

## **Harvard University Financial Conflict of Interest Policy Information Sheet**

<b>Important Links</b>	
<b>FAS fCOI and Resources iSite</b>	<a href="http://isites.harvard.edu/icb/icb.do?keyword=k86955">http://isites.harvard.edu/icb/icb.do?keyword=k86955</a>
<b>Current Version of University Policy</b>	<a href="http://vpr.harvard.edu/sites/vpr.harvard.edu/files/Harvard%20University%20fCOI%20policy.pdf">http://vpr.harvard.edu/sites/vpr.harvard.edu/files/Harvard University fCOI policy.pdf</a>
<b>fCOI Disclosure Tool</b>	<a href="http://fcoi.harvard.edu">http://fcoi.harvard.edu</a>
<b>Frequently Asked Questions (FAQs)</b>	<a href="http://vpr.harvard.edu/sites/vpr.harvard.edu/files/seealsodocs/COI%20FAQs.pdf">http://vpr.harvard.edu/sites/vpr.harvard.edu/files/seealsodocs/COI%20FAQs.pdf</a>

### 1) **Definitions**

#### a. **Related Outside Entity**

“Related outside entity” means an entity that may, or may reasonably appear to an outside observer to, relate to a faculty member’s teaching, research, or other University-related responsibilities. In determining relatedness, the faculty member should apply a standard of common sense, and when in doubt, report. Examples of such entities include those:

- i. whose products, services, or activities are related to the areas of the faculty member’s teaching or research;
- ii. that fund research in which the faculty member participates or proposes to participate;
- iii. that own or have rights to develop intellectual property that is the subject of research in which the faculty member participates;
- iv. that make or propose to make a gift to the University that would support the faculty member’s teaching or research activities;
- v. that furnish products or services to the University through a contractual process in which the faculty member participates in any way;
- vi. that have or propose to enter a licensing agreement with the University with respect to technology invented by the faculty member;
- vii. that act as a legal or *de facto* agent for any outside entity engaged in any of the above activities (if the original source of remuneration or equity interest paid through a third party is known by the faculty member, it should be disclosed).

#### b. **Significant Financial Interest**

“Significant Financial Interest” includes, but is not limited to, (1) financial compensation from consulting, employment, managerial, and fiduciary relationships above \$5,000; (2) equity and other financial interests above \$5,000; and (3) equity interests of any amount, or entitlement to the same, in a non-publicly traded, for-profit, entity. In all cases the Significant Financial Interest will be calculated per entity reported in the preceding twelve month period and will be calculated on the

aggregation of the sum total of the faculty member/investigator, his or her spouse and dependent children.

## 2) **Examples of Financial Interests that Should be Reported**<sup>1</sup>

- a. Salary or any other remuneration (including consulting fees, honoraria, paid authorship, or other compensation) received from an entity<sup>2</sup> other than Harvard University (see exclusions below);
- b. Stocks, stock options or other ownership interest in a publicly traded entity;
- c. Any equity interest (e.g., stocks, stock options, or other ownership interest) in a non-publicly traded entity, regardless of dollar amount;
- d. Intellectual property rights and interest (e.g., patents), upon receipt of income related to such rights and interests unless paid by Harvard University;
- e. Holdings in a targeted mutual fund or hedge fund<sup>3</sup>;
- f. Income from books and other publications, whether hard copy or electronic, in excess of \$5,000 for a single work.

## 3) **Examples of Financial Interests that Need Not be Reported**

- a. Salary or other remuneration, including royalty payments, paid by Harvard University;
- b. Income from seminars, lectures, or teaching engagements sponsored by a federal, state, or local government agency, an institution 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;
- c. Income from service on an advisory committee or review panel for a federal, state, or local government agency, an institution 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;
- d. An equity interest in a publicly-traded entity that, when aggregated for the faculty member/investigator and the faculty member/investigator's spouse and dependent children, does not exceed \$5,000 in value as determined through reference to public prices or other reasonable measures of fair market value;
- e. Income from investment vehicles, such as mutual funds and retirement accounts, as long as the faculty member/investigator does not directly control the investment decisions made in these vehicles;
- f. Stocks in large publically traded companies that have equipment in the faculty member/investigator's laboratory, unless the stocks were received in compensation for consulting, advisory, or promotional services.

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<sup>1</sup> Received from an entity in the twelve months preceding the disclosure and the value of any remuneration or equity interest in the entity as of the date of disclosure, when aggregated for the investigator and spouse and dependent children, exceeds \$5,000.

<sup>2</sup> If the original source of the remuneration is paid through a third-party and that source is known then it should be disclosed.

<sup>3</sup> Disclosure of specific asset holdings would not be required if such disclosure is prohibited by a non-disclosure agreement.

#### 4) **Use of Information**

All financial disclosures shall be maintained in a secure format, held in confidence, and released only to those institutional officials and bodies with a need to know. Disclosed information will be used (a) to assure compliance with conflict of interest policies and regulations; (b) to comply with subpoenas and other legal obligations.

A designated Institutional Official (DIO) appointed by the Dean<sup>4</sup> will bear primary responsibility for implementation of the FAS fCOI policy in accordance with guidelines developed by the CRP. The DIO will review the disclosures of significant financial interests (SFI) submitted annually by FAS faculty and determine whether there is a potential financial conflict of interest, in consultation with the faculty member. If the DIO and faculty agree that a potential conflict exists they will jointly develop a plan to manage, reduce or eliminate the potential conflict. If the DIO and faculty member do not agree, the DIO will consult with the Committee on Research Policy (CRP) subcommittee. The CRP Chair may also seek advice from an *ad hoc* faculty committee with expertise in the programmatic area related to the potential fCOI. The CRP will develop and vote on recommendations (majority vote) and work with the faculty member to implement the recommendations and resolve the potential conflict. If the CRP and the faculty member cannot come to an agreement, the faculty may appeal the decision to the University fCOI committee. The University fCOI committee will advise the CRP but the CRP will make a final recommendation to resolve the potential conflict (majority vote). As an option of last resort for the PI s/he may request the matter be decided by the FAS Dean. The decision of the Dean will be final and binding.

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<sup>4</sup> The current DIO is Gearóid Griffin