University of Missouri

Guide to Managing Converging Interests
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Guide to Managing Converging Interests

I. Introduction

I.a. Background

The University of Missouri encourages interactions and the establishment of relationships between their employees and federal, state, and local governments, and business and industry as important parts of their research, education, and public service activities including economic development. External corporate relationships enrich teaching and research, expand career and research opportunities for students, and provide the obvious mechanism for the translation of university developed intellectual property into commercial ventures that benefit the public. However, employee’s interactions with the private sector also carry with them an increased potential for conflict of commitment and financial conflict of interest, or at least the perception of the potential for conflicts. Because of the role of the University as a steward of public funds and the public trust, the University assumes the responsibility to identify its own relationships with the private sector that may constitute potential institutional conflict of interest and to assist its employees in identifying activities that present the potential for conflicts and in managing, or eliminating these potential conflicts to assure that they do not threaten the integrity of the University and its core activities as viewed by an independent prudent person. To do otherwise could impair the credibility of the academic enterprise. To achieve these goals, the University has developed Conflict of Interest Policies CR&R 330.015 and 420.030. Employees should be aware that conduct that violates these rules and regulation pertaining to conflict of interest shall constitute a breach of the employment contract and may lead to disciplinary action. This guidance document is not intended to supersede these Policies, but to supply additional information to assist both employees, managers, and the University in dealing with potential conflicting interest.

I.b. Purpose of this Guide and Intended Audience

One goal of this guide is to inform, educate and guide University employees regarding the potential risks of engaging in relationships and partnerships with private business and industry and the potential risks to academic and institutional values that may arise. This document is intended to assist University employees in identifying situations with the potential to elicit financial conflicts, conflict of commitment, or institutional conflict of interest. In addition, the guidance document describes mechanisms employees should use to disclose such conflicts. A second goal of this guidance document is to assist the University of Missouri System and its Campuses in developing mechanisms to manage potential conflicts were possible, and eliminate activities that would lead to conflicts were necessary.

Within this framework, any review of a potential conflict of interest will be undertaken in light of five general propositions. First, potential conflicts of interest are inevitable, and do not represent any impropriety by the employee if identified and disclosed in advance and properly managed. Second, responsibility for disclosure lies solely with the employee. The failure to disclose a potential conflict of interest for administrative review and response circumvents the University’s ability to assure proper stewardship of public funds and maintain the public’s trust. Third, there is a presumption in favor of allowing employees to act in dual roles once the potential conflict of interest has been disclosed and a plan to manage the conflict has been approved. Fourth, potential conflicts of interest may be so profound under some circumstances that it would be best for all concerned if the employee did not participate in a particular interaction. Fifth, administrators have a responsibility to notify those reporting to them of their obligation to report.
II. Types of Conflicts

II.a. Conflict of Commitment
A potential conflict of commitment occurs when there is a possibility that an employee’s outside activities involve a commitment of time or professional commitment that may interfere with the performance of their University responsibilities or a commitment that may interfere with the mission and goals of the University.

II.b. Financial Conflict of Interest
A potential financial conflict of interest occurs when there is a possibility that an employee’s direct or indirect financial interests may influence the employee’s actions, decisions, or judgment in fulfilling their responsibilities to the University or the University’s responsibility to fulfill its mission. It is not possible, nor in some situations is it necessary, to eliminate all perceived, potential or real conflict of interest. The existence of a conflict is not necessarily a problem if both the individual and the institution are able to manage the conflicting interest in an appropriate manner.

II.c. Institutional Conflict of Interest
A potential institutional conflict of interest occurs when there is a possibility that the Curators, the University, any of its senior management, or a department, school, or other sub-unit, employees, students, or an affiliated foundation or organization, has an external relationship or financial interest in a company which they directly control and could use to influence the company that has a financial relationship with the University. Curators or senior managers may also have potential conflicts when they serve on the boards or otherwise have an official relationship with organizations that have a significant commercial interaction with the University. The existence (or the appearance) of such potential conflicts can lead to actual bias, or suspicion about possible bias, in conducting the business of the University including review or conduct of research. If they are not managed where possible or eliminated where necessary, they may result in choices or actions that are incongruent with the missions, obligations, values of the University, and the public’s trust. Curator relationships that raise the potential for conflicts of interest are covered by Missouri Revised Statutes Chapter 172.

