

## UCI ADMINISTRATIVE POLICIES & PROCEDURES

### RESEARCH AND SPONSORED ACTIVITIES

#### Conflict of Interest

#### Section 481-1: Disclosure and Review of Principal Investigator's Financial Interest in Non-governmental Sponsors of Research

Responsible Office: Office of Research Administration

Issued: March 31, 1989

Revised: December 15, 1999

#### References

- University Policy on Disclosure of Financial Interest in Private Sponsors of Research (APM-028), dated April 26, 1984  
(see <http://www.ucop.edu/acadadv/acadpers/apm/apm-028.pdf>)
- University Guidelines for Disclosure and Review of Principal Investigator's Financial Interest in Private Sponsors of Research, dated April 27, 1984  
(see <http://www.rgs.uci.edu/ora/coi/disclosureguidelines.htm>)
- Procedures for Disclosure and Review of Principal Investigator's Financial Interest in Non-governmental Sponsors of Research, revised December 15, 1999

#### Summary

The purpose of this policy is to define financial interest and explain the disclosure and review of financial interest in non-governmental sponsors for principal investigators.

#### Definitions

**Financial Interest** in the sponsor of research means being employed with the sponsor, having a direct or indirect investment in the sponsor worth more than \$1,000, and/or receiving income from the sponsor within 12 months prior to the time the award is made (income includes consulting income of \$250 or more or \$50 if income was a gift)

**Indirect Investment or Indirect Financial Interest** is when the principal investigator has a spouse or dependent child with a financial interest in the sponsor and/or the principal investigator, his/her spouse, or dependent child own directly, indirectly, or beneficially a 10 percent interest or greater in any business entity or trust which has a financial interest in the sponsor of the research.

**Equity (Ownership Interest)**, for the purposes of this policy, is an investment of \$1,000 in the sponsor by the Principal Investigator, his/her spouse, or dependent children.

**Independent Substantive Review** is conducted by a committee and occurs when a disclosure indicates that a financial interest exists. The committee reviews disclosure statements and relevant features of the research project and makes recommendations to the Vice Chancellor for Research based on its findings. The review should occur prior

to acceptance of contract, grant, or gift and may require consultations with principal investigators, department chairs, administrators, faculty and others involved in the research and review process in order to make a fully informed recommendation.

### **Policy Statement**

A principal investigator must disclose whether or not he or she has a direct or indirect financial interest in the sponsor of research that is funded in whole or in a part (a) through a contract or grant with a non-governmental entity or (b) by a gift from a non-governmental entity that is earmarked by the donor for a specific research project or a specific principal investigator. The Fair Political Practices Commission has approved a list of non-governmental research sponsors that are exempt (see <http://www.rgs.uci.edu/ora/coi/exemptponsors.htm>) from this requirement. Disclosure statements must be filed (a) before final acceptance of such a contract, grant, or gift; (b) when funding is renewed; and (c) within 90 days after expiration in the case of a contract or grant, or after funds have been completely expended in the case of a gift. The statements will be open to public inspection. When disclosure indicates that financial interest exists, an independent substantive review of the disclosure statement and the research project must take place prior to acceptance of the contract, grant, or gift. Department chairs must disqualify themselves from approving a research proposal for a project that is funded in whole or in part by a non-governmental entity in which they have a financial interest. The Chancellor has delegated responsibility for the implementation of this policy on the Irvine campus to the Vice Chancellor for Research. The UCI "Procedures for Disclosure and Review of Principal Investigator's Financial Interests in Non-governmental Sponsors of Research" provides a description of the disclosure and review process.