

SOUTH DAKOTA SCHOOL OF MINES AND TECHNOLOGY
Policy Manual

SUBJECT: Conflicts of Interest

NUMBER: **Policy 4-20** (formerly Policy IV-21)

1. Purpose

To set forth South Dakota Mines (Mines) policy and procedures for disclosure and management of outside financial interests of employees. These interests include

- Private practice, consultation, and outside employment;
- Research investigator financial conflicts of interest; and
- Direct-benefit conflict of interest

2. Definitions

Investigator: The project director or principal investigator and any other person, regardless of title or position and including external collaborators or consultants, who is responsible for the design, conduct, or reporting of research or educational activities funded or proposed for external funding through the Office of Sponsored Programs.

Professional Employee: Those persons employed in professional capacities and including faculty members; administrators with authority over organizational units, programs, supervision of personnel, or purchasing or other contract approval; and civil service staff who make effective recommendations for purchasing or other contracting.

Institutional Responsibilities: An investigator's professional responsibilities on behalf of the institution (as per SDBOR 4.9.5 Section B.8). At Mines, these responsibilities encompass all duties outlined in a professional employee's position description, or other duties as assigned by the employee's supervisor, or in the institutional and departmental expectations documents for faculty.

Direct Benefit: As defined in SDBOR 4.9.3 Section C.1.5.2.

3. Policy

University employees are required to annually review all SDBOR and Mines policies. Compliance with these policies is required.

For the policy and procedures herein, compliance focuses on the following:

- SDBOR 4.9.3 (Conflict of Interest) outlines policy and procedures for compliance with the policies listed below, as well as managing instances of direct benefits.
- SDBOR 4.9.4 (Investigator Financial Disclosure) and 4.9.5 (Public Health Service Investigator Financial Disclosure) outline requirements for disclosure of financial conflicts of interest by investigators applying for or receiving federal funding (4.9.4) or

funding through a Public Health Service agency (4.9.5). Included are requirements for disclosure, review, and management of these interests, as well as mandated training and information dissemination.

- SDBOR Policy 4.9.2 (Private Practice, Consultation, or Outside Employment) outlines prior approval application, application review, and conflict of interest management of specified private practice, private consulting, or employment with entities outside of the Regental system. Limits on the duration and types of activities allowed are included, as are reporting requirements.

4. Procedures

4.1. Notifications

- 4.1.2 The Office of Human Resources will annually notify employees of their responsibility to review and comply with SDBOR and Mines policies.

4.2. Annual Financial Conflict of Interest Disclosure

- 4.2.1. The Office of Human Resources will distribute the *SDBOR Conflict of Interest Form*, and professional employees will submit the completed form annually.

- 4.2.2. The Office of Human Resources will review each *SDBOR Conflicts of Interest Form* to determine whether there is a potential conflict with an employee's institutional responsibilities that requires further review.

- 4.2.3. The Office of Human Resources will contact the University President, or designee, for instances in which a conflict may require additional information, development of a *Mines Conflict Management Plan* to modify or otherwise manage internal or external activities, or curtailment of the activities conflicting with the individual's duties as an employee.

- 4.2.4. The University President, or designee, will review the information and determine a course of action.

- 4.2.4.1. If it is determined that a management plan is needed, the *Mines Conflict Management Plan* form shall be used to develop, communicate, and administer that plan. Plans that manage financial conflicts of interest related to research, will follow guidelines outlined in SDBOR 4.9.5 Section C.4 -C.5.

- 4.2.4.2. If the conflict is found to be unmanageable, becomes unmanageable, or is otherwise unacceptable to the University, the employee may be directed to curtail the outside activity.

- 4.2.5. The Office of Human Resources will communicate to the employee whether outside disclosed activities will be allowed, will need to be managed or modified, or must be curtailed.

