

Financial Interest Disclosure Policy for Sponsored Projects at Swarthmore College

Introduction

These guidelines define Swarthmore College policy regarding potential conflicts of interest in relationship to sponsored projects involving research and education. The College is required to maintain such policies as a recipient of federal funds. The guidelines protect the credibility and integrity of the College's faculty and staff and of the research process itself, and ensure that public and institutional resources are used appropriately.

This policy does not apply to Phase I SBIR applicants and recipients.

Definitions

Conflict of Interest exists when an independent observer might reasonably conclude that a significant financial interest could directly and significantly affect the design, conduct, or reporting of research or educational activities funded or proposed for funding.

Financial Interest means anything of monetary value received or held by an Investigator or an Investigator's spouse and/or dependent children, whether or not the value is readily ascertainable, including, but not limited to: salary or other payments for services (e.g., consulting fees, honoraria, or paid authorships for other than scholarly works); any equity interests (e.g., stocks, stock options, or other ownership interests); and intellectual property rights and interests (e.g., patents, trademarks, service marks, and copyrights), upon receipt of royalties or other income related to such intellectual property rights and interests.

For Investigators, *Financial Interest* also includes any reimbursed or sponsored travel undertaken by the Investigator and related to his/her institutional responsibilities. This includes travel that is paid on behalf of the Investigator rather than reimbursed, even if the exact monetary value is not readily available.

Financial Interest does NOT include:

- a) salary, royalties, or other remuneration from the Institution;
- b) travel reimbursed or sponsored by U.S. Federal, state or local governmental agencies, U.S. institutions of higher education, research institutes affiliated with institutions of higher education, academic teaching hospitals, and medical centers;
- c) income from the authorship of academic or scholarly works;
- d) income from seminars, lectures, or teaching engagements sponsored by or from advisory committees or review panels for U.S. Federal, state or local governmental agencies; U.S. institutions of higher education; U.S. research institutes affiliated with institutions of higher education, academic teaching hospitals, and medical centers; or
- e) equity interests or income from investment vehicles, such as mutual funds and retirement accounts, so long as the Investigator does not directly control the investment decisions made in these vehicles.

Significant Financial Interest means a Financial Interest that reasonably appears to be related to the Investigator's Institutional Responsibilities, and:

- a) if with a publicly traded entity, the aggregate value of any salary or other payments for services received during the 12 month period preceding the disclosure, and the value of any equity interest during the 12 month period preceding or as of the date of disclosure, exceeds \$5,000; or

- b) if with a non-publicly traded entity, the aggregate value of any salary or other payments for services received during the 12 month period preceding the disclosure exceeds \$5,000; or
- c) if with a non-publicly-traded company, is an equity interest of any value during the 12 month period preceding or as of the date of disclosure; or
- d) is income related to intellectual property rights and interests not reimbursed through the Institution.

Financial Conflict of Interest exists when Swarthmore, through the Authorized Institutional Official, reasonably determines that an Investigator's Significant Financial Interest is related to a federally-funded project and could directly and significantly affect the design, conduct or reporting of research.

Authorized Institutional Official means the individual at Swarthmore that is responsible for the solicitation and review of disclosures of significant financial interests including those of the Investigator's family related to the Investigator's Institutional Responsibilities. For the purposes of this policy, the Authorized Institutional Official is designated as the Provost and Dean of the Faculty.

Institutional Responsibilities means the Investigator's professional responsibilities associated with his or her appointment or position, which may include research, research consultation, teaching, committee memberships.

Investigator means the principal investigator/project director, co-principal investigators, and any other person regardless of title or position who is responsible for the design, conduct, or reporting of research or educational activities funded, or proposed for funding, by an external sponsor.

PHS Awarding Component is the organizational unit of the PHS that funds the research that is subject to this policy.

SBIR stands for Small Business Innovation Research. This federal program encourages participation of domestic small business in federal research in the U.S., often in partnership with non-profit research institutions (including institutions of higher education).

Research is a systematic investigation, study or experiment designed to develop or contribute to generalizable knowledge in any academic discipline. The term encompasses basic and applied research (e.g., a published article, book or book chapter) and product development (e.g., a diagnostic test or device).

Disclosure

Investigators are required to disclose their outside financial interests (including those of the Investigator's spouse and dependent children) to the College at the time of submission of a proposal for funding from a federal agency. If significant financial interests are reported, supporting documentation that identifies any business enterprise or entity involved and the nature and amount of the interest must be included with the disclosure. Swarthmore will not submit a proposal unless the Investigator has submitted such ad hoc disclosures.

In addition, Investigators must update financial disclosures:

- Within thirty (30) days of discovering or acquiring (e.g., through purchase, marriage, or inheritance) any new significant financial interest; and
- Annually within the period of the award.

