

The University Senate of Michigan Technological University

PROPOSAL 9-01

AMENDMENTS TO INTERIM CONFLICT OF INTEREST PROCEDURES

All the following are to be added to the Interim Conflict of Interest Procedures (Appendix B of the current MTU Tenured/Tenure-Track Faculty Handbook):

(1) Section 1.1 "The gains might be financial, but other forms of benefit (power, political advantage, etc.) might also be involved. An important function of conflict of interest procedures is to protect weaker or vulnerable parties, such as students, staff, and postdoctoral researchers, from exploitation by supervisors."

(2) Section 4.1.1.1 In the last line, change "their off-quarter (usually summer)" to "the summer term."

(3) Add Section 4.1.1.4 "Some consulting relationships may overlap with important functions in the University, such as teaching, advising students, and pursuit of sponsored research, creating a complex (Category IV) conflict of interest. For example, a University employee may be a P.I. on a major sponsored research project while also having a consulting relationship with the same sponsor above the Category IV threshold (\$10,000 annually) raising the appearance of conflicted loyalties. Such situations should be disclosed as soon as possible to the Conflict of Interest Coordinator and addressed under the Category IV procedures."

(4) Section 4.1.2.3 In the last line, change "ten days per academic quarter" to "fifteen days per academic semester."

(5) Section 4.1.2.4 Add language at the end of this section to read: "...should be especially careful to avoid the appearance of such diversion. Likewise, faculty and staff with businesses or other involvements outside the university that can apply for sponsored research monies should not allow such pursuits to interfere with their pursuit of sponsored research for the University. In situations where the University and the outside entity can apply for the same funding, the University has first priority in making application and the outside entity should not compete with University funding applications. The investigator also owes appropriate time and effort to the University's search for sponsored research."

(6) Section 4.1.3 Delete sentence referring to Quarterly Service Report: "Quarterly service reports should be used for this purpose by academic members of the university community."

(7) Section 4.6.2.1 Rewrite section to say: "Investigators must make disclosure of potential conflicts of interest as part of research and program grants and contract proposals. A Conflict of Interest Disclosure Cover Sheet and Form may be obtained from the Research Services Office or from the Conflict of Interest Coordinator. The Cover Sheet and Disclosure Form must be reviewed and approved by the Conflict of Interest Coordinator for every proposal for which a conflict of interest exists. If no Category III, IV or V conflict of interest exists, the investigator must check the box on the MTU transmittal sheet indicating this to be the case, and sign a certification that the investigator has read these procedures and is in compliance with them."

(8) Section 6. Retitle section, "Category V: Prohibited Activities" as: "Other Activities and Conflicts."

(9) 6.3 Business Relationships with Subordinates (Suggested new section). "When a supervisor enters into a business relationship with a subordinate outside the purview of sponsored research, a conflict could arise concerning potential coercion. Most business or consulting relationships are routine, acceptable and

should be encouraged. Some types of contractual, business relationships are more serious and need more detailed disclosure and may be prohibited. An example of a relationship that is prohibited is a partnership that make the student (or subordinate) a co-owner or officer of the business, where the differential in power puts the student (or subordinate) in an unfair bargaining position and compromises the advisor's (or supervisor's) primary responsibility to the University."

(10) 6.3.1 Guidelines

(11) 6.3.1.1 "Faculty or supervisors may occasionally hire students or subordinates to do work for them either personally (e.g., yard work) or in a business setting (e.g., hire students to do survey work as part of a consulting project). These activities are reasonable as long as there is no coercion involved."

(12) 6.3.1.2 "Faculty and students that they supervise may develop intellectual properties, materials, processes, and ideas that have commercial value. The faculty member or supervisor needs to be careful not to compromise their primary obligations to Michigan Tech and the student."

(13) 6.3.1.3 "In extreme cases, faculty may enter into contractual relationships involving substantial actual or potential financial interests with students that they supervise. Under these circumstances, in addition to the points raised in 6.2.1.2, the faculty member should normally sever the supervisory relationship with the student prior to negotiating the contract. There may be circumstances where this is not in the best interest of the student or the University, so exceptions can be made. However, because of the seriousness of this conflict of interest, the burden of proof falls on the faculty member to make the case."

(14) 6.3.2 Disclosure and Mitigation Mechanisms

(15) 6.3.2.1 "Under cases described in 6.3.1.1, notification of the faculty member's or staff's supervisor is likely to be sufficient to ensure that no coercion is involved."

(16) 6.3.2.2 "Under cases described in 6.3.1.2, in addition to notifying the faculty member's supervisor, faculty are responsible to protect the interests of the University and the student. Faculty should seek advice from the University's Conflict of Interest Coordinator and from the faculty member's supervisor concerning the best way to protect the student's and the University's interests. It may be necessary for the faculty member to be replaced as the student's advisor."

(17) 6.3.2.3 "Under cases described in 6.3.1.3, disclosure mechanisms in 6.3.2.2 should be followed. Any contractual arrangements between the student and faculty member must be delayed until appropriate safeguards of the University's and the student's interests are in place. Normally, the faculty member should be replaced as the student's advisor as part of those safeguards. The faculty member may continue as a thesis/dissertation committee member and as a supervisor of technical work. Appropriate arrangements will be developed by the Department Chair and the conflict of interest coordinator, consulting with the student and the faculty member concerning continuing supervision of the student and the student's project."

(18) Section 7.2.3 Add to list of possible actions "requiring a faculty member or staff to step aside as the advisor or supervisor of specific staff or students."

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