



ADMINISTRATIVE POLICY

Conflict of Interest and Compensated Outside Services Policy (HR 1)

POLICY STATEMENT

Nevada State College encourages research, creative and scholarly endeavors, entrepreneurial activity, and interactions with external entities. However, some external interests and relationships can lead to real or perceived Conflicts of Interest. Conflicts of Interest (COI) arise when financial or other personal considerations have the potential to adversely affect, or have the appearance of adversely affecting, an Employee's professional judgment or ability to fulfill obligations to the College.

This policy establishes the requirements for disclosing, reviewing, managing, and eliminating Conflict of Interest situations at Nevada State.

DEFINITIONS

College Responsibilities: An employee's professional responsibilities on behalf of Nevada State, and as defined by the College, including but not limited to: research, research consultation, teaching, professional practice, institutional committee memberships, and service on panels such as the Institutional Review Board (IRB).

Compensated Outside Services: Outside compensated work or compensated scholarly services performed by a Nevada State Employee; does not include income derived solely from passive investments. Compensated Outside Services are recognized as a legitimate activity unless specifically prohibited by an Employee's contract of employment. Compensated Outside Service is not considered appropriate when it interferes with the regular work of the Nevada State Employee; involves unauthorized use of College facilities, personnel, or other resources; subjects other individuals or companies engaged in private practice to unfair competition; violates the general requirements of NRS 281A.400 -281A.480; or involves a Conflict of Interest specified by NSHE or Nevada State policy.

Conflict of Interest or COI: Outside activity or interest that may, or may appear to, adversely affect, compromise, or be incompatible with the obligations of an Employee at Nevada State. Encompasses any situation in which an Employee of Nevada State uses, or is in a position to use, influence and authority within the College to advance their own personal or Financial Interests, or the personal or Financial Interests of individuals in the Employee's household; persons to whom the Employee is related by blood, adoption, or marriage within the third degree of consanguinity; or persons with whom the Employee has substantial and continuing outside business relationships. The bias of such conflicts could conceivably inappropriately affect the goals of research or instructional or administrative programs. The education of students, methods of analysis and interpretation of research data, hiring of staff, procurement of materials, and other administrative tasks at Nevada State must be free of undue influence by outside interests. For the purposes of reporting COIs to federal funding agencies, the federal definition(s) supersedes this policy and will be used to determine which COIs must be reported.

Designated Official: Institutional officials who have been given authority to review and manage disclosures of Significant Financial Interests. Includes determining whether any Significant Financial Interests relate to federal funding; determining whether a Financial Conflict of Interest exists; and, if so, developing and implementing a Management Plan that specifies actions that have been, and will be, taken to manage the Conflict of Interest. The Associate Vice President of Human Resources is the Designated Official at Nevada State.

Employee: For the purposes of this policy, any person employed full-time as academic or administrative faculty at Nevada State. Individuals or Investigators (defined by federal awards as volunteers on funded projects, without paid compensation) are considered Employees under this policy.

Equity Interest: Any stock, stock option, or other ownership interest, as determined through reference to public prices or other reasonable measures of fair market value.

Excessive Compensated Outside Services: Compensated Outside Service that exceeds limits set in NSHE's policy on Compensated Outside Professional Service (Title 4, Chapter 3, Section 9). Outside service must not occupy more than one (1) day's equivalent time per work week (20%). Employees on twelve-month contracts must take annual leave if providing Outside Compensated Service during the standard work week.

Financial Conflict of Interest (FCOI): A Significant Financial Interest that could directly and significantly affect the design, conduct, or reporting of funded research or affect the performance of duties for or by any Nevada State Employee.

Financial Interest: Anything of monetary value, including but not limited to: salary; other payments for services (e.g., consulting fees or honoraria); Equity Interests (e.g., stocks, stock options, other ownership interests); and intellectual property rights (e.g., patents, copyrights, and royalties from such rights).

