

Appendix J

Statement of University Policy on Conflicts of Interest

The Statement of University Policy on Conflicts of Interest was issued by the University's Administration on August 1, 1987.

Background

Over the years the University has adopted a number of policy statements on various aspects of conflicts of interest. These policy statements reflect the University's fundamental concern for ensuring that the integrity of the institution and of all of its constituent members remains above reproach. Not only actual conflicts of interest, but also the appearance of conflicts, are harmful to both the University and the individual involved.

As both the world and the University become more complex, it becomes desirable to have a single conflicts of interest policy statement to which faculty members, other officers, and staff members can refer. The University is accordingly issuing this unified statement of its conflict of interest policies, superseding all prior statements on conflicts of interest.¹

Some of these policies have been previously published and in effect for many years; other policies have been observed in practice but are set forth here in writing for the first time. Every member of the University community--faculty and non-faculty alike²--should review this statement carefully, be certain that he or she fully understands the conflicts policies applicable to the position he or she holds within the University, and take care to comply with whatever steps those policies require of him or her.

Disclosure to the proper University official of a situation which might create, or be viewed as creating, a possible conflict of interest has always been an essential element of the University's policies. Disclosure and consultation continue to be the best means for the avoidance of impermissible conflicts of interest. As conflict of interest situations are often complex and since judgments may differ on whether a conflict in fact exists, such a policy of disclosure and consultation is aimed at preventing an officer from inadvertently placing himself or herself in a position of conflict with his or her responsibilities to the University.

The University has accordingly developed the following policies and guidelines with which all officers are expected to comply.

Conflict Situations and Guidelines for Dealing with Them

Any circumstances which could cast doubt or even the appearance of doubt upon an officer's ability to act with total objectivity with regard to the University's interests presents a potential conflict of interest situation. Set forth below, both descriptively and by way of example, are the kinds of conflict situations each officer should avoid and guidelines for dealing with them.

Given the complexity and diversity of the University, it is not possible for a single statement to be all-inclusive, and by the same token any generalization may be overly broad. Any officer who has any question about whether a particular activity or transaction is permitted or prohibited by this policy statement should seek clarification from the Office of the Provost or the appropriate Vice President.

1. *Self-Dealing Conflict.* The possibility of a self-dealing conflict typically occurs where an officer has a significant personal interest in a transaction to which the University is a party coupled with some degree of influence or control over the outcome. In such an instance, since the officer may derive a private or personal benefit from the transaction, the officer is vulnerable to the charge that his or her influence within the University might be used to advance this private interest or benefit.

There are numerous situations where potentially self-dealing conflicts may arise; the following examples are illustrative, not exhaustive:

- a. An officer who has responsibility for or influence over the University's purchase of goods or services influences a direct purchase from an organization in which he, she, or a member of his or her family has an interest;
- b. An officer accepts gratuities or special favors from any organization doing business with the University where the offering or acceptance of such gratuities or special favors could be viewed as potentially interfering with the officer's proper discharge of his or her responsibilities to the University; and
- c. An officer seeks to purchase property which the University has offered for sale to the general public without disclosing the intended purchase to the University and obtaining the University's prior written approval.

There are certain potentially self-dealing situations that must be specifically regulated. Acquisitions by the University by purchase or lease of materials or services from any entity in which a University officer has a significant proprietary interest are prohibited. An exception to this policy will only be granted upon application in writing, with full disclosure of the background facts, to the Director of Purchasing and his consequent approval in writing of the proposed transaction in advance of its taking place.

Similarly, a potential self-dealing conflict may arise when a University officer seeks to purchase property from the University which it has offered for sale. Neither a Trustee nor a senior officer of the University nor any member of his or her immediate family may purchase any real property offered for sale by the University except with prior written approval of the Trustees' Committee on Finance; if other officers or staff members of the University or members of their immediate families are offered an opportunity to purchase University real property, that fact and proposed terms of purchase must be disclosed to the Committee on Finance before the transaction is approved.

If a member of an officer's immediate family is to be hired to work in a position directly subordinate or supervisory to the officer, that fact should be disclosed in advance to the appropriate Vice President or the Provost so that a determination can be made whether to permit an exception to the normal prohibition against nepotism.

