



Policy on Conflict of Interest Institutional Conflict

Purpose

The University recognizes the importance of providing clear standards aimed at preventing financial conflicts of interest from compromising its objectivity in the performance of its responsibilities. This policy on Institutional Conflict of Interest (the “Policy”) concerns conflicts that arise from the University’s financial relationships with external entities. It is intended to provide guidance to the Board of Trustees, administrators, faculty and staff to enable them to recognize and deal with institutional conflicts of interest, both real and perceived, that may arise in the course of relationships between the University as an institution and private entities or persons outside of the University.

The University’s mission of research, teaching and service, including patient care service, is well served through the creation of collaborations with people and entities outside the University that better enable all concerned to meet the challenges of an increasingly complex world. Collaboration, particularly where external financial sponsorship is involved, may result in the creation of inherent tensions between the University’s role as an educational and research institution and the interest of the parties to the collaboration in achieving a positive outcome. Where such tensions have or appear to have the potential to interfere with independent decision- making on the part of University personnel, or to compromise the objectivity of research, education or patient care, the University must examine whether a conflict of interest exists.

Such conflicts of interest may be *individual* conflicts of interest involving the personal financial relationships of University trustees, administrators, faculty, staff or students with entities that conduct business with the University. Individual financial or personal conflicts of interest are regulated by the Policy on *Conflict of Interest: Financial and Personal Conflict* and generally are outside the scope of this Policy except in cases where individual trustees, officers, administrators or senior staff members with wide administrative authority possess personal financial interests that intersect with their University duties, as explained below.

It is intended that this Policy will both protect the integrity of the University and will encourage University personnel to enter into and conduct University activities involving engagement with outside entities with transparency, confidence and integrity.



Scope

This Policy applies to all schools and divisions and to all faculty and staff members at Tufts University.

Policy Statement

In pursuing its mission the University must conduct its activities free of improper influence resulting from external institutional financial relationships. An institutional conflict of interest exists where a financial relationship between the University and an external entity compromises the integrity of institutional values or decision-making. Such conflicts may arise in situations where 1) the University enters into a financial or business relationship at the institutional level with an external entity or person that may bring financial gain to the institution or any of its divisions; or 2) a University trustee, administrator, faculty or staff member holds administrative or decision-making authority of such a scope that the University cannot engage in a questioned activity or relationship independent of his or her involvement, and at the same time that person has personal financial interests that relate to the proposed activity or relationship. For purposes of application of this Policy, such personal financial interests are deemed to be both personal and University financial interests.

Institutional conflicts of interest may involve any University activity carried out in the pursuit of the University's mission. Of particular concern are conflicts that arise in any educational or research decision-making process or in the conduct of research involving human subjects or in the conduct of patient care, but any activity in which the judgment of those involved becomes affected by University financial relationships may lead to a violation of this Policy.

This Policy does not require that the University refrain from conducting University business with entities that have a financial relationship with the University. However, in such instances, potential institutional conflicts of interest must be identified promptly and resolved appropriately. In particular, the University must strive to isolate decisions involving University operations and research from decisions regarding the management of financial investments made by or on behalf of the University, including investments made by or through Tufts University Investment Office or affiliated entities.

In determining whether a potential institutional conflict of interest in fact constitutes an impermissible institutional conflict of interest, the University will employ the following test: a financial relationship with an external entity will give rise to an impermissible institutional conflict of interest when the objectivity of the decision-making process or the allocation of resources is influenced in ways



that (1) compromise the integrity of the University in fulfilling its educational or research mission, and (2) would not occur but for the expectation of financial gain to the University or one of its internal units personnel from a current or anticipated external financial relationship.