III. Personal and/or Financial Conflict of Interest

III.a. Introduction
This document is intended to serve as a guide for all University employees in structuring their industry and other outside ventures in view of the employee’s responsibilities for teaching, research, administrative activities, and service within the University. It is not the intent of these guidelines to eliminate all situations of potential conflict of interest and commitment, but rather to enable employees to recognize situations that may be subject to question and ensure that such situations are disclosed to the University. These situations will then be managed where possible or eliminated when necessary. It should be clear that some potential conflicts of interest will be prohibited. The guidelines are intended to maintain the professional autonomy of the employee as appropriate to their respective disciplines, professional activities, and role within the University. Potential personal and/or financial conflict of interest occur when the employee’s direct or indirect financial interests may bias the individual’s judgment, or compromise his/her ability to carry out their responsibilities of teaching, research, administrative activities, or service within the University. In certain cases where employees may benefit personally from his/her activities, this
benefit may be permitted following disclosure and development of an approved management plan with appropriate oversight.

III.b. Business Relationships

The acquisition of goods and services for the University represent a large portion of the expenditures of the institution and is generally subject to the oversight of the Vice President for Administration and Finance, Chief Procurement Officer and internal auditing. This oversight is based on CR&R 330.015 and 420.030 and requirements set forth in Office of Management and Budget Circular A-110 and Missouri State Law. To the extent that individuals have a direct or indirect interest in a vendor of goods or services to the University, potential conflicts of interest may arise and must be identified, disclosed in writing and forwarded to the official having contract approval authority. This disclosure shall also be filed in a registry appropriately located for public scrutiny for a period of at least ten (10) business days prior to the approval of the contract.

III.c. Research Grants and Contracts

Decisions concerning the nature and direction of scholarly research at the University should be governed by judgments of scholarly merit, intellectual importance, and public benefit. An employee’s involvement with, or financial interest in, outside commercial entities should not bias their judgment concerning the employee’s own scholarly research or that of other employees or students.

Potential financial conflict of interest takes on even more ethical constraints when the research involves human participants. It is paramount that humans who volunteer as participants in clinical studies are assured that no financial bias, positive or negative, is influencing the recruitment, the execution of the trial per se, the gathering and interpreting of data, or the impartiality of the reporting of the outcomes of the clinical study. The appropriate Institutional Review Board (IRB) must be informed of these potential personal financial conflict of interest and managed by IRB practices and policies. If real financial conflicts of interest exist, they must be addressed in the most conservative manner to ensure human research participants that the studies are adhering to the highest ethical standards.

The University of Missouri System’s procedures and practices are supported by both the Association of American Universities (AAU) and the Association of American Medical Colleges (AAMC) policy and management suggestions for academic biomedical research involving human participants and consistent with CR&R 420.030. However, the public safety consequences of research in some non-clinical research areas should also be recognized when outside financial interests could influence the research design, conduct or reporting. For example, engineering research leading to development, testing, and commercialization of new materials can involve human research volunteers and put them at some risk. There are also research projects in social and behavioral sciences where financial conflicts may be sensitive.

III.d. Intellectual Property, Licensing of University Technology, and Start-up Companies

Licensing transactions present many potential conflicts of interest and commitment, especially those involving start-up companies with which the institution and inventors have a continuing relationship. These conflicts generally arise in the following areas; establishment of a company based on a license of university-owned technology, distribution and management of equity in that company to the inventor and the University, provision of sponsored research from the company back to the University, management of research in areas closely related to licensed technology, and supervision of students and other employees in the context of the relationship.
between the University and the start-up. This last issue is also central to the employees mentoring and supervisory activities related to conflict of commitment.

Many complicating factors arise in licensing technology to a start-up and the specific roles and terms of the licensing, equity, and research relationships have bearing on how conflicts are identified and managed. Whether perceived or real, problems will generally arise and need to be disclosed, managed where possible or eliminated when necessary.