2. *Conflict of Commitment.* This conflict arises where there may be in fact an appearance of competing demands upon the time and energy of an officer as a result of his or her outside activities and interests which would interfere with the officer's ability to meet his or her responsibilities to the University. The University expects that an officer's outside activities and interests will not interfere with his or her teaching, scholarly research, or other obligations to the University.

Within this general framework, officers of instruction are permitted to engage in outside consulting activity up to an average of one day a week. An officer of administration, research, or the libraries or a supporting staff member normally may not undertake any outside employment except after consultation with his or her department head or supervisor.

An officer of instruction is not permitted to take on a regular teaching assignment in another educational institution during the academic year except with the special permission of the Provost on the assurance of the Department Chairman to the Dean that such employment will not impair the instructional offerings of the department.

An officer should not accept a regular and continuing position with significant responsibilities for the management of an outside commercial enterprise or without appropriate approvals accept any other outside position that would impair the officer's ability to fulfill his or her obligations to the University.

3. *Effect on Academic Judgment.* An officer of instruction or research may encounter a conflict where he or she engages in outside employment or activities which could be viewed as impairing his or her academic judgment in the performance of University duties and responsibilities.

Each officer of instruction or research is under an obligation to take no action which might affect adversely his or her own independence of judgment or the integrity of the duty of primary loyalty he or she owes the University. Nor can an officer allow his or her research agenda or the interpretation of his or her research results to be distorted, to serve his or her or any other private interests or otherwise. For example, an officer may not enter into an agreement with an organization which provides a financial incentive for reaching a predetermined result in research or consultation. Also, no officer should interfere with the research project of any other faculty member in order to promote private interests.

4. *Inappropriate Use of University Name or University Resources.* Another situation in which a conflict may arise because of an officer's outside activities, affiliations, or concerns is when the officer seeks to use the University's name or the University's resources, such as its facilities or equipment, to advance his or her own private interests. The University's name, facilities, and equipment are to be used for the furtherance of University goals and not for the benefit of, or to imply the University's support of, a non-University activity. An example of the inappropriate use of the University's resources is the use of University equipment at an officer's disposal in pursuit of research for a private firm.
 - a. *Use of University Name.* No officer shall use the official title of the University, or any of its parts, in whatever form that title may appear except in connection with legitimate University purposes. For example, neither the name of the University nor its letterhead may be used by any officer in sponsoring or recommending any commercial service or product regardless of whether that officer has any interest in the promotion. An officer may not use the University's name and address on stationery in connection with an outside organization that he or she established or of which he or she is a director unless the officer's participation in that organization is at the request of the University or is otherwise a part of the officer's normal University duties.
 - b. *Use of University Facilities and Equipment.* University materials, supplies, facilities, or personnel must not be diverted by an officer to promote an outside activity or interest of his or her own. The University may grant permission to an officer in his or her pursuit of outside activities or interests or to an employee of another institution or entity to use University facilities, but only under the following conditions: where there is evidence that the work of such officer or employee, supported by University resources, will be of significant benefit to the University; where there is supervision of such work by a University faculty member holding a tenured appointment; and where the initial period of the work is limited to one year, renewable for not more than two years.
5. *Use of Confidential Information.* A conflict may occur between an officer's obligations to the University and his or her personal interests where there could be a misuse of privileged information for private gain. This conflict arises, for example, where a University officer uses confidential information acquired in connection with his or her University-related activities for personal gain or for

other unauthorized purposes. An officer who transmits to others outside the legitimate University circle confidential information obtained in the course of University-sponsored activities is in breach of his or her duty of loyalty which demands use of such information for the University's credit and the benefit of its students.

An officer should not accept employment or engage in any business or outside activity which he or she might expect would require or induce him or her to disclose confidential information acquired by reason of his or her University position. An officer must not disclose confidential information acquired by reason of his or her University position or use such information for his or her or another's gain or benefit.

Disclosure and Consultation

Officers are expected to comply with the University's policy of disclosure and consultation where a conflict of interest could arise by disclosing his or her degree of involvement in outside activities, by reporting any significant changes in his or her outside activities that occur during the year, and by consulting with his or her Dean, Department Chairman, Project Director, or supervisor if the undertaking of a new outside professional activity is considered. An officer has an obligation not to mislead the University about the amount of time or effort he or she must devote to outside activities and interests. If an officer is in doubt as to whether he or she is confronted with a conflict of interest, the officer should consult with his or her Dean, Department Chairman, Project Director, or supervisor to determine if the outside activities conflict impermissibly with his or her proper commitments to the University.