Investigator: The Principal Investigator (PI), project director (PD), and/or any other person at Nevada State who is responsible for the design, conduct, or reporting of a Sponsored Project which may include collaborators or consultants. The guidelines that apply to Investigators also apply to individuals in the Investigator's household; persons to whom the Investigator is related by blood, adoption, or marriage within the third degree of consanguinity as defined by NSHE Board of Regents Handbook Title 4, Chapter 3, Section 7 (Nepotism); or persons with whom the Investigator has substantial and continuing outside business relationships. Hence, for the purposes of this policy's disclosure requirement, the term "Investigator" refers to the above individuals related to or working with the Investigator.

Management Plan: Mutually acceptable course of action to manage, mitigate, or alleviate the Conflict of Interest due to Compensated Outside Services.

Remuneration: Includes salary and any payment for services not otherwise identified as salary (e.g., consulting fees, honoraria, paid authorship).

Senior/Key Personnel: A project director (PD), Principal Investigator (PI), and any other person identified as Senior/Key Personnel (i.e., any individual who contributes in a substantive, meaningful way to the scientific or programmatic development, implementation, and reporting of a Sponsored Project) in a grant application, progress report, or any other report submitted to the funding agency.

Significant Financial Interest: Any arrangement that falls into one or more of the following categories:

- (1) A Financial Interest consisting of one or more of the following interests of the employee (and those of the employee's spouse and dependent children) that reasonably appears to be related to the College Responsibilities:
 - (i) With regard to any publicly-traded entity, a Significant Financial Interest exists if the value of any Remuneration received from the entity in the twelve (12) months preceding the disclosure and the value of any Equity Interest in the entity as of the date of disclosure, when aggregated, exceeds \$5,000;
 - (ii) With regard to any non-publicly traded entity, a Significant Financial Interest exists if the value of any Remuneration received from the entity in the twelve (12) months preceding the disclosure, when aggregated, exceeds \$5,000, or when the Investigator (or the Investigator's spouse or dependent children) holds any Equity Interest;
 - (iii) Intellectual property rights and interests (e.g., patents, copyrights), upon receipt of income related to such rights and interests.
- (2) Employees must disclose the occurrence of any reimbursed or sponsored travel (i.e., travel paid on behalf of the Employee) related to their institutional responsibilities. This disclosure will include, at minimum, the purpose of the trip, identity of the sponsor or organizer, destination, and duration. Nevada State official(s) will determine if further information is needed, including disclosure of monetary value, in order to ascertain whether the travel constitutes a FCOI;
- (3) Significant Financial Interest does not include the following: salary, royalties, or other Remuneration paid by Nevada State to the employee, if the employee is currently employed or otherwise appointed by the College, including intellectual property rights assigned to the College and agreements to share in royalties related to such rights; income from investment vehicles, such as mutual funds and retirement accounts, as long as the Employee does not directly control the investment decisions made in these vehicles. All Significant Financial Interests must be evaluated by the College to determine whether or not they pose a Financial Conflict of Interest.

Sponsored Project: A research, training, service, or other type of project with identifiable objectives and/or deliverables for which external funding either is being requested or has been received.

PROCEDURES

I. Requirement to Disclose

Nevada State College Employees are considered public Employees and must comply with the Code of Ethical Standards of the State of Nevada as codified in Nevada Revised Statutes (NRS) 281A.400-281A.660.

All full-time academic and administrative faculty and professional staff shall disclose annually whether or not they plan to engage in any outside activity or professional involvement that may constitute a Conflict of Interest, and/or for which they will receive compensation.

In addition to the annual disclosure, Federally-funded Investigators must disclose the amount of compensation so the Designated Official may determine whether a Financial Conflict of Interest exists. All Employees affiliated with the College must disclose potential Conflicts of Interest prior to accepting a Sponsored Projects or other outside conflicts that may impact their position with the College. All potential Conflicts of Interest and/or Compensated Outside Services must be approved before the activity is undertaken.