IV. Conflict of Commitment

IV.a. Introduction

A potential conflict of commitment occurs when the time devoted to external activities or professional commitments adversely affects an employee’s capacity to meet their University responsibilities and the University’s responsibilities to fulfill its mission. Any outside employment, and even activities such as pro bono work or government activities which constitutes such a potential conflict, must be identified, disclosed, managed, and approved so as not to take precedence over an employee’s primary commitment to the University.

IV.b. Consulting and Outside Employment

The University encourages employees to engage in consulting with outside organizations. These relationships can enrich and add perspective to campus-based research and teaching, and provide a means by which employee expertise can be applied to real world problems. Consulting is a part of the University’s mission of community engagement including economic development. Employee consulting agreements are governed by CR&R 330.015.

Some consulting relationships can result in both financial, professional, and commitment conflicts. An employee’s consulting agreement with an outside sponsor must ethically balance the employee’s responsibility to the University, to students, and to the sponsor. However, consultation may in some instances also constitute a business interest requiring disclosure and approval when the entity for which the employee consults transacts business with the University or is in competition with the University, or where the consultation itself competes with the work of the University.

Before such a proposed consulting contract is executed by the University, the University employee shall make a full disclosure, in writing, which shall be forwarded to the official having contract approval authority. This disclosure shall also be filed in a registry appropriately located for public scrutiny for a period of at least ten (10) business days prior to the approval of the contract. In addition, no Intellectual Property Rights can be assigned by the University employee to any organization for whom they are acting as a consultant. Assignment of Intellectual Property Rights is governed by CR&R 100.020 & 110.005.

Common pitfalls in consulting relationships include: limiting the right to publish the results of research; creating the impression that the University has sponsored the outside activity; undermining the faculty member’s responsibility to graduate students; bring into question the employee members primary professional allegiance to the University; and overextending ownership and intellectual property rights. All of these pitfalls can lead to disputes between the University and companies that may affect the ability of either to commercialize inventions and discoveries.

IV.c. Outside Teaching

An employee of the University who teaches either credit or non-credit courses not connected with the University may have a potential conflict of interest or commitment. To avoid these conflicts an employee must disclose the proposed teaching activity and secure written approval in advance from her or his department chairperson/supervisor and dean/director. Approval for such teaching shall be granted unless the proposed teaching is not in the best interests of the University.
In reaching the decision, the department chairperson/supervisor and dean/director should consider all relevant matters including such concerns as duplication of University courses or programs and accreditation standards.

**IV.d. Mentoring and Supervision**

Mentoring students, post-doctoral fellows, junior faculty colleagues, and other employees is one of the most important roles and responsibilities assumed by University employees. The relationship of a mentor to the individual being mentored is a close and special relationship of trust often combined with an unequal distribution of power and influence between the individuals in the relationship. Because of this relationship of trust and the imbalance in power, the person being mentored may not feel they have the freedom to refuse the mentor’s request. Such interactions involving unequal distribution of power and influence may also be subject to the University’s Sexual Harassment Policy (CR&R 330.060). Moreover, whenever the possibility exists that a supervisor’s decisions might be influenced by personal financial interests, there also exists the potential for negative impact on the training or career development of the person being supervised.

When this type of potential conflict of commitment is identified and disclosed the University will review carefully all management plans to ensure they protect the rights of the vulnerable party and will closely monitor covered activities to ensure the management plan is being followed.

**V. Institutional Conflict of Interest**

**V.a. Introduction**

This document is intended to provide points for consideration on the topic of institutional conflict of interest for the University. These guidelines are to assist the institution in identifying and dealing with conflicts as they arise in different contexts. The potential for institutional conflicts of interest is an inevitable consequence of the reality that today’s multi-dimensional university is challenged with conflicting expectations, missions and values. For example, the University, and the federal and corporate sponsors of its research, generally view commercialization of new technology innovations to be an important component of the University’s mission to disseminate research results for the public good. The University is increasingly charged to supplement its traditional teaching, research, and service missions with an expectation to participate in, or be an engine driving, local, state, and regional economic development through technology transfer and small business development. In attempting to satisfy these new expectations, the University will be developing new relationships that have the potential to put the University’s business interests in conflict the more traditional academic missions of teaching, research, and service.

