

CONFLICT OF COMMITMENT AND INTEREST

This statement contains Northeastern's policy and procedures regarding conflict of commitment and conflict of interest as they apply to all members of Northeastern's Full-Time Faculty¹ ("Faculty") including faculty members serving as University officers. College Deans are the primary individuals responsible for ensuring implementation of this policy. The Vice Provost for Research and Graduate Education (hereinafter referred to as the "Vice Provost") is responsible for interpretation and overall coordination of the policy. Violation of any part of this Policy causes a Faculty member to be subject to sanctions.² This policy will be modified as necessary to remain in compliance with the regulations of external agencies.

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Conflict of Commitment: Northeastern's Faculty owe their primary professional allegiance to the University, and their primary commitment of time and intellectual energies should be to the educational, research and scholarship programs of the institution. The specific responsibilities and professional activities that constitute an appropriate and primary commitment will differ across colleges and departments, but they should be based on a general understanding between the Faculty and their academic unit head (i.e., school dean, department chair, program director), and college Dean or equivalent administrator (hereinafter referred to as "the Dean").

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Even with such understandings in place, however, Faculty attempts to balance University responsibilities with external activities - such as consulting, public service or pro bono work - can result in conflicts regarding allocation of time and energies. Conflicts of commitment usually involve issues of time allocation. Whenever an individual's outside consulting activities (as defined in the Northeastern University "Policy on Outside Professional Activities")³ exceed the permitted limits (normally one day per week), or whenever a full-time faculty member's primary professional loyalty is not to Northeastern, a conflict of commitment exists.

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Conflict of Interest: A conflict of interest occurs when there is a divergence between an individual's private interests and their professional obligations to the University such that an independent observer might reasonably question whether the individual's professional actions or decisions are determined by considerations of personal gain, financial or otherwise. A conflict of interest depends on the situation, and not on the character or actions of the individual.

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Conflicts of interest are common and practically unavoidable in a modern research university. At Northeastern, conflicts of interest can arise out of the fact that a primary mission of the University is to promote public good by fostering the transfer of knowledge gained through University research and scholarship to the private sector. Two important means of accomplishing this mission include consulting and the commercialization of technologies derived from research. It is appropriate that Faculty be rewarded for their participation in these activities through consulting fees and sharing in royalties,⁴ resulting from the commercialization of their work. It is wrong, however, for actions taken or decisions made in the course of an individual's University activities to be influenced or determined by

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¹ Faculty conducting research are also subject to the Policy on Financial Conflict of Interest Related to Research: http://www.northeastern.edu/policies/pdfs/Policy_on_Financial_Conflict_of_Interest_Related_to_Research.pdf

² See Faculty Handbook module titled Faculty Discipline.

³ See Faculty Handbook module titled Policy on Outside Professional Activities.

⁴ See Faculty Handbook module titled Intellectual Property in Academic Materials.

considerations of personal financial gain that undermine the University's educational and research mission and its institutional integrity.

Such behavior calls into question the individual's professional objectivity and ethics, and it also reflects negatively on the University. Northeastern University is an institution of public trust; Faculty must respect that status and conduct their affairs in ways that will not compromise the integrity of the University.

Faculty should conduct their affairs so as to avoid conflicts of interest, and must respond appropriately when conflicts of interest arise. To that end, the purposes of this policy are to educate Faculty about situations that generate conflicts of interest, to provide ways for Faculty and the University to manage conflicts of interest, to promote the best interests of students and others whose work depends on Faculty direction, and to describe conflict situations that are prohibited. Every Northeastern University Faculty member has an obligation to become familiar with, and abide by, the provisions of this policy. If a situation raising questions of conflict of commitment or interest arises, Faculty are urged to discuss the situation with the unit chair, college Dean, or the Vice Provost.

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SUMMARY

Below is a summary of the key provisions of this Policy. However, Faculty are urged to read the document in its entirety to fully understand the spirit of these provisions, the bona fide exceptions, and the requirements for compliance.