- 4.2.6. The Office of Human Resources will monitor the conflict and maintain appropriate personnel documentation in the employee's personnel file.
- 4.2.7. The Office of Human Resources will inform the Vice President for Research and the Director of the Office of Sponsored Programs of any conflict-of-interest determinations that may relate to sponsored research activities, so that proposal submission(s) and award(s) can be managed, and required reporting to Federal agencies can be submitted, as outlined in SDBOR 4.9.5.
- 4.2.8. Real or potential violations of policy shall be handled according to SDBOR 4.9.3, Section C.2.
- 4.2.9. The duty to disclose conflicts shall be continuing. Each professional employee shall have an obligation to supplement the annual disclosure within one month of the time that the employee or immediate family member acquires employments or other business or financial interests that would be reportable under the policy; provided that immediate disclosure is required if the professional employee is actively participating in decision-making in a project or other endeavor involving the outside employer, contractor, or entity.
- 4.2.10. All conflict-of-interest documentation shall be maintained in the University employee's personnel file in the Office of Human Resources and shall be reviewed in conjunction with updated conflicts of interest submissions or requests for prior approval of private practice, private consulting, or outside employment.

4.3. Additional Conflict of Interest Management in Research Activities

- 4.3.1. Required training on disclosure of significant financial interests for investigators is provided in Mines Policy IX-20 (Training Requirement in Responsible Conduct of Research). Records of such training are maintained in the Office of Research Affairs.
- 4.3.2. Disclosure of significant financial interests by investigators during proposal submission occurs as part of the proposal approval process. Review of these disclosures follows the same process as for annual disclosures (Section 4.2 of this policy).
- 4.3.3. Subrecipient compliance with Public Health Service regulations on disclosure of significant financial interests (SDBOR 4.9.5) is obtained through completion of the subrecipient commitment form as part of proposal routing and subaward contract development.
- 4.3.4. The Office of Sponsored Programs is responsible for filing required financial conflict of interest reports to relevant funding agencies.
- 4.3.5. Required online documentation of administrative procedures to assure compliance with publication, training, enforcement, record keeping, and reporting requirements of Public Health Service regulations (SDBOR 4.9.5) is the responsibility of the Vice President for Research, or designee.

- 4.3.6. Required online documentation of the process for persons to obtain information about financial conflicts of interest, including how a person can receive information on existing conflicts of interest, for projects funded through Public Health Service agencies is the responsibility of the Vice President for Research, or designee.
 - 4.3.7. The Office of Human Resources is responsible for responding to public requests for information about financial conflicts of interest in research funded by Public Health Service agencies.
5. Employee Direct Benefit
 - 5.1. As outlined in SDBOR 4.9.3 Section 1.5, employees are state employees and cannot derive a direct benefit from certain state contracts.
 - 5.2. An employee may request a waiver (available in SDBOR 4.9.3 and its ancillary documents).
 - 5.3. Requests are reviewed by the Vice President for Finance and Administration, with the final consideration made by the President.
 - 5.4. The Office of Human Resources will notify the Vice President of Research and the Director of the Office of Sponsored Programs of authorizations, will place the waiver and authorization in the employee's personnel file, and will file the authorization with the state Bureau of Human Resources
6. Management of Private Practice, Private Consulting, and Outside Employment (in compliance with SDBOR 4.9.2)
 - 6.1. The Office of Human Resources will notify professional employees at the start of Fall and Spring Semesters of this policy and provide instructions to access and complete the *Request for Permission to Engage in Private Practice, Consultation, or Outside Employment* form.
 - 6.2. Faculty members
 - 6.2.1. A faculty member will submit a request for prior approval of private practice, private consultation, or outside employment on the *Request for Permission to Engage in Private Practice, Consultation, or Outside Employment* to their department head.
 - 6.2.2. The department head will review the request; provide a written recommendation for approval or denial; and forward the request with their recommendation to the Provost for decision, as a designee for the University President.
 - 6.2.3. If deemed necessary, a plan to manage financial conflicts of interest resulting from outside activities will be developed in accordance with Section 4.2 above.

6.2.4.If outside activities are approved, the faculty member will update their *SDBOR Conflicts of Interest Form* within thirty (30) days and abide by any agreed plans to manage financial conflicts of interest that are developed.

6.2.5.The faculty member will report on activities and time commitments annually using the *Request for Permission to Engage in Private Practice, Consultation, or Outside Employment* form.

6.2.6.The faculty member will reimburse the institution for use of space, equipment, personnel, and materials used in activities as part of the annual report requirement in the *Request for Permission to Engage in Private Practice, Consultation, or Outside Employment* form.

6.3. Non-exempt and civil service employees

6.3.1.Procedures for activities undertaken during the course of the workday are outlined in SDBOR 4.9.2 Section C.2.

7. Forms (Other than SDBOR Forms)

Request for Permission to Engage in Private Practice, Consultation, or Outside Employment

Mines Conflict Management Plan