Potential institutional conflicts of interest may be highly complex and are often subjective. They may be harmful and will need to be managed where possible or be avoided if they would place the University in a position of choosing between taking an action that is consistent with or furthers the values and academic missions of the University and one that may appear to be consistent with and financially benefit the University but, actually is either inconsistent with and/or harmful to the values and academic missions of the University.

The following areas have the potential to generate institutional conflict of interest: 1) financial stake in revenues to be generated through technology transfer, 2) an equity interest in a start-up company which licenses University technology, 3) a venture capital fund created by the University to aid University-driven spin-offs, 4) conducting clinical trials of products from a company in which the University holds equity and/or receives royalties, from the sale of product(s) being evaluated in the trial, 5) industry-funded research covering entire laboratories, departments, or schools within an institution, or within a wide subject area that could create the perception of placing academic freedom, research integrity, or public access to scientific findings at jeopardy in...
exchange for research funding, 6) a research relationship with a company in which the University holds a significant equity share as a result of a licensing relationship, and 7) creating incentive systems within an institution that give individuals a personal financial stake in areas where they are decision-makers.

Other areas which hold the potential for inadvertently putting the University in conflict of interest situations if not identified and appropriately managed where possible are: 1) accepting restriction on publication or other forms of free communication in excess of scholarly norms for purely financial gain, 2) limiting peer review of the quality of industrially-funded research, 3) limiting or imposing academic pursuits of students or trainees as a result of external or internal institutional influence, 4) granting favored status to companies with which the University has a relationship engaging in licensing activities, and engaging in favoritism when dealing with companies in which the University has a financial interest.

V.b.  Major Gifts from Commercial Sponsors

The potential for institutional conflicts can occur as a result of major gifts from commercial sponsors when significant gifts to the University or to any of its departments, colleges, or research institutes. From a commercial sponsor of research may raise questions about the influence that company may have on the University’s research programs and how they are managed. Other similar concerns arise when individual companies sponsor research or provide significant consulting income to a significant number of employees within a single department or unit. In addition, gifts, or promises of gifts, in exchange for favorable terms on a technology license, or first access to intellectual property may also pose a problem. Another area of concern is venture funds that provide that a portion of revenue be “contributed” to the University must be carefully scrutinized for creating institutional conflict of interest conditions whether real or perceived.

V.c.  Financial Interest Acquired in Connection with the Licensing of University Intellectual Property

The University has an active program to license its inventions to commercial entities. Under these licenses the University typically acquires a financial interest in successfully developed products and, sometimes, in the developing entity itself. These financial interests can be of concern when they may appear to influence decisions about the conduct of research, teaching or patient care activities. For example, even where individual investigators do not have a personal stake, knowledge that the University stands to gain financially from successful development of a licensed technology can influence the direction of related research, the objectivity of research, the dissemination of results and the allocation of University resources among competing projects. The potential for conflict increases where the licensee sponsors research at the University. In such situations the University’s financial interests under the license may appear to alter decisions concerning the terms or conduct of the sponsored research. Special cases include allowing specific departments or colleges to invest in technology development directly.

In licenses to start-up companies the University often accepts equity in lieu of licensing fees, or in exchange for reduced royalties. From a financial viewpoint, the potential gain from holding equity may far exceed the potential return from a royalty-only license. The potential for significant gain, and the possibility that it may be realized long before any product comes to market, increases the possibility that such an equity interest may influence or may appear to influence University decisions about research that could affect the value of the University’s equity position. Such arrangements must be carefully evaluated and managed to ensure that research decisions are not influenced by the University’s potential for realizing financial gain.

Some University employees are hired specifically to encourage employee start-ups and to advocate for start-up companies as well as broker financial relationships with fledgling enterprises.
These employees and functions create special exposure for the University and the perception of institutional conflict of interest.

**V.d. Master Agreements with a Company Sponsor**
Companies sometimes offer long-term funding support for research conducted by a department or college. This support, often governed by a master agreement, may give special preferences to the company. When the University uses advisory committees or collaborative arrangement with companies through membership associations and these provide special access to research results these arrangements and the contracts or agreements that support them may include provisions that will create the appearance of conflicts.