The Office of the University's General Counsel is available to any officer to provide advice on a confidential basis on any question of possible conflict of interest.

Deans, Department Chairmen, Project Directors, or supervisors, being specifically charged with the duty of maintaining the integrity of institutional standards of instruction, research, or management within their respective spheres of responsibility, are obliged to notify the President, through either the appropriate Vice President or the Provost, of any significant violations of the University's policies on conflicts of interest. Compliance with these policies is essential if the primary goals of the University, its commitment to excellence in the realm of both teaching and research, are to be achieved.

Footnotes

1. Except the policies set forth in "Columbia University Guidelines for Situations Involving Potential Conflicts of Interest Between Scholarly and Commercial Activities," April 18, 1986, which remain in full force and effect.
2. While references in this Statement are to officers, this Statement of University Policy on Conflicts of Interest is applicable to supporting staff members as well as to officers of instruction, research, the libraries, and administration.

Appendix K

Columbia University Guidelines for Situations Involving Potential Conflicts of Interest Between Scholarly and Commercial Activities

The following guidelines were adopted by the University Senate on April 18, 1986.

A. Background

Rapid advances in some areas of science and technology make likely new applications of science for industrial and commercial purposes as well as a shortened time period between discovery and application.

These advances in science and technology present opportunities for funding at a time when traditional sources of funding are less readily available than in the past. At the same time, the University has proprietary interests to protect. Therefore it seems in the best interest of the University and its investigators⁽¹⁾ to establish guidelines which define the potential conflicts of interest which both the University and its investigators may face, more than in the past, in entering into agreements with commercial ventures. Such guidelines must keep firmly in mind the public interest.

B. Establishing General Principles

The following broad general guidelines are provided for the guidance of the University community in dealing with situations of possible conflict. Many decisions, however, can be made only by examining actual cases, and a standing University Policy Committee on Science and Technology (the Policy Committee) has been appointed to review specific cases. Any questions arising under the guidelines should be referred to the Policy Committee.

General Principles

1. The interests of the University and its investigators are served by responsible and continuing interaction between industry and the University, with a view to stimulating and nurturing research, development, and other scholarly activities. The University therefore encourages serious and determined efforts to establish such interactions and to attract funding for its initiation and continuing support.

2. The interaction between the University and its faculty with a commercial enterprise must not hinder the pursuit of the primary goals of the University and its faculty nor be in conflict with any statute or policy of the University.
3. The University may enter into agreements with commercial enterprises, making it possible for the University and its investigators to realize financial rewards from the results of their scholarly activity and research when these results are beneficial to the public and have commercial value.
4. The University may enter into agreements with commercial enterprises to receive funding from such external organizations in support of research in which the external organizations have an interest, provided that no predetermined result is stipulated and provided also that the freedom to publish is protected.
5. Any arrangement between the University and a commercial organization must not inhibit the free publication and dissemination of results of scholarly activity and research. A reasonable, and usually very brief, delay may be acceptable for such purposes as patent review or a review to protect trade secrets and proprietary or other confidential information.
6. As has long been University policy,⁽²⁾ faculty members may engage in outside work up to one day a week.
7. The University and its investigators will consider the public interest both in the selection of joint projects with commercial enterprises, and equally in minimizing the time to transmit the results of discovery to benefit the public.

C. Three Areas in Particular Present Potential Conflicts of Interest

1. *Participation of the University and its investigators in commercial organizations.* The University, or an investigator, may of course invest in or own stock or other equity in a commercial enterprise. However, if an investigator holds a controlling interest, participates in the management or the conduct of affairs of the commercial organization, except for personal corporations or their equivalents, or if the work of the University and its investigators is being funded by the organization, conflicts of interest are likely to exist, and the question should be referred to the Policy Committee.

Investigators may own a controlling interest in a commercial enterprise, and may participate in its management or conduct of affairs, as long as such participation does not interfere with their ability to fulfill their University commitments, and as long as the activity of the commercial organization is not closely related to the area of the investigator's University research. If there is a close relation between these two, the question should be referred to the Policy Committee. The University does not participate in the management or conduct of affairs of a commercial organization.

An investigator may own significant stock or equity in a commercial enterprise, but a conflict of interest may exist if the investigator's University research is