College Employees shall also disclose benefits that may accrue to individuals in the Employee's household; persons to whom the Employee is related by blood, adoption, or marriage within the third degree of consanguinity; or persons with whom the Employee has substantial and continuing outside business relationships.

Relationships within the third degree of consanguinity or affinity are defined as:

- A. The employee's spouse, child, parent, sibling, half-sibling, or step-relatives in the same relationship;
- B. The spouse of the employee's child, parent, sibling, half-sibling, or step relative; or
- C. The employee's in-laws, aunt, uncle, niece, nephew, grandparent, grandchild, or first cousin.

For Sponsored Projects, subcontractors and other external collaborators must provide adequate assurances to the College that they are in compliance with federal regulations and must provide reports of Conflicts of Interest in a timely manner to allow for reporting to funding agencies.

A disclosure in and of itself is not suggestive of any impropriety; it is customary and usual, and benefits both the individual and the College, as described in NSHE's Compensated Outside Professional Services Policy (Title 4, Chapter 3, Section 9).

II. Disclosure Process

It is the responsibility of each Nevada State Employee to disclose potential Conflicts of Interest or Compensated Outside Services. It is the responsibility of the College and the appropriate Designated Official to review disclosures and determine if the disclosed interests could directly and significantly affect the Employee's performance of College Responsibilities and, if so, to require the management, reduction, or elimination of the Conflict of Interest.

Disclosures must be sent to the Employee's supervisor and to Human Resources. Disclosures must occur when any of the following apply or occur: 1) on an annual basis by September 15th of each year, 2) upon application for a Sponsored Project, or 3) prior to initiation of any such outside services. Disclosures must be made using the Conflict of Interest/Compensated Outside Services Disclosure form.

- A. Situations that may create a Conflict of Interest and must be disclosed, regardless of the amount of compensation, include:
 - 1. External Financial Interests;
 - 2. Management positions with fiduciary responsibilities such as a board member, director, partner, or trustee with an outside entity that has a business relationship with NS;
 - 3. Industry affiliations with pharmaceutical, medical device, or medical equipment companies;
 - 4. Consulting and other compensated professional/commercial activities;
 - 5. Use of students or support staff on external, non-NSC activities;
 - 6. Use of College resources;
 - 7. Clinical trials;
 - 8. Contractual relationships between Nevada State and other entities with which NS Employees have an outside relationship;
 - 9. Any other relationship with an external entity that has the potential to result in a Conflict of Interest.

- B. Employees do not need to disclose the following:
1. Salary, royalties, or other Remuneration paid by Nevada State to the Investigator, if the Investigator is currently employed or otherwise appointed by the College, including intellectual property rights assigned to the College and agreements to share in royalties related to such rights;
 2. Equity Interests or income from investment vehicles, such as mutual funds and retirement accounts, as long as the employee does not directly control the investment decisions made in these vehicles;
 3. Income from seminars, lectures, or teaching engagements sponsored by a federal, state, or local government agency; a U.S. institution of higher education (as defined by 20 U.S.C. 1001(a)); an academic teaching hospital, medical center, or research institute that is affiliated with a U.S. institution of higher education;
 4. Income from service on advisory committees or review panels for a federal, state, or local government agency; a U.S. institution of higher education; or an academic teaching hospital, medical center, or research institute that is affiliated with a U.S. institution of higher education.
- C. To protect students' rights as researchers and scholars, employees must comply with the following requirements:
1. Employees must disclose restrictions on publication or communication rights on Sponsored Projects when students are involved in the project and their involvement is the basis for evaluating the student or fulfilling a degree requirement;
 2. Faculty members must disclose their intent to hire a Nevada State College student as an Employee or as a contractor for an outside entity in which they have a Significant Financial Interest if any of the following apply:
 - i. The student is enrolled in a class that the faculty member teaches;
 - ii. The student is under the faculty member's supervision on a research project; and/or
 - iii. The faculty member is the chair of the student's graduate committee.