**V.e. Research Involving the Use of Human Subjects**
The University has special responsibilities to patients and participants in human subjects research and must ensure that its financial relationships do not compromise its primary obligations to them. For this reason, the Universities will not accept or engage in certain specified financial relationships involving human subject research or patient care, and will subject other types of relationships to close scrutiny to assess whether the particular financial relationship may affect or may reasonably appear to affect either human subjects research or patient care conducted at or under the auspices of the University.

Clinical trials or human subject research sponsored by companies in which the institution has an equity or proprietary interest in the company, e.g. a license even though no royalty stream has yet been realized (net present value of the potential royalty stream) also present possible conflicts.

**V.f. Procurement of Goods and Services from Corporations in which the University has a Financial Interest**
Purchasing goods and services from companies that sponsor research at the University, or who are licensees of University technology, can sometimes raise issues similar to those raised by large gifts from commercial sponsors.

**V.g. University Participation in Economic Development Corporations, Venture Capital, and Research Foundations**
When the University establishes entities or participate in organizations designed to support or fund new business ventures or to promote local economic development and such organizations support companies that are a licensee of University technology or in which University employee members have significant involvement, conflicts can arise between the interest in promoting economic development and the University’s primary interests in research and teaching. Active investment by the University in ventures that are developing University technologies can raise significant concerns about whether research agendas and the conduct of related research at the University may be improperly influenced by the desire to protect the University’s investment.

**V.h. Roles of Curators and General Officers**
The Curators in the course of meeting their obligations and duties to the University may get early knowledge of University technologies. Some of these same members may hold a management role or board seat on companies’ Board of Directors looking to license technology or sponsor research at the University. These relationships raise the potential for conflicts of interest and are covered by Missouri Revised Statutes Chapter 172.
VI. Conflict of Interest Structure at University of Missouri System

VI.a. Introduction

Potential conflict of interest may arise within any unit of the University of Missouri System including the System Office and the four Campuses. Potential conflict of interest could involve any employee of the University.

Each campus of the University of Missouri System will develop procedures and practices to deal with identification, disclosure, management or elimination, and education about potential conflict of interest consistent with the University of Missouri Conflict of Interest Policies (CR&R 330.015 and 420.030) and this document.

VI.b. UM System Conflict of Interest Officer and Conflict of Interest Committee

The President of the University of Missouri will appoint and authorize a University of Missouri System Conflict of Interest Officer to oversee all conflict of interest policies, procedures and practices. The Conflict of Interest Officer will chair and be assisted in these responsibilities by the University of Missouri System Conflict of Interest Committee.

The University of Missouri System Conflict of Interest Committee will be composed of administration, faculty, staff, and representatives from each Campus Conflict of Interest Committees. The System Administration will be represented by the Vice President for Academic Affairs, the Vice President for Administration and Finance, the Vice President for Human Resources, and General Counsel or their designees. The faculty will be represented by one faculty member from each campus selected by the Intercampus Faculty Council. The staff will be represented by a staff member from the University System Office and by one staff member from each campus selected by the Campus Staff Council. Each Campus Conflict of Interest Committee will be represented by its Conflict of Interest Officer.

VI.c. Responsibilities

The University of Missouri System Conflict of Interest Officer and Committee responsibilities include, but are not limited to:

1) identification, disclosure, management or elimination of potential financial conflicts of interest and potential conflicts of commitment that arise within the University of Missouri System Office;

2) all aspects of potential institutional conflict of interest;

3) facilitate adequate conflict of interest education to assure uniform identification and disclosure of potential conflict of interest amongst all campuses of the University of Missouri System;

4) audit campus conflict of interest procedures, practices, educational plans, and outcomes and share the results with the President and Chancellors; and

5) review all University of Missouri conflict of interest policies, procedures and practices every five years.