1. As prescribed in the *Faculty Handbook*, Faculty must maintain a significant presence on campus throughout each semester they are on active duty.⁵
2. Faculty must not allow other professional activities to detract from their primary allegiance to Northeastern. Faculty must not have significant outside managerial responsibilities nor, under normal circumstances, act as a principal investigator on sponsored projects that could be conducted at Northeastern University but instead are submitted and managed through another entity, except when on leave or sabbatical.⁶
3. Faculty must foster an atmosphere of academic freedom by promoting the open and timely exchange of results of scholarly activities, ensuring that their advising of students and postdoctoral scholars is independent of personal commercial interests, and informing students and colleagues about outside obligations that might influence the free exchange of scholarly information between them and the Faculty.
4. Faculty may not use University resources, including facilities, personnel, or equipment, except in a purely incidental way, as part of their outside consulting activities or for any purposes that are unrelated to the education, research, scholarship, and public service missions of the University. Faculty may not use information confidential to the University in any way beyond the scope of their University duties without the express consent of the University Officer responsible for that information.

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⁵See *Faculty Handbook* module titled *Presence at the University*.

⁶ See *Faculty Handbook* modules titled *Sabbatical and/or Leaves of Absence and Vacation*.

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5. Faculty must disclose on a timely basis the creation or discovery of potentially patentable inventions created or discovered in the course of their University activities or with more than incidental use of University resources. Ownership of such inventions is assigned to the University regardless of the source of funding according to the University patent policy. The inventor will share in any royalties earned pursuant to the terms of the University patent policy⁷.

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6. Faculty must disclose to the University whether they (or members of their immediate family, as defined below) have consulting arrangements, significant financial interests (also defined below), or employment in an outside entity before the University will approve the following proposed arrangements between such entities and Northeastern: a) gifts; b) sponsored projects; c) technology licensing arrangements; and d) procurements. In such cases, formal University approval will be required prior to entering into each proposed arrangement.

7. The goal of this policy is to permit Faculty to undertake research in the freest possible atmosphere consistent with their obligations to the University and to outside funding agencies. In order to minimize interference with research, the University encourages Faculty to utilize the following informal procedure when questions concerning potential conflict arise. Faculty with such questions may contact their unit head or Dean for informal and confidential discussion of the facts which give rise to the potential conflict. The results of that discussion will be reduced to a memorandum by the academic administrator involved as evidence of the Faculty's good faith compliance with this policy. Should the Faculty disagree with the terms of this memorandum, the issues shall be presented to the Vice Provost as described below.

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8. In situations in which the objectivity of Faculty could reasonably be questioned, the Dean may establish an independent oversight committee to review the appropriateness of the proposed research to be conducted at Northeastern, oversee the conduct of the research, and ensure open and timely dissemination of the research results. Such oversight committees will be required for all clinical trials raising questions of conflict of interest.

9. On an annual basis all Faculty must certify to their Deans (or supervisors, in the case of faculty holding administrative positions) their compliance with Northeastern's policies relating to conflict of interest and commitment. They must also disclose information about their (and, as described below, their immediate family members') financial relationships with outside organizations that are sponsors or potential sponsors of their teaching or research programs or are otherwise involved in commercial relationships with the University that involve the Faculty. In addition, on an ad hoc basis, Faculty must disclose to the unit head or Dean current or prospective situations which may raise questions of conflict of commitment or interest, as soon as such situations become known to the Faculty.

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10. Deans shall review and may approve exceptions to this policy. Deans shall establish procedures to ensure timely review of their Faculty's annual and ad hoc disclosures of potential or apparent conflicts. Such procedures shall involve representatives from the school's faculty as part of the reviewing body. Deans will file their own annual disclosures and certifications of compliance with the Vice Provost.

⁷ See Faculty Handbook module titled Intellectual Property in Academic Materials.

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11. The Vice Provost must also approve all special cases outlined in Section 6 above. The Vice Provost shall approve each college Dean's plans for implementing this policy, interpret policy provisions, respond to faculty wishing to appeal a college Dean's decisions (see Section 7, above), and annually report to the University Research Council on the status of this policy and its implementation.
12. Should Faculty, on grounds specified below, appeal a decision made by the Vice Provost, he or she may present the appeal to the Provost, who will consider the case.

