy devoted to University activities. (NRUCA, pg 16-17: Yale University.)

The determination of a conflict of commitment will differ across schools and departments, but they should be based on a general understanding between the faculty member and his or her department chair and school dean. Even with such understandings in place, however, attempts of faculty to balance University responsibilities with external activities – such as consulting, public service or pro bono work

– can result in conflicts regarding allocation of time and energies. Conflicts of commitment usually involve issues of time allocation. (NCURA, pg 17: Stanford University.)

Attachment 5: Summary of Disclosure and Management Process





Conflict of Financial Interest and Commitment Disclosure Statement

For Official Use Only
Date Received:
Disclosure Number:

Please complete all information and attach materials as requested, then deliver to the Director, Office of Sponsored Programs, WPUNJ, Raubinger Hall Rm 107, 300 Pompton Rd. Wayne, NJ 07470.

Name:
Title:
Department/College:
Email: Phone:

Proposal/Project Title:
Initial Disclosure Annual Update Other Update

A. Proposed Grant Funding Source

- William Paterson University
ART CfR RTI CTE Other:
State of Federal Agency, Corporation, Business, Foundation or Other
Name of Agency or Entity:
Name of Funding Program:
No internal or external grant funding sources are involved.

B. Type of Support

- Grant Contract Other:
New Renewal Other:

C. Financial Conflict of Interest

- 1. Do you personally receive salary or other payments, hold stock or intellectual property interests that exceed \$10,000 in aggregate value or more than a 1% ownership interest in the proposed funder? (This does not apply if WPUNJ is the funder.) Yes No NA
2. Do you personally receive salary or other payments, hold stock or intellectual property interests that exceed \$10,000 in aggregate value or more than a 1% ownership interest in an agency or entity associated with the proposed project? Yes No
3. Does a member of your immediate family receive salary or other payments, hold stock or intellectual property interests that exceed \$10,000 in aggregate value or more than a 1% ownership interest in the proposed funder? (This does not apply if WPUNJ is the funder.) Yes No NA
4. Does a member of your immediate family receive salary or other payments, hold stocks or intellectual property interests that exceed \$10,000 in aggregate value or more than a 1% ownership interest in an agency or entity associated with the proposed project? Yes No NA

D. Conflict of Commitment

- 1. Do you personally have a commitment to an activity or professional relationship that involves a perceptible reduction in the time or energy you normally devote to WPUNJ, or use WPUNJ facilities or resources for more than incidental support of non-profit or community organizations? Yes No
2. Are any of these commitments related to this project? Yes No

E. Disclosure

If you answered yes to any of these questions, please attach a written description and supporting documentation that fully describes your potential conflict of interest, the agencies or entities that are involved, the nature of your relationship, and the approximate value or amount of salary or other payments you receive.

F. Certification and Signature

I certify that the information contained in and attached to this form is true and accurate to the best of my knowledge and complies fully with the WPUNJ *Conflict of Interest and Commitment Policy*. Furthermore:

- I understand that if a Conflict of Interest or Commitment is identified, that I will be involved in the development and implementation of a management plan, but that the final authority to define and approve the management plan rests with William Paterson University.
- I understand that if a conflict is identified and a management plan is approved, I must fully comply with the terms and conditions of the plan.
- I understand that I must submit an updated disclosure form by the anniversary date of the acceptance of this Disclosure Statement, when a significant change in the status of this Disclosure occurs, or at other times as determined by the Provost.
- I understand that failure to fully disclose conflicts and to provide updated information in a timely manner will result in disciplinary action by WPUNJ.

Signed

Date

G. Primary Review (OSP)

- I have determined that there is not a significant conflict of interest or commitment.
- I have determined that there is a significant conflict of interest or commitment. I have attached the reasons for this decision and my recommendations for the management plan.

Signature _____

Name _____

Title: _____

Date: _____

H. Secondary Review (Provost)

- I have determined that there is not a significant conflict of interest or commitment.
- I agree that there is a significant conflict of interest or commitment, and have forwarded the Disclosure Statement and related materials to the Conflict of Interest Committee for review.

Signature _____

Name _____

Title: _____

Date: _____

I. Conflict of Interest Committee

- The Committee has developed a Management Plan for the Provost's final review.

Signature _____

Name _____

Date: _____

Title: _____

J. Final Review (Provost)

- I have received and accepted the Disclosure Statement and Management Plan from the Conflict of Interest Committee.
- I have received but have not accepted the Disclosure Statement and Management Plan from the Conflict of Interest Committee.

Signature _____

Name _____

Title: _____

Date: _____

K. Applicant Acceptance

- I accept the Management Plan and agree to abide by its terms, conditions and requirements.
- I do not accept the Management Plan and will discontinue the activities that are in conflict with my role as a WPUNJ employee.

Signature _____

Name _____

Title: _____

Date: _____