VI.d. Best Practices

Current best practices nation-wide in conflict of interest management include:

1) an adequate educational plan for employees, is absolutely essential to success of the program;

2) the use of common reporting (disclosure) forms is suggested;

3) scheduled annual reporting, as well as, reporting when situations change.
4) formal acknowledgement by employees that they have read and understand the policies and procedures;
5) reporting at multiple levels, possibly via both administrative and committee channels;
6) description of disclosure review and approval processes;
7) description of the management plan process including who writes the plan, who reviews and approves the plan, and who oversee the management plan once it is approved;
8) dispute resolution processes described; and
9) coordination of efforts between the multiple units involved in the potential conflict of interest process insuring that a disclosure in one area will trigger disclosure in all other areas that are pertinent.

VII. Conflict of Interest Structure at University of Missouri Campuses

VII.a. Introduction

Potential conflict of interest may arise within any unit of the University of Missouri System including the System Office and the four Campuses. Potential conflict of interest could involve any employee of the University.

Each campus has its own set of characteristics, culture, and circumstances. Therefore, each campus of the University of Missouri System will need to construct its own procedures and practices to deal with potential conflicts of commitment and personal financial conflicts arising during business and academic activities. The campus procedures and practice with be reviewed by the System Conflict of Interest Officer and Committee to assure compliance with all University of Missouri Conflict of Interest Policies and System-level procedures and practices.

VII.b. Campus Conflict of Interest Officer & Conflict of Interest Committee

The Chancellor of each Campus will appoint a Conflict of Interest Officer to oversee the day-to-day conflict of interest operation. The person will report directly to the Chancellor on all matters related to conflict of interest on the campus. The Conflict of Interest Officer will chair and be assisted in these responsibilities by a Campus Conflict of Interest Committee.

The Conflict of Interest Committee should be composed of representatives from all affected groups of employees including staff, faculty, and administration on that Campus. In addition, the representation should have a broad range of experience in both the business operations of the campus as well as the academic and research areas.

VII.c. Responsibilities

The Campus Conflict of Interest Officer and Committee responsibilities include, but are not limited to:

1) identification, disclosure, management or elimination of conflicts of interest and conflicts of commitment that arise within that campus;
2) developing a conflict of interest education plan for their campus;
3) developing conflict of interest procedures and practices for their campus based on the University’s Conflict of Interest Policies and this guidance document. These procedures and practices will be reviewed and audited by the University of Missouri System Conflict of Interest Officer and Committee.
VII.d. Best Practices

Current best practices nation-wide in conflict of interest management include:

1) an adequate educational plan for employees, is absolutely essential to success of the program;
2) the use of common reporting (disclosure) forms is suggested;
3) scheduled annual reporting, as well as, reporting when the situation changes;
4) formal acknowledgement by employees that they have read and understand the policies and procedures;
5) reporting at multiple levels, possibly via both administrative and committee channels;
6) description of disclosure review and approval processes;
7) description of the management plan process including who writes the plan, who reviews and approves the plan, and who oversee the management plan once it is approved,
8) dispute resolution processes described; and coordination of efforts between the multiple units involved in the conflict of interest process insuring that a disclosure in one area will trigger disclosure in all other areas that are pertinent.
9) coordination of efforts between the multiple units involved in the conflict of interest process insuring that a disclosure in one area will trigger disclosure in all other areas that are pertinent.

VIII. Concluding Remarks

The University of Missouri encourages interactions and the establishment of relationships between their employees and federal, state, and local governments, and business and industry as important parts of their research, education, and public service activities including economic development. However, because of the role of the University as a steward of public funds and the public trust, the University assumes the responsibility to identify its own relationships with the private sector that may constitute potential institutional conflict of interest and to assist its employees in identifying activities that present the potential for conflicts and in managing, or eliminating these potential conflicts to assure that they do not threaten the integrity of the University’s and employee’s core activities as viewed by an independent prudent person. To do otherwise could impair the credibility of the academic enterprise.

This document has been written to educate all University administration and employees about potential conflicts of interest. This includes the identification of these conflicts by the employee and the disclosure by the employee of the potential conflict to the University. Then the University is responsible for developing processes and procedures to determine if a conflict exists, how to manage the conflict if possible, or to eliminate the conflict if management is impossible.

