

FINANCIAL CONFLICT OF INTEREST POLICY FOR FACULTY

Approved by the Board of Trustees 7/10/98, Resolution No. 99-4

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I. Preamble

Faculty at The Ohio State University accept an obligation to avoid financial conflicts of interest in carrying out their professional work. This policy is intended to assist faculty members, including administrators with faculty appointments, in avoiding these conflicts. The patterns of administration of TIUs and colleges may include conflict of interest policies specific to their mission composition, and sources of funding.

II. State and Federal Laws and Regulations

Federal regulations require the university to adopt a policy governing conflicts of interest in research. In addition, faculty members should be aware that they are also subject to various provisions of Ohio law governing ethics and conflicts of interest in public employment. For example, as a general rule, a university employee may not have an interest in a contract involving the university. In addition, an employee may not use his or her authority or influence to obtain a contract between the university and a family member or business associate of the employee. A university employee may not accept compensation for the performance of his or her university duties from any person or entity other than the university. Finally, the Ohio Ethics Law prohibits university employees from accepting anything of value that will exert a substantial and improper influence upon them with respect to their university duties. Additional information about the requirements of Ohio law may be obtained by consulting the Office of Legal Affairs.

III. Policy and Advisory Committee

In consultation with the Executive Committee of Faculty Council, the provost shall appoint a Conflicts of Interest Policy Advisory Committee composed of a minimum of six members, two from colleges in the health sciences, two from colleges in the arts and sciences and two from professional colleges (Business; Education and Human Ecology; Engineering; Food, Agricultural and Environmental Sciences; Law; Social Work). This committee shall periodically review the operation of this policy and make recommendations for change as needed. In addition, the provost shall consult with the committee regarding particularly difficult or complicated conflict of interest situations.

IV. Definition

For purposes of this policy, a conflict of interest exists if financial interests or other opportunities for tangible personal benefit may exert a substantial and improper influence upon a faculty member or administrator's professional judgment in exercising any university duty or responsibility, including designing, conducting or reporting research.

V. Policy

Faculty members, including administrators with faculty appointments, are expected to review their professional activities to determine if conflicts of interest may exist, and to avoid activities that entail or create a conflict of interest.

If a faculty member is engaged in externally funded research, performs consulting, or has other business interests that may create conflicts of interest, the faculty member shall report and manage the activity in a way that will avoid any conflict. The procedures for reporting and managing such activities shall be promulgated by the Office of Academic Affairs in consultation with the Conflict of Interest Policy Advisory Committee. If the activity cannot be managed to avoid the conflict, the faculty member must refrain from participating in the activity. Examples of situations that might entail or create a conflict of

interest are presented below. The examples are by no means exhaustive, and are provided only as samples of some commonly encountered situations.

- Having significant involvement and/or financial interest in an entity that does business with the university.
- Participation in research that is funded by an entity in which the faculty member or the faculty member's family is involved or hold a significant financial interest.
- Entering into consulting agreements that purport to transfer to a private entity intellectual property that belongs to the university. (See the university's Policy on Patents and Copyrights for further detail.)
- Use of one's professional expertise to provide services that compete with services provided by an academic entity within the university.

The university encourages faculty authorship of instructional materials and does not discourage the use of such materials in courses in the faculty member's department. However, every academic unit should establish a policy appropriate to its circumstances that ensures that instructional materials are selected on their academic merit and also ensures that there is no significant conflict of interest or appearance of conflict of interest in the selection of such materials.

This policy shall apply to ongoing and future activities, research grants, projects or programs but not to completed purchases, past transactions or past research grants. The latter are subject to applicable university policies in place at the time these activities were undertaken.

Failure to comply with this policy may result in the filing of a complaint against the faculty member under Faculty Rule 3335-5-04. If the conflict of interest involves a research project administered by the university, whether or not that administration is through the Ohio State University Research Foundation, any action legally required by the funding agency will also be taken.