

**POLICY ON CONFLICT OF INTEREST FOR FACULTY INTEREST IN SPONSORED
RESEARCH AND ECONOMIC DEVELOPMENT**

- I. Maryland law establishes certain conditions for faculty interest in certain sponsored research or development activities, as a part of its other ethics requirements specified in the law. The following policy is consistent with these conditions.
 - A. A faculty member may have an interest in or serve as an employee, director, or officer of an entity engaged in sponsored research or development, or an entity having a direct interest in the outcome of sponsored research, if:
 1. such interest, service, employment, or other relationship to the entity is publicly disclosed on a form approved by the State Ethics Commission. The form shall be filed with the Commission and a copy maintained as a public record at the educational institution, and
 2. the interest, service, employment, or other relationship to the entity is approved by the President in accordance with the University's faculty conflict of interest policies and procedures and this policy. No interest, service, employment, benefit or other relationship shall be approved if the faculty member has substantial agency policy or management responsibility for the sponsored research or development.
 - B. If the above provisions are not met, the faculty member is not exempt from any of the provisions of Title 3 of Article 40A of the Annotated Code of Maryland. Exemption provisions under this section apply only to faculty activities related to sponsored research or development and not to other activities by the faculty member that may constitute a conflict of interest, but is not related to the sponsored research or development.

II. Procedures

- A. The University shall develop and implement a procedure for faculty seeking approval to hold an interest in or to serve as an employee, director, or officer of an entity engaged in sponsored research or development, or an entity which:
 1. has a direct interest in the outcome of sponsored research or development administered by the University;

2. is engaged in sponsored research or development administered by the University, or
 3. participates in economic development programs administered by the University.
- B. Procedures shall include:
1. Disclosure Provisions

There shall be a requirement for timely disclosure of faculty interest, service, employment, gifts or other relationships to the entity. The disclosure shall include those relationships which would be required for filing under title 4 of Article 40A of the Maryland Annotated Code and should address both actual conflict and the appearance of conflict.

2. Review

Disclosures of interests shall be reviewed by person(s) able to determine whether or not the disclosed interest represents a harmful interest. Approval shall not be granted where harmful interest is determined.

Approval shall not be granted if the faculty member has a substantial policy-making or management responsibility for the proposed program or sponsored research.

The disclosure shall be filed publicly with the State Ethics Commission, and with the University.

3. Exemptions from Disclosure Requirements

Any exemptions from the disclosure requirements must have the written approval of the President. The President's determination is final. Exemptions granted under this policy do not relieve a faculty member's continuing obligation to adhere to other aspects of the University's policies or to the obligation to adhere to other provisions of the Maryland Public Ethics Law.

4. Guidelines

The University shall develop guidelines to insure that activities conducted under sponsorship do not improperly give advantage to the sponsoring entity because of its affiliation or involvement with a faculty member.

III. Reporting

The President shall submit a report of exemption by June 30 of each year to the Legislative Policy Committee of the Maryland General Assembly.

IV. Definitions

- A. "Faculty conflict of interest policies and procedures" means all policies and procedures of the University which relate to the professional conduct of faculty members.
- B. "Harmful interest" means an interest which when examined under the review procedures is found to be so influential as to impair impartiality in the conduct of the research, the interpretation of the results of the research and/or determination of priorities due to the conduct of other professional commitments to the University.
- C. "Sponsored research or economic development" means those basic and applied research activities which are performed under written agreement with an extramural agency wherein a faculty member provides services to entities engaged in research and development.