III. Review of Potential Conflicts of Interest and/or Excessive Outside Compensated Services

Determining whether a Conflict of Interest or Excessive Compensated Outside Services exists in a particular instance will often be a matter of judgment. The activities of employees must be governed by thoughtful and shared consideration of individual circumstances in applying the appropriate rules. Application of administrative discretion is an integral part of Nevada State's Conflict of Interest and Compensated Outside Services review and remediation systems.

The Associate Vice President of Human Resources serves as Designated Official and reviews all disclosures from faculty. The Designated Official shall determine whether a Conflict of Interest and/or Excessive Compensated Outside Services are present. This determination and a response to the Employee must occur within thirty (30) calendar days of receipt of the disclosure; a lack of response after 30 days shall constitute approval by the Designated Official.

IV. Managing Conflicts of Interest

If a Conflict of Interest and/or Excessive Compensated Outside Services appear to exist as identified in section II(A) of this policy, the supervisor, director, and/or dean will attempt to develop and document a Management Plan. The Management Plan must be forwarded to the appropriate

Designated Official for review and approval, disapproval, or further development of management strategies.

The Management Plan will, at a minimum, describe the role and principal duties of the Investigator in the research project; conditions of the Management Plan; how the Management Plan is designed to safeguard objectivity in the research project; confirmation of the Investigator's agreement to the Management Plan through signature; how the Management Plan will be monitored to ensure Investigator compliance; and other information as needed.

If a mutually acceptable Management Plan cannot be negotiated at the unit level, the Designated Official will review the Conflict of Interest and work with the faculty member's supervisor to determine the best available actions (see Section V below). If an agreement is not reached, the Designated Official will render a final decision, including any required actions.

V. Available Actions

- A. *Actions if Conflict of Interest Exists:* If a real or potential Conflict of Interest exists, one of the following actions will be taken:
1. Accept the Sponsored Project and allow the research to proceed, with conditions:
 - i. Monitoring of research by independent reviewers;
 - ii. Public disclosure of Significant Financial Interest;
 - iii. Modification of research plan;
 - iv. Disqualification from participation in all or part of the Sponsored Project;
 - v. Divestiture of Significant Financial Interest;
 - vi. Severance of relationships that create actual or potential conflicts;
 2. Do not accept the Sponsored Project or Compensated Outside Service;
 3. Require the Nevada State Employee to cease participation in the project involving the Conflict of Interest while remaining an Employee;
 4. Require the Employee to cease participation in College activities related to the Conflict of Interest.
 5. Accept the Sponsored Project and allow the research to proceed, with conditions:
 - i. Monitoring of research by independent reviewers;
 - ii. Public disclosure of Significant Financial Interest;
 - iii. Modification of research plan;
 - iv. Disqualification from participation in all or part of the Sponsored Project;
 - v. Divestiture of Significant Financial Interest;
 - vi. Severance of relationships that create actual or potential conflicts.
- B. *Actions if Excessive Compensated Outside Services Exist:* In cases where Excessive Compensated Outside Services exist, one or more of the following actions will be taken:
1. Require that the Employee reduce the activity to a level that is allowable under Title 4, Chapter 3, Section 9 of the NSHE Code;
 2. Require that the Employee cease performance of existing outside obligations while the Employee remains an Employee;
 3. Disciplinary sanctions as set forth in Title 2, Chapter 6 of the NSHE Code.

If the Conflict of Interest or Compensated Outside Services involves a vice president or the provost, the president will review the disclosure and render a final decision. If the Conflict of Interest or Compensated Outside Services involves the president, the chancellor will review the disclosure and render a final decision.