I. Policy Implementation

A. Strategies for Resolution of Potential Institutional Conflicts

Potential institutional conflicts of interest may be resolved in a variety of ways, including but not limited to the following mechanisms:

(1) Where the University proposes to conduct University business with a person or an entity with which it has a significant relationship, every transaction between the parties must be described in a written contract. Inclusion of all points of agreement between the University and such entities is critical to avoiding the appearance, whether or not warranted, that the University may have conferred improper benefits on a person or an entity with which it has a financial relationship or that the University may have allowed such person or an entity to negatively influence the University's academic, patient care, research or other ethical responsibilities. A **“significant relationship”** may arise from (a) the University's ownership of equity (or an entitlement to equity of any value) in any a non-publicly traded entity; (b) the University's ownership of more than 5% of equity in a publicly-traded company; (c) the other person or entity seeks to influence, to the commercial or financial benefit of such person or entity, the University's academic, research or clinical care decision-making process or responsibilities; (d) the other person or entity has donated, in cash or in-kind, more than \$250,000 in the past three years or \$1,000,000 in the aggregate in the past ten years.

(2) Where a contract is appropriate to the relationship, such contracts should be awarded through the use of transparent procedures for solicitation and award of contracts, such as those used by the University Purchasing Office. However, the use of a bidding process or a “request for a proposal” process is generally not feasible with certain University contracts, such as contracts for licensing University inventions or funding University research. Special care must be taken to separate decisions regarding such contracts from the impact of institutional financial interests.

(3) All covered individuals must report any potential institutional conflict of interest arising from their personal financial interests to their immediate supervisors at the earliest opportunity. Where such a potential institutional conflict meets the test set forth above, such employees should, where feasible, recuse themselves from involvement in University business involving entities with whom those employees have financial relationships. An employee's supervisor must



concur in the employee's decision to recuse himself or herself. In some cases, it will be impossible for such officers to recuse themselves and conduct their University duties effectively, and in such instances they must divest themselves of the personal financial interest creating the institutional conflict. Both the disclosure to the employee's supervisor and the decision to recuse or divest should be documented in the employee's personnel file.

(4) In all instances, the University must segregate decisions involving the management of its investments and the solicitation of contributions from decisions regarding University operations, education, research or patient care that are or may be affected by those investments or contributions. For example, University employees directly or indirectly responsible for creation and management of research contracts or educational programs should not be involved in oversight of the management of University investments. In addition, University employees involved in the solicitation of contributions or in the management of investments must not seek to influence the terms of educational programs, patient care, research grants or contracts or the conduct of research.

(5) Direct investments by the University or its management company in University-related start-up companies warrant particular sensitivity to ensure that no violations of this Policy occur as a result of such investments.

(6) Any arrangement (even if arranged as a donation) that allows a vendor, donor or a research sponsor to have influence on educational programs, patient care or research or publication decision making process warrants the highest level of protection.

(7) Because research involving human subjects warrants the highest level of protection, a special set of procedures that govern such research is set forth in the University's *Policy on Conflict of Interest: Research*.

B. Procedures for Reporting Concerns of Potential Institutional Conflicts and Mechanisms for Review.

Any University official or employee who has concerns about the permissibility of any relationship or activity on the part of the University or its personnel involving an external relationship should consult the COI Administrator. If, after examination of the situation, the COI Administrator determines that a potential institutional conflict of interest may exist or that a situation poses significant potential for public perception of an institutional conflict of interest, the COI Administrator shall refer the matter to the COI



Review Committee pursuant to the Protocol. Any appeal from the Committee's decision shall be reviewed as set forth in the Protocol.

Any act of retaliation or reprisal against an individual for reporting in good faith a potential institutional conflict of interest or a violation of this Policy shall be a violation of this Policy. Any use of this Policy to report in bad faith an alleged potential institutional conflict of interest shall be a violation of this Policy. Such violations will be dealt with through regular administrative processes for violations of University policies.



Appendix A: Examples of Institutional Conflict of Interest

Financial relationships with external entities give rise to impermissible institutional conflicts of interest when, in the interests of financial gain to the University or its internal units, the objectivity of the decision-making process or the allocation of resources is influenced in ways that (1) compromise the integrity of the University in fulfilling its mission, and (2) would not occur but for the existence of the external financial relationship.