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POLICY

1. Limitations on Outside Professional Activities

Northeastern encourages Faculty to become involved in the transfer of knowledge from the University into the commercial marketplace. It is appropriate for the University to facilitate the transfer of the knowledge gained through academic research to applications which can benefit the general population. Moreover, experience gained by Faculty in the course of outside professional activities can enhance their teaching and research or scholarship within the University. But the process of technology transfer can create the potential for conflicts of commitment and/or interest, particularly when there is opportunity for personal gain on the part of the faculty. The intent of this provision of the policy is to minimize potential conflicts and to provide means of managing them when they arise. An implicit assumption underlying the University's "Policy on Outside Professional Activities" is that such outside professional activities are a privilege and not a right and must not detract from Faculty's full-time obligation to their University duties. When any outside activity detracts from the conduct of University duties, a conflict of commitment will result. Even activities such as pro bono work, government service in the public interest, and any outside employment unrelated to the Faculty's University responsibilities should be managed so they do not take precedence over a Faculty's primary commitment to the University.

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Outside professional activities can also generate conflicts of interest regardless of the time involved. For example, direction of a program of research or scholarship at another institution that could be conducted appropriately at Northeastern as part of the Faculty's normal duties can deprive Northeastern students and colleagues of the benefits of Faculty's primary intellectual energies and valuable educational opportunities. Another example is submitting research proposals through channels other than Northeastern to support work that could be performed at Northeastern. First, the use of Northeastern resources in the course of that work is practically unavoidable. Second, it becomes difficult, if not impossible, for the University to review and reward the contributions of its Faculty, for work managed and/or conducted elsewhere. Third, the action can result in situations that place students and staff in conflicts of interest. On the other hand, the University does not intend to limit Faculty from participating in multi-site training or research programs. Nor does it intend to limit the ability of Faculty to do research that requires access to facilities not available at Northeastern. Weighing these considerations, normally Northeastern Faculty are prohibited from serving as principal investigators on sponsored projects submitted and managed through other institutions.

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Significant management roles (those that involve supervision of the work of others and/or day-to-day responsibility for operating decisions) in private business typically are

demanding both in terms of time and energy. It is unlikely that such roles can be fulfilled by the manager working only one day per week⁸, the maximum time permitted for Faculty to engage in outside consulting activities. Because Faculty are expected to devote their primary energies and professional interests to their University obligations, they may not accept significant managerial responsibilities as part of their outside consulting activities.

Whenever Faculty are involved in research as part of their outside consulting or business activities, they must establish clear boundaries that separate their University and outside obligations, so as to avoid questions about their appropriate use of resources and attributions of the products of their work.

Teaching is a substantial part of all Faculty's obligations at the University. However, Faculty may not tutor Northeastern students for fees in any discipline in which they teach. Students are entitled to reasonable instructional assistance from Faculty as part of their normal tuition payment. Additional academic assistance, including tutoring services for students, are available through a number of sources at each college, from teaching assistants, peer tutoring and other programs. Students may contact faculty members or the Unit head for more information.

2. Free and Open Exchange of Research Results

The integrity of the University as a community of scholars requires the free and open exchange of ideas and communication of the results of scholarly activities. Faculty are obligated to maintain an atmosphere free from unwarranted external influences. Students and collaborators must be able to pursue topics of interest, have access to available information and facilities, and communicate the results of their work to other scholars and the public. Therefore, Faculty must ensure that:

- a. the results of research or scholarship undertaken at Northeastern are disseminated on an open and timely basis to the broader scholarly community and public;
- b. the activities of students and post doctoral scholars are free from the personal commercial interests of the Faculty; and
- c. the work of students, staff, post-doctoral scholars and collaborators is not exploited in the course of a Faculty's outside obligations. To this end, Faculty should be open about their involvement with and obligations to outside third parties who could benefit from the work or ideas of their students, staff, and colleagues. Similarly, students, associates, and staff should have access to information about the sources of funds that support their research.

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3. Appropriate Use of University Resources, Including Facilities, Personnel, Seal, Logos and Letterhead, Equipment, and Information

Faculty may not use University resources, including funds, facilities, personnel, equipment, or marks of its official endorsement such as the University seal, logo, or letterhead except in a purely incidental way as part of their outside consulting activities or for any other non-University purposes.

⁸ See Faculty Handbook module titled *Policy on Outside Professional Activities*.