The document also outlines the responsibilities at both the System and Campus levels for the Conflict of Interest Officer and Conflict of Interest Committee. It also offers suggestion on best practices that have been developed national to guide the each of these groups in developing specific conflict of interest procedure and practice. The practices developed by each campus will be reviewed at the System level to assure they are consistent with current Conflict of Interest Policies (CR&R 330.015 & 420.030).
University of Missouri System Conflict of Interest

Introduction

Potential conflict of interest may arise within any unit of the University of Missouri System including the System Office and the four Campuses. Potential conflict of interest could involve any employee of the University.

Each campus of the University of Missouri System will develop procedures and practices to deal with identification, disclosure, management or elimination, and education about Conflict of Interest consistent with the University of Missouri Conflict of Interest Policies (CR&R 330.015 and 420.030) and this document.

UM System Conflict of Interest Officer and Committee

The President of the University of Missouri will appoint and authorizes a University of Missouri System Conflict of Interest Officer to oversee of all conflict of interest policies, procedures and practices. The Conflict of Interest Officer will chair and be assisted in these responsibilities by the University of Missouri System Conflict of Interest Committee.

The University of Missouri System Conflict of Interest Committee will be composed of administration, faculty, staff, and representatives from each Campus Conflict of Interest Committee. The system administration will be represented by the Vice President for Academic Affairs, the Vice President for Administration and Finance, the Vice President for Human Resource, and General Counsel or their designees. The faculty will be represented by one faculty member from each campus selected by the Intercampus Faculty Council. The staff will be represented by two staff member from the University System Office. Each Campus Conflict of Interest Committee will be represented by its Conflict of Interest Officer.

Responsibilities

The University of Missouri System Conflict of Interest Officer and Committee responsibilities include, but are not limited to:

- identification, disclosure, management or elimination of financial conflicts of interest and conflicts of commitment that arise within the University of Missouri System Office;
- all aspects of institutional conflict of interest;
- provide adequate conflict of interest education to assure uniform identification and disclosure of potential conflict of interest amongst all campuses of the University of Missouri System;
- audit campus conflict of interest procedures, practices, educational plans, and outcomes and share the results with the Chancellors; and
- review all University of Missouri conflict of interest policies, procedures and practices every five years.

Practices
Current best practices nation-wide in conflict of interest management include:
an adequate educational plan for employees, is absolutely essential to success of the
program;
the use of common reporting (disclosure) forms is suggested;
scheduled annual reporting, as well as, reporting when the situation changes:
formal acknowledgement by employees that they have read and understand the
policies and procedures;
reporting at multiple levels, possibly via both administrative and committee
channels;
description of disclosure review and approval processes;
description of the management plan process including who writes the plan, who
reviews and approves the plan, and who oversee the management plan once it is
approved,
dispute resolution processes described; and
coordination of efforts between the multiple units involved in the conflict of interest
process insuring that a disclosure in one area will trigger disclosure in all other
areas that are pertinent.

University of Missouri Campus Conflict of Interest

Introduction

Potential conflict of interest may arise within any unit of the University of
Missouri System including the System Office and the four Campuses. Potential conflict
of interest could involve any employee of the University.

Each campus has its own set of characteristics, culture, and circumstances. Therefore, each campus of the University of Missouri System will need to construct its
own procedures and practices to deal with potential conflicts of commitment and personal
financial conflicts arising during business and academic activities. The campus
procedures and practice with be reviewed by the System Conflict of Interest Officer and
Committee to assure compliance will all University of Missouri Conflict of Interest
Policies and System-level procedures and practices.

Campus Conflict of Interest Officer & Committee

The Chancellor of each Campus will appoint a Conflict of Interest Officer to
oversee the day-to-day conflict of interest operations. The person will report directly to
the Chancellor on all matters related to conflict of interest on the campus. The Conflict
or Interest Officer will chair and be assisted in these responsibilities by a Conflict of
Interested Committee.

