

## **1.0 DISCLOSURE OF FINANCIAL INTEREST**

### **1.1 BACKGROUND**

The National Science Foundation and the Department of Health and Human Services require that any entity-receiving sponsor funding employing more than fifty persons maintain a written and enforced policy governing conflicts of interest and financial disclosure of certain designated relationships. Other sponsor agencies are in the process of implementing similar requirements.

### **1.2 PURPOSE**

The purpose of this policy is to satisfy federal conflict of interest and financial disclosure requirements from sponsor agencies while preserving the ability of Kirkwood Community College employees to maintain beneficial professional and financial outside interests.

### **1.3 SCOPE**

This policy is applicable to all Kirkwood Community College employees that are involved in federally sponsored programs that require disclosure of financial conflicts of interest. Further, this policy is applicable to responsible persons from other entities that partner with the College in federally sponsored programs that require disclosure of financial conflicts of interest.

### **1.4 DEFINITIONS**

**Conflict of Interest** – Substantive relationships maintained by the Responsible Person, their spouse, and/or dependents with the College or with organizations doing business with the College or that otherwise could be construed to potentially affect their independent, unbiased judgment in light of their decision-making authority or responsibility.

**Positive Disclosure** - means any “Yes” answer to any question on the Conflict of Interest and Disclosure Report Form.

**Responsible Person** - means principal investigator, co-principal investigator, project director, co-project director, and any other person employed by the College who is responsible for the design, conduct or reporting of research, education or service activities.

**Significant Financial Interest** - means anything of monetary value including but not limited to salary and other payments for services, such as consulting fees or honoraria; equity interests, such as stocks, stock options or other ownership interests; and intellectual property rights, such as patents, copyrights and royalties from such rights.

The term “Significant Financial Interest” does not include:

- (1) Salary, royalties, or other remuneration from the college,
- (2) Any ownership interests in a company that is an applicant under the Small Business Innovation Research (SBIR) Program,
- (3) Income from seminars, lectures, or teaching engagements sponsored by public or nonprofit entities,
- (4) Income from service on advisory committees or review panels for public or nonprofit entities,
- (5) An equity interest that, when aggregated for the Responsible Person, their spouse and dependent children, meets both of the following tests:
  - (a) The equity interest is less than \$10,000 in value as determined through reference to public prices or other reasonable measures of fair market value, and
  - (b) The equity interest represents less than 5% ownership interest in any single entity.
- (6) Salary, royalties, or other payments that, when aggregated for the Responsible Person, their spouse and dependent children are not expected to exceed \$10,000 during the next 12-month period.

## 1.5 INTERESTS WHICH MUST BE DISCLOSED

Responsible Persons must disclose "Significant Financial Interests:"

- (1) That would reasonably appear to be affected by the research or educational activities funded or proposed to be funded by the funding agency, or
- (2) In entities whose financial interests would reasonably appear to be affected by the grant-funded project.

## 1.6 DISCLOSURE PROCEDURES

- A) **Each Principal Investigator or Project Director** is responsible for securing signed Conflict of Interest Financial Disclosure Report forms from all Responsible Person(s) proposed for involvement in the grant application to be submitted, and thereafter annually for the length of the project. These signed forms are to be submitted to the Grants Department. The forms are found immediately following this Policy and are available in the office of the Grants Department.
- B) **The Grants Department** will review the form and if a positive disclosure is indicated then the process of further review required by this Policy will occur. The Grants Department may request that the Principal Investigator or Project Director obtain additional information from the Responsible Person(s) to help clarify the financial conflict. The Grants Department will then forward copies of the completed report form and any other provided information to the Vice President of Instruction and Director of Human Resources for further review and action.
- C) **The Vice President of Instruction and Director of Human of Resources, or their designees**, will shortly thereafter meet to review the provided information, and will then issue a joint recommendation on what actions should be taken by the College to manage, reduce or eliminate the conflict of interest. The Vice President of Instruction and the Director of Human Resources may request that the Responsible Person and/or other persons attend all or part of this meeting. This joint recommendation shall be in the form of a written opinion and be provided to the Responsible Person with copies forwarded to the Grants Department and the Principal Investigator or Project Director. Examples of conditions or restrictions that might be imposed to manage or eliminate a conflict of interest include, but are not limited to:
  - (1) Public disclosure to the agency of significant financial interests,
  - (2) Monitoring of project activities by independent reviewers,
  - (3) Modification of the activity plan,
  - (4) Disqualification from participation in all or a portion of the funded activities,
  - (5) Divestiture of significant financial interests; or
  - (6) Severance of relationships that create actual or potential conflicts.
- D) **The Grants Department**, prior to any expenditure of awarded federal grant funds, will report the existence of the conflict of interest to the funding body and how the conflict of interest has been managed, reduced or eliminated.

## 1.7 ENFORCEMENT AND SANCTIONS

Any college employee who knows of, or could reasonably have been expected to know of, and deliberately fails to respond appropriately to a potential conflict of interest under this policy shall be subject to disciplinary action ranging from reprimand to discharge. The nature and severity of the disciplinary action shall be consistent with established college disciplinary procedures set out in the Kirkwood Community College Employee Handbook and Procedures Manual and/or the Faculty Master Agreement and consistent with the college's requirements under the Code of Iowa.