Travel

The Investigator must also disclose reimbursed or sponsored travel related to their institutional responsibilities, as defined above in the definition of Financial Interest. Travel reimbursed or sponsored by U.S. Federal, state or local governmental agencies, U.S. institutions of higher education, research institutes affiliated with institutions of higher education, academic teaching hospitals, and medical centers.

Subrecipients

The College is responsible for ensuring all subrecipients' compliance with the applicable federal regulations regarding financial conflicts of interest. To this end, the College shall enter a written agreement with each subrecipient that shall specify whether this policy, or the applicable policy of the subrecipient's institution, will apply to subrecipient investigators. Said agreement will specify the timing for reporting of financial conflicts of interest by subrecipients to Swarthmore College to enable the timely review and reporting of such financial conflicts of interest in compliance with funding agency requirements.

Review Process

If the Disclosure form reveals a Significant Financial Interest, it will be reviewed promptly by the College's Financial Conflict of Interest Committee (FCOIC).

This committee will review all Investigator disclosures of Significant Financial Interests per the College's designated Significant FCOI SOP and reasonably determine whether they are related to the Investigator's research. The FCOIC will determine whether the disclosed interest constitutes a significant financial conflict of interest in that it could directly and significantly affect the design, conduct or reporting of the research. If so, the committee will develop and implement a Conflict Management Plan that must be followed by the Investigator in order to reduce, manage or eliminate the FCOI.

Reporting to the Sponsor

Should any reported conflict or non-compliance require reporting to the sponsor, the Authorized Institutional Official will report in accordance with federal regulations. If the funding for the project is made available via a subaward agreement, such reporting shall be made available to the prime awardee such that they may fulfill their reporting obligations to the sponsor.

Appeal Process

If the Investigator is dissatisfied with the recommendations on how to manage the Financial Conflict of Interest, they may appeal to the Authorized Institutional Official who will consult with the Investigator and/or the appointed committee as is necessary and appropriate to the particular circumstance.

Managing Conflicts of Interest

The decision of the Authorized Institutional Official concerning the recommendations shall be final. The decision shall be incorporated into a memorandum of understanding between Swarthmore College and the Investigator that details the conditions or restrictions imposed in the conduct of the project or in the relationship with the business enterprise or entity and will be signed by the Investigator and the Authorized Institutional Official. Actual or potential Conflicts of Interest will be satisfactorily managed, reduced, or eliminated in accordance with these guidelines prior to Swarthmore's expenditure of any funds under the award, or they will be disclosed to the sponsoring agency for action.

Violations of Conflict of Interest Policy

The Investigator is expected to comply fully with the policy. Instances of deliberate breach of policy, including failure to file or knowingly filing incomplete, erroneous, or misleading disclosure forms, violation of the guidelines, or failure to comply with prescribed monitoring procedures may result in sanctions being imposed upon the violating individual.¹

Record Maintenance

The Authorized Institutional Official or their designee will retain all disclosure forms, conflict management plans, and related documents for a period of three years from the date of the final expenditure report is submitted to the sponsor. Access to such records will be limited to the faculty member, Authorized Institutional Officials and others who have legal right to review the records.

Confidentiality

To the extent permitted by law, all disclosure forms, conflict management plans, and related information will be confidential. However, Swarthmore may make such information available to an agency funding research of the faculty member, to a request for information concerning Financial Conflict of Interest related to sponsor funding or to the primary entity who made the funding available to Swarthmore, if requested or required. If Swarthmore is requested to provide disclosure forms, conflict management plans, and related information to an outside entity, the Investigator will be informed of this disclosure.

Public Accessibility

Prior to the expenditure of funds, Swarthmore will publish on a publicly accessible website, or respond to any requestor within five business days of the request, information concerning any Significant Financial Interest that meets the following criteria:

- a) The Significant Financial Interest was disclosed and is still held by the Investigator;
- b) A determination has been made that the Significant Financial Interest is related to the sponsor-funded research; and
- c) A determination has been made that the Significant Financial Interest is a Financial Conflict of Interest.

The information to be made available shall be consistent with the requirements of the policies of the sponsor.

Regulatory Authority

This policy implements the requirements of 42 CFR 50 and 45 CFR 94; where there are substantive differences between this policy and the requirements, the requirements shall take precedence.

Additional Requirements for PHS funded research:

Training

¹ For remedies related to clinical research (which is unusual for the College), see [42 CFR 50.506\(c\)](#).

An Investigator must complete training on this policy prior to engaging in research funded by NIH, if they are new to the College, and at least every four years thereafter. They must also complete training within a reasonable period of time as determined by the Authorized Institutional Official in the event that this policy is substantively amended in a manner that affects the requirements of Investigators, or if it is determined that the Investigator has not complied with this policy or with a management plan related to their activities.

Please contact the Research Compliance Manager for more information about Financial Conflict of Interest trainings.

Amended: November, 2020

Effective: August, 2012