The Conflict of Interest Committee should be composed of representatives from
all affected groups of employees including staff, faculty, and administration. In addition,
the representation should have a broad range of experience in both the business
operations of the campus as well as the academic and research areas.
Responsibilities
The Campus Conflict of Interest Officer and Committee responsibilities include, but are not limited to:

identification, disclosure, management or elimination of conflicts of interest and conflicts of commitment that arise within that campus;
developing a conflict of interest education plan for their campus;
developing conflict of interest procedures and practices for their campus based on the University’s Conflict of Interest Policy and this document. These procedures and practices will be reviewed and audited by the University of Missouri System Conflict of Interest Officer and Committee.

Personal Financial Conflict of Interest

Introduction
These guidelines are intended to serve as a guide for all University employees in structuring their industry and other outside ventures in view of the employee’s responsibilities for teaching, research, administrative activities, and service within the University. It is not the intent of these guidelines to eliminate all situations of conflict of interest, but rather to enable employees to recognize situations that may be subject to question and ensure that such situations are disclosed to the University. These situations will then be managed where possible or eliminated when necessary. It should be clear that some conflicts of interest will be prohibited. The guidelines are intended to maintain the professional autonomy of the employee as appropriate to their respective disciplines, professional activities, and role within the University.

Potential personal financial conflict of interest occur when the employee’s direct or indirect financial interests may bias the individual’s judgment, or compromise his/her ability to carry out their responsibilities of teaching, research, administrative activities, or service within the University. In certain cases where employees may benefit personally from his/her activities, this benefit may be permitted following disclosure and development of an approved management plan with appropriate oversight.

Business Relationships
The acquisition of goods and services for the University represents a large portion of the expenditures of the institution and is generally subject to the oversight of the Vice President for Administration and Finance, Chief Procurement Officer and internal auditing. This oversight is based on CR&R 330.015 and 420.030 and requirements set forth in Office of Management and Budget Circular A-110 and Missouri State Law. To the extent that individuals have a direct or indirect interest in a vendor of goods or services to the University, conflicts of interest may arise and must be identified, disclosed in writing and forwarded to the official having contract approval authority. The
disclosure shall also be filed in a registry appropriately located for public scrutiny for a period of at least ten (10) days prior to the approval of the contract.

Research Grants and Contracts

Decisions concerning the nature and direction of scholarly research at the University should be governed by judgments of scholarly merit, intellectual importance, and public benefit. An employee’s involvement with, or interest in, outside commercial or professional applications of research should not bias their judgment concerning the employee’s own scholarly research or that of other employees or students.

Financial conflict of interest takes on even more ethical constraints when the research involves human participants. It is paramount that humans who volunteer as participants in clinical studies are assured that no financial bias, positive or negative, is influencing the recruitment, the execution of the trial per se, the gathering and interpreting of data, or the impartiality of the reporting of the outcomes of the clinical study. The appropriate Institutional Review Board (IRB) must be informed of these potential personal financial conflicts of interest and managed by IRB practices and policies. If real financial conflicts of interest exist, they must be addressed in the most conservative manner to ensure human research participants that the studies are adhering to the highest ethical standards.

Our procedures and practices are supported by both the Association of American Universities (AAU) and the Association of American Medical Colleges (AAMC) policy and management suggestions for academic biomedical research involving human participants and consistent with CR&R 420.030. However, the public safety consequences of research in some non-clinical research areas should also be recognized when outside financial interests could influence the research design, conduct or reporting. For example, engineering research leading to development, testing, and commercialization of new materials can involve human research volunteers and put them at some risk. There are also research projects in social and behavioral sciences where financial conflicts may be sensitive.

Intellectual Property, Licensing of University Technology, & Start-up Companies

Licensing transactions present many potential conflicts of interest, especially those involving start-up companies with which the institution and inventors have a continuing relationship. These conflicts generally arise in the following areas; establishment of a company based on a license of university-owned technology, distribution and management of equity in that company to the inventor and the University, provision of sponsored research from the company back to the University, management of research in areas closely related to licensed technology, and supervision of students and other employees in the context of the relationship between the University and the start-up. This last issue is also central to the employees mentoring and supervisory activities related to conflict of commitment.

Many complicating factors arise in licensing technology to a start-up and the specific roles and terms of the licensing, equity, and research relationships have bearing on how conflicts are identified and managed. Whether perceived or real, problems will
generally arise and need to be disclosed, managed where possible or eliminated when necessary.