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Inappropriate use of University resources includes the following:

- a. Assigning the Faculty's students, staff, post-doctoral scholars, or other Faculty under his or her supervision tasks for purposes of potential or real financial gain rather than the achievement of Institutional objectives, the advancement of the scholarly field, or the fulfillment of students' educational needs.
- b. Involvement of the Faculty's students (whether as Coops, interns, volunteers, or full or part-time employees), staff, or other Faculty under his or her supervision in his or her outside consulting or business activities without prior approval of the unit chair or Dean with respect to the fact, the nature, and the scope of the student's involvement;
- c. Granting external entities access to Northeastern resources or services for purposes outside the University's missions, providing external entities confidential information for any reason without the express consent of the University Officer responsible for that information, or offering inappropriate favors to outside entities in an attempt to unduly influence them in their dealings with the University.
- d. Use for personal gain, or granting unauthorized access to others, of confidential information acquired through conduct of University business or research activities. Confidential information includes, but is not limited to medical, personnel, student, or security records of individuals; proprietary knowledge about anticipated corporate material requirements, budgets, or price actions; proprietary knowledge of possible new sites for government operations; and information about forthcoming programs or selection of contractors or subcontractors in advance of official announcements;
- e. For personal financial gain, providing an outside entity preferential access, to research results, materials or products generated from University teaching or research activities. (This would not preclude appropriate licensing arrangements for inventions, or consulting on the basis of sponsored project results where there is significant additional work or expertise involved);
- f. Disposing of University property to third parties without the explicit authorization of the Senior Vice President/Treasurer;
- g. Using the University seal, its logos, letterhead, or other official University symbols in activities unrelated to the faculty member's University responsibilities or implying University endorsement for activities or entities not officially recognized by the University.

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4. Disclosure and Ownership of Intellectual Property

Northeastern wishes to encourage Faculty to be involved in technology transfer as part of their University duties without raising questions as to their motives. However, for Faculty to determine ownership of inventions based on outside sources of support when they stand to gain financially from such decisions constitutes a serious conflict of interest. Additionally, for Faculty to claim ownership of an invention resulting from their University activities calls into question whether they are using University resources for personal financial gain. Finally, the opportunity for Faculty to assume ownership of an invention and then grant exclusive access to it to a sponsor or potential sponsor of their University research creates an incentive for inappropriate relationships. Faculty are expected to

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exercise objectivity in the conduct of research and guidance of students and associates. To the extent that the financial interests of Faculty and a corporate sponsor become intermingled, the objectivity of the Faculty can be called into question. The relationship between the Faculty, the University, and research sponsors is more fully detailed in the University Faculty Handbook¹⁰.

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5. Faculty Involvement in Outside Entities Which Have Relations with Northeastern

Gifts, procurements, sponsored projects, or technology licensing arrangements between Northeastern and outside entities in which the involved Faculty (or members of the immediate family, which includes the Faculty's spouse or dependent children as determined by the Internal Revenue Service, or a domestic partner) has significant financial interests, or any employment or consulting roles, raise particular questions of potential or apparent conflicts of interest which require special ad hoc disclosures, review and approval.

a. For this purpose "significant financial interests" includes the following:

1) A "financial interest" in the sponsor of research, defined as:

- a) A direct or indirect investment in the sponsor worth more than \$5,000;
- b) A position as director, officer, partner, trustee, employee of or any other position of management in the sponsor;
- c) Income from the sponsor, including income from patent rights, consulting income and gifts aggregating \$5,000 or more in value, received by or promised to the faculty member within 12 months prior to the time the award is made. (For the purposes of this policy, "income" is further defined as in Gov. Code, Section 82030.)

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2) "Indirect Investment" or "Indirect Financial Interest," including situations in which:

- a) The spouse or dependent child of Faculty has a financial interest (as defined in "A" above) in the sponsor;
- b) The Faculty, their spouse, or dependent child own directly, indirectly or beneficially a 5 percent interest or greater (or \$10,000 worth of ownership interests) in any business entity or trust which has a financial interest in the sponsor of the research.
- c) "Equity (Ownership) Interest" defined as an investment of more than \$10,000 in the sponsor by the Faculty, their spouse, or dependent children. Additionally, faculty members seeking funding from an external sponsor must ensure compliance with that sponsor's disclosure requirements.