VI. Additional Requirements for Projects Funded by the U.S. Department of Health and Human Services (DHHS) Public Health Service (PHS)

- A. *Training*: Investigators on Public Health Service-funded projects must complete training on Conflicts of Interest prior to engaging in research related to any PHS-funded grant. Training must be taken at least every four (4) years, and immediately when any of the following circumstances apply:
1. The College revises its Financial Conflict of Interest policies or procedures in any manner that affects the requirements of Investigators;
 2. An Investigator is new to the College;
 3. The College finds that an Investigator is not in compliance with the institution's Financial Conflict of Interest policy or Management Plan.
- B. *Retrospective Reviews*: In addition to the mechanism set forth in section IX: Noncompliance (below), the Designated Official will conduct retrospective reviews of PHS-funded projects as needed. Retrospective reviews occur when:
1. The College identifies a Significant Financial Interest that was not disclosed in a timely manner by an Investigator;
 2. A Significant Financial Interest was not previously reviewed or managed by Nevada State during an ongoing PHS-funded research project (e.g., was not reviewed in a timely fashion or reported by a subawardee).

The Designated Official shall, within thirty (30) calendar days, review the Significant Financial Interest; determine whether it is related to PHS-funded research; and determine whether a Financial Conflict of Interest (FCOI) exists. If so:

- i. The Designated Official will implement, on at least an interim basis, a Management Plan that will specify the actions that have been, and will be, taken to manage the FCOI going forward;
 - ii. If the Investigator fails to comply with a FCOI Management Plan, within 120 days of the determination of noncompliance Nevada State will complete a retrospective review of the Investigator's activities and the PHS-funded research project to determine whether any PHS-funded research, or portion thereof, conducted during the time period of the noncompliance was biased in the design, conduct, or reporting of such research.
3. The College is required to document the retrospective review involving PHS-sponsored research; such documentation shall include, but is not necessarily limited to, all of the following key elements:
- i. Project number;
 - ii. Project title;
 - iii. PD/PI or contact PD/PI if a multiple PD/PI model is used;
 - iv. Name of the Investigator with the FCOI;
 - v. Name of the entity with which the Investigator has a Financial Conflict of Interest;
 - vi. Reason(s) for the retrospective review;
 - vii. Detailed methodology used for the retrospective review;
 - viii. Findings of the review;
 - ix. Conclusions of the review.

Based on the results of the retrospective review, if appropriate, the College will update the previously submitted FCOI report, specifying the actions that will be taken to manage the Financial Conflict of Interest going forward. If bias relating to the

Conflict of Interest is found, the College is required to notify the PHS Awarding Component promptly and submit a mitigation report.

4. *Mitigation Report*: The mitigation report must include, at a minimum:
 - i. The key elements documented in the retrospective review above;
 - ii. A description of the impact of the bias on the research project and Nevada State's plan of action or actions taken to eliminate or mitigate the effect of the bias (e.g., impact on the research project; extent of harm done, including any qualitative and quantitative data to support any actual or future harm; analysis of whether the research project is salvageable).
 - iii. Depending on the nature of the FCOI, the College may determine that additional interim measures are necessary with regard to the Investigator's participation in the PHS-funded research project between the date that the Financial Conflict of Interest or the Investigator's noncompliance is determined and the completion of the Institution's retrospective review.
5. *NIH Funding*: If the National Institutes of Health determines that one of its funded clinical research projects whose purpose is to evaluate the safety or effectiveness of a drug, medical device, or treatment has been designed, conducted, or reported by an Investigator with an FCOI that was not managed or reported by Nevada State, the College will require the Investigator to disclose the FCOI in each public presentation of the results of the research and will request an addendum to previously published presentations.

VII. Disclosure to External Agencies

The College will comply with all requirements for external disclosure of Conflicts of Interest and Compensated Outside Services. This includes annual summary reports to the NSHE Board of Regents and specific reports/written disclosures to PHS and other funding agencies as stipulated in 2 CFR 200.112 and the acceptance of award documentation.