The following examples are not intended to be exhaustive.

Examples of Institutional Conflict of Interest:

1. Seeking to influence the award or terms of a University contract, including but not limited to research contracts, with an external entity because of a past, present or future gift from the external entity.
2. Seeking to influence a University research review committee (such as Institutional Animal Care and Use Committee (“IACUC”) or Institutional Review Board (“IRB”)) to grant concessions or exceptions in reviewing or monitoring a research project involving technology in which the University has an equity interest.
3. Seeking to influence a University research review committee (such as IACUC or IRB) to grant concessions or exceptions in reviewing or monitoring a research project sponsored by an external entity in which the University has a financial interest.
4. Where a University official has made a personal financial investment in a University faculty member’s start-up company, involvement by that official in decisions affecting the terms and conditions of that faculty member’s University employment.
5. Where a University official has made a personal financial investment in a University faculty member’s start-up company, involvement by that official in decisions affecting the terms and conditions of University business relationships with that start-up company.
6. Where a donor, for its commercial or financial benefit, seeks to influence academic, research or patient care decision-making process or responsibilities.
7. Where the University, or an entity affiliated with the University, invests University funds or funds held for the benefit of the University in an entity in which officials responsible for approving the investment hold a personal



financial interest, or makes use of an investment mechanism (including an investment management fund or firm) in which officials responsible for approving the investment hold a personal financial interest.



Examples of *Potential* Institutional Conflict of Interest:

1. Where the University is entitled to receive royalties from the sale of a technology that is proposed to be the subject of a University research project.
2. Where the University, through technology licensing activities, holds an equity interest or an entitlement to equity of any value in a non-publicly traded sponsor of research at the University.
3. Where the University, through technology licensing activities or otherwise, holds a significant equity interest in a publicly traded sponsor of research at the University and University officials responsible for managing that equity interest are also involved in decisions concerning the conduct of University research sponsored by the entity.
4. Appointment of a University official with broad administrative authority to serve with or without compensation in either a personal or representative capacity as an officer, director, or scientific advisory board member of a sponsor of research conducted at or under the auspices of the University.
5. Allocation of laboratory or office space by a University academic department in a manner that unduly favors investigators whose research is sponsored by an entity that has provided the department with gifts.

Conflict of Interest Policies:

This Policy is subject to the provisions set forth in the University's Policy on Conflict of Interest: Financial and Personal Conflict; Policy on Conflict of Interest: Research and the related Protocol.

Retaliation

Any act of retaliation or reprisal against an individual for reporting in good faith a potential conflict of interest of another individual or a violation of this Policy by another individual shall be a violation of this Policy. Any use of this Policy to report in bad faith an alleged potential conflict of interest by another individual shall be a violation of this Policy. Such violations will be dealt with through regular administrative processes for violations of University policies.

Revision

The University reserves the right to change this Policy from time to time. Proposed changes will normally be developed by those responsible for this Policy with appropriate stakeholders. The approval entities have sole authority to approve changes to this Policy. COI Protocol may be modified, from time to time, by the COI Steering Committee.



Questions

Please contact fcoi@tufts.edu.

Approval Entity(ies)

Office of Provost
Office of Executive Vice President
Office of University Counsel
Academic Council
Office of the President

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October 6, 2020

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Executive Sponsor(s)

Michael Howard, Executive Vice President
Mary R. Jeka, General Counsel

Review Cycle

Annually or as determined by the Conflict of Interest Steering Committee

Related Policies

Policy on Conflict of Interest: Financial and Personal Conflict
Policy on Conflict of Interest: Research
Policy on Conflict of Interest: Review Protocol
Policy on Conflict of Commitment: Faculty
Policy on Conflict of Commitment: Non-Faculty Employees