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b. Prior to the University entering into any of the following arrangements, the involved Faculty (following informal consultation, if they deem it beneficial) must submit to the Dean a complete written disclosure of their current or pending relationship with the outside entity, the relationship of the proposed University activity to the entity, and the means by which the Faculty will ensure separation of their University role from the Faculty's (or family members, as described above) role or interests in the entity:

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¹⁰ See Faculty Handbook module titled *Intellectual Property in Academic Materials*

- 1) gifts to Northeastern of cash or property which will be under the control of, or will directly support the teaching or research activities of Faculty, from an entity in which that Faculty (or members of the immediate family as described above) has an employment or consulting arrangement and/or (a) significant financial interest(s) (as defined above);
- 2) sponsored project proposals in which any of the involved investigators (or members of their immediate families as described above) have employment or consulting arrangements with and/or significant financial interests in the proposed sponsor, or with proposed subcontractors, vendors, or collaborators;
- 3) University technology licensing arrangements with companies in which the Faculty inventor (or members of the immediate family as described above) has an employment or consulting arrangement and/or a significant financial interest; and
- 4) procurement of materials or services from an outside entity in which the Faculty (or members of the immediate family as described above) has an employment or consulting arrangement and/or a significant financial interest.
- 5) disposal of University resources or property to an outside entity in which the Faculty (or members of the immediate family as described above) has an employment or consulting arrangement and/or a significant financial interest.

Common sense must prevail in the interpretation of these provisions. That is, if a reasonable person would question the relationship, it should be disclosed and approval should be sought for the proposed arrangement.

- c. If such proposed arrangements are approved by the Dean, the Faculty's disclosure and the Dean's findings and recommendations shall be submitted to the Vice Provost for approval. The Vice Provost may convene an ad hoc committee to advise him or her on any such proposed arrangements. Decisions made by the Vice Provost on these matters are not grievable under the Faculty Grievance Procedure.

6. Situations Raising Questions of Scientific Objectivity

In cases where the University has approved arrangements as described in Section 5 above, or in Clinical Technology Assessment Agreements (clinical trials) in which the investigators have personal financial interests, the objectivity of the Faculty's decisions and/or activities may be questioned by reasonable people. To address these situations, oversight committees may be established by the college Dean to review the appropriateness of the proposed activity, to monitor the conduct of the activity (including use of students and post-doctoral scholars), and to ensure the open and timely dissemination of research results.

Clinical trials involve particularly sensitive issues in those cases where the investigator has personal financial interests in the outcomes. The demand for therapeutics requires that new agents be developed and tested. The processes that must be followed in the testing and development of therapeutics raise an inherently contradictory situation for Faculty, because frequently the inventors of therapies or medical devices are those who do research on the disease in question, are the leaders in the field, and are the most

qualified to carry out pre-clinical and clinical testing. Also, the most qualified laboratories and individuals to conduct trials may receive, or be candidates to receive, research support from external organizations. In neither case could the faculty member be disinterested with respect to the outcome of the trials.

Therefore, the Faculty must take appropriate steps to guarantee objective evaluation of the agent or device, especially for advanced clinical trials (FDA phase II and phase III). Testing might involve other members of the unit or college, but if the Faculty is a unit chair or center director, the referral to another Faculty (particularly to a Tenure-track or Full-time Non Tenure-track Faculty) for testing the therapy/device may carry implied coercion. Integrity should be protected by an independent oversight group assigned to evaluate and monitor the research: (e.g., to an ad hoc committee appointment by the Dean) whenever (a) Faculty is involved in clinical trials of their inventions; (b) a company licensed to use a Faculty's member's is sponsoring the trial; (c) there may exist a reason to question a Faculty's objectivity, (d) the outcome of the trial could be seen as influencing existing or potential research support, or (e) such testing is referred to other members of the Faculty's unit or center.

8. Certification of Compliance

On an annual basis all Faculty must certify to their Dean their compliance with Northeastern's policies related to conflict of interest and commitment, and disclose their prior academic year's consulting activities for and/or significant financial interests in outside organizations that support their University teaching or research program. Faculty must also disclose other arrangements with outside organizations with which they are involved as described above in Section 5. In addition, Faculty must disclose if they have served as principal investigators or managers of outside research or business activities

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