In accordance with federal regulations, information about Significant Financial Interests that were determined to be Financial Conflicts of interest for Senior/Key Personnel on PHS-Sponsored Projects will be made available on Nevada State's publicly accessible website and must include the following:

- A. Investigator's name;
- B. Investigator's title and role with respect to the research project;
- C. Name of the entity in which the Significant Financial Interest is held;
- D. Nature of the Significant Financial Interest;
- E. Approximate dollar value of the Significant Financial Interest.

All Employees shall inform those who engage them in outside professional work that they are not acting in the name of the College and that the College is neither a party to the contract nor liable for any actions of the Employee. Employees performing outside professional work or scholarly services are subject to Title 4, Chapter 1, Section 25 of NSHE's policy on Personal Use of System Property or Resources.

VIII. Appealing Conflict of Interest Determinations

Employees may appeal a Conflict of Interest decision by sending notification (via email) to the appropriate Designated Official. Employees appeal to the president concerning the decision of the Designated Official. Appeals must be in writing and must be submitted within five (5) business days

from the date the Designated Official's decision is received by the employee. The president's decision on the appeal is final.

IX. Noncompliance

Possible violations of this policy and the rules and procedures described in it, as well as alleged deliberate and/or dishonest undisclosed conflicts, will be investigated by the Associate Vice President of Human Resources, who will recommend appropriate action, if any, to the president.

The procedures set forth in Chapter 6 of the NSHE Code and NRS Chapter 281A.500-550 will govern the imposition of any disciplinary sanctions by the College for violations of policy, rules, and procedures. In addition, the College will comply with all review and reporting requirements for noncompliant Investigators on funded projects.

X. Record Handling and Retention

The College considers all disclosures and related documentation to be personnel documents and will limit access to and disclosure of such records as provided for in the NSHE Regents Handbook and applicable College personnel and privacy policies. The College will meet Conflict of Interest requirements for information release specified in the award documentation of Sponsored Programs. The disclosure documentation will be stored by the Office of Human Resources as part of the faculty member's personnel file. The Office of Grant Services will receive electronic copies of all disclosures related to Sponsored Projects and will provide all required reports to appropriate funding agencies.

All disclosures and documentation of resolutions must be maintained for a minimum of three (3) years following the completion of the award (for Sponsored Projects) or the termination of the outside activity (for Conflicts of Interest and Outside Compensated Service not related to a Sponsored Project). Copies in personnel files will be maintained in a format that allows for reporting of aggregate data as required by NSHE Title 4 Chapter 3 Section 8.14.

FORMS/INSTRUCTIONS

- Conflict of Interest/Compensated Outside Services Disclosure Form

CONTACTS

UNIT	CONTACT	PHONE	EMAIL
Office of the Provost	Sita Sales	X2600	Sita.sales@nsc.edu
Human Resources	Eric Gilliland	X2322	hr@nsc.edu

RELATED INFORMATION

- Nevada Revised Statutes [281A.400-281A.660](#)
- NSHE Rules and Disciplinary Measures for Faculty ([NSHE Code Chapter 6](#))

- NSHE’s policy on Personal Use of System Property or Resources (Handbook, [Title 4, Chapter 1](#), Section 25 and Section 27)
- NSHE policy on Nepotism (Handbook, [Title 4, Chapter 3](#), Section 7)
- NSHE’s Compensated Outside Professional Services Policy (Handbook, [Title 4, Chapter 3](#), Section 9)
- United States Code General Definition of Institution of Higher Education (20 U.S.C. 1001(a))
- 2 CFR 200.112

HISTORY

APPROVAL SIGNATURES PAGE



11/29/2022

Office of Finance & Business (Senior VP’s Signature) Date

	Denial	Approval	Approval w/ condition*
<i>Recommendation</i>		X	



11.30.2022

Office of the President (President’s Signature) Date

Final decision (check one):

	Denial*	Approval
<i>Recommendation</i>		X

*Attach rationale for denial or conditional approval