## **Section 1 Disclosure of Financial Interest**

Kirkwood Community College Sponsored Programs Policies and Procedures

Last Reviewed and Updated 11/1/05

### **1.8 RETENTION OF RECORDS**

Federal regulations require that records of all financial disclosures and all actions taken by the college with respect to each conflict of interest be retained for at least three years from the date of submission of the final grant expenditures report. These records will be kept in the Grants Department and unless otherwise required by law or legal directives will be kept confidential.

### **1.9 UPDATING THE CONFLICT OF INTEREST REPORT FORM**

The Conflict of Interest Financial Disclosure Report form must be updated annually, signed and submitted to the Grants Department annually or when additional potential conflicts arise during the year.

**CONFLICT OF INTEREST DISCLOSURE REPORT FORM**  
**Kirkwood Community College**

The National Science Foundation and the Department of Health and Human Services requires that all key personnel working on an awarded grant disclose all personal, including spousal and dependent children's, significant financial interests that would reasonably appear to be affected by the funded project activities or proposed for funding and/or in entities whose financial interests would reasonably appear to be affected by such activities. Other grantor agencies are in the process of implementing similar requirements. Kirkwood Community College's Conflict of Interest Financial Disclosure reporting policy applies to all individuals employed by the college who are involved in federally funded grant projects that require disclosure of financial conflicts of interest. Please review the attached Conflict of Interest Financial Disclosure Policy and Procedures prior to completing this report form.

*Key Personnel Information*

<b>Name:</b>		<b>Title:</b>	
<b>Department:</b>		<b>Daytime Telephone:</b>	
<b>Funding Agency and Program Name:</b>		<b>Title of the Project:</b>	
<b>Award Start Date:</b>		<b>Award End Date:</b>	
<b>Are You?</b>	_____ Faculty	_____ Staff	_____ Administration
<b><u>What is Your Role in the Project?</u></b>			
<b>This disclosure is being made:</b>	_____ For a new grant submission	_____ For an annual update	_____ To reflect a change in financial interest on a project in progress

I have read the Kirkwood Community College "Conflict of Interest Financial Disclosure Policy and Procedures" and (check one):

- A. Do not have Significant Financial Interests** to report for myself, my spouse, or my dependent children, which would reasonably appear to be affected by this project.
- B. Do have Significant Financial Interests** to report for myself, my spouse, or my dependent children, which would reasonably appear to be affected by this project.

**If you checked A.,** simply sign the form below and return to the Kirkwood Community College Grants Department, 307 Mansfield Center, PO Box 2068, Cedar Rapids, IA. 52406.

**If you checked B.,** continue onto the next page and check all that apply, attach requested documentation, sign the form below and return to the Kirkwood Community College Grants Department, 307 Mansfield Center, PO Box 2068, Cedar Rapids, IA. 52406.

*I hereby certify that to the best of my ability, using reasonable diligence, the information provided in this "Conflict of Interest Financial Disclosure Report" form is true and correct. I agree to comply with any reasonable conditions or restrictions imposed by the college to manage, reduce or eliminate actual or potential conflicts of interest.*

\_\_\_\_\_  
 Name

\_\_\_\_\_  
 Date

**Section 1 Disclosure of Financial Interest**

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- 1) When taken alone or together, are you, your spouse, any dependent children, now receiving or anticipating the receipt of income exceeding \$10,000 in salary or other payments for services such as consulting fees, honoraria, stipends, or royalty payments over the next 12 months (excluding salary and other payments for services from the College) that is or could reasonable be perceived as a conflict of interest?

Yes **If yes**, please describe the nature and extent of the outside employment in an attachment and include at a minimum the following information:

- a) A description of the services to be performed
- b) Name of the organization for which services will be performed
- c) Date of service
- d) Amount of payment/salary expected

No

- 2) When taken alone or together, are you, your spouse, any dependent children, now receiving or anticipating the receipt of equity interests exceeding \$10,000 in value or representing more than a 5% ownership interest in any single entity in the next 12 months that is or could reasonable be perceived as a conflict of interest?

**Note:** The value of an equity interest is determined by reference to publicly listed prices or other reasonable measurements of fair market value.

Yes **If yes**, please describe the nature and extent of the equity interests in an attachment and include at a minimum the following information:

- a) A description of the type of equity interest
- b) Name of the entity in which equity interest is held
- c) Amount of the equity interest or percentage of ownership interest

No

- 3) Do you hold any intellectual property rights (e.g. patents, copyrights and royalties) that are or could reasonably be perceived to be a conflict of interest?

Yes **If yes**, please describe in an attachment and include at a minimum the following information:

- a) A description of the property rights
- b) An amount or estimate of annual payment received for property rights

No

- 4) Do you participate (as an officer, director, partner, trustee, employee, advisory board member, or agent) in an entity funding or reasonably anticipated to provide funding of goods and/or services to the project?

Yes **If yes**, please describe in an attachment and include at a minimum the following information:

- a) A description of the type of participation
- b) The name of the entity

No

- 5) Do you have other "Significant Financial Interests" that are or could reasonably be perceived as a conflict of interest?

Yes **If yes**, please describe in an attachment and include at a minimum the following information:

- a) A description of the financial interest
- b) Names of organizations or entities involved
- c) The amount of payment received or value of the interest

No

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Kirkwood Community College Sponsored Programs Policies and Procedures

Last Reviewed and Updated 11/1/05