
CONFLICT OF INTEREST POLICY

Conflict of Interest Policy

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Reason for Procedure

This procedure outlines the conflict of interest policy for Board Members and staff.

Who Should Know This Procedure

- Principal Investigators
- Administrative Staff
- Winter Conference/Summer Workshop Organizers
- Proposal Committee
- Officers
- Trustees
- General Members
- Other: _____

Contacts

Subject	Contact
Conflict of Interest Questions	President Administrative Vice President



Applicable ACP Policies

- Procurement Standards
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Conflict of Interest Policy at ACP

Purpose:

The Aspen Center for Physics (hereafter, the Center) is a nonprofit, tax-exempt Colorado corporation. Maintenance of its Federal and State tax-exempt status is important both for its continued financial stability and for public support. Because of its nonprofit status, the IRS and State regulatory and tax officials, and Federal funding agencies view the operations of the Aspen Center for Physics as a public trust, which is subject to scrutiny by, and accountable to, such governmental authorities as well as to members of the public.

Consequently, there exists between the Center (its officers, trustees, members and management employees) and the public a fiduciary duty, which carries with it a broad duty of loyalty and fidelity. The trustees, members, officers, and management employees have the responsibility of administering the affairs of the Center honestly and prudently for the sole benefit of the Center. Those persons shall exercise the utmost good faith in all decisions and transactions involved in their duties, and they shall not use their positions with the Center, or knowledge gained therefrom, for their personal benefit, nor for the benefit of any other organization. The interests of the Center must be the first priority in all decisions and actions.

Persons Covered:

Persons covered by this policy are the Center's officers, trustees, members, and financial manager, and all employees who can influence the actions of the Center. This includes all who make purchasing or other financial decisions, all persons who might be described as "management personnel," and anyone, including contract employees, who has proprietary information concerning the Center.

Definition of Conflict Interest:

1. A financial conflict of interest arises when a Covered Person may benefit personally, directly or indirectly, from a financial decision or transaction he or she could make in that capacity, or has any direct or indirect interest in, or relationship to, any individual or organization that proposes to enter into any financial transaction with the Center. This includes indirect benefits, for example, to



family members, businesses, or other organizations with which the person is closely associated. The types of transaction covered include, but are not limited to

- The sale, purchase, lease, or rental of any property, supplies, or other asset.
- Decisions concerning employment or rendition of services, personal or otherwise.
- The award of any contract, subcontract, or grant.
- Decisions concerning the deposit or investment of any Center funds.

2. Grant-related conflicts. PIs must file their grant involvements with each proposal. Should a conflict arise, if research proceeds without the imposition of conditions or restrictions when a conflict of interest arises, the NSF must be informed via use of the Notifications and Requests Module in FastLane. The NSF AOR (Authorized Organizational Representative) is required to complete certifications stating that the organization has implemented and is enforcing a written policy on conflicts of interest, that required financial disclosures were made and that any identified conflicts would be satisfactorily managed, reduced or eliminated in accordance with this conflict of interest policy.

3. A non-financial conflict of interest, or conflict of commitment, may arise when, for example,

- A member, trustee, officer, or employee of the Center is also a trustee, officer, or employee of another nonprofit organization which competes with the Center with respect to programs, funding or fund-raising activities, or the scheduling and venue of events.
- A member of the Center is involved with the organization of a program at a similar organization when that program competes directly with the Center's program in time and subject, or for special funding.
- A member of the Center is in an advisory or decision-making position with a funding agency or foundation when that position involves the evaluation of the Center's programs or funding requests.
- The use of non-public information about the Center's plans, financing, investments, fund-raising activities, or similar activities, for the benefit of another institution.
- Conflicts associated with committee or other Center activities, as when a member of the Nominations Committee is a candidate for one of the positions in question, or when a member of a Program Committee is an organizer of a proposed summer or winter workshop.
- Conflicts of interest or commitment do not include personal requests for research funding, or requests for the funding of meetings or workshops when those meetings or workshops do not conflict directly in subject and timing with the Center's already-established programs.

Disclosure and Management of Conflicts:

Persons covered by this policy will annually disclose or update to the Chair of the Board, on a form provided by the Center, their interests that could give rise to conflicts of interest. These include substantial business or investment holdings and other affiliations with businesses and other



organizations, including those of family members, when those businesses or organizations are reasonably likely to deal with the Center. Moreover, Covered Persons will also disclose or update annually activities that might give rise to conflicts of commitment, such as membership on Boards of Trustees of nonprofit organizations with activities similar to, and possibly in competition with, those of the Center, or advisory or decision-making positions with agencies or foundations that deal with the Center.

When conflicts of interest or commitment arise thereafter, they must be reported promptly to the Chair of the Board, and to any officers or committees dealing with the relevant matters.

For each actual or potential conflict disclosed, the Chair will determine whether to: (a) take no action; (b) assure full disclosure to the Board of Directors and other officers, committees, or other individuals concerned with the matter in question; or (c) ask the person to resign from any position in the Center, for example, a committee, directly affected by the conflict.

The Center's chief employed executive and chief employed finance manager will monitor proposed or ongoing transactions for conflicts of interest or commitment and disclose them to the Chairman of the Board in order to deal with potential or actual conflicts, whether discovered before or after the transaction has occurred.

In all cases of conflict of interest or commitment, the person with the conflict must recuse himself or herself from discussions of the matter, and not attempt to influence decisions thereon. Decisions on the matters in question can be made only by disinterested persons, acting in the best interests of the Center after full disclosure of the conflict.

This document will be reproduced and signed by General Members and staff.

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Roles & Responsibilities

Administrative Staff: Responsible for getting and archiving signed copies of the Conflict of Interest Policy.

Designated Officers: Responsible for understanding and enforcing the Conflict of Interest Policy.

Appendix: Applicable Federal Regulations & Criteria



From NSF PAPPG June 2013

Chapter IV: Grantee Standards

NSF encourages the increased involvement of academic researchers and educators with industry and private entrepreneurial ventures, but recognizes that such interactions carry with them an increased risk of conflict of interests. AAG Chapter IV.A contains NSF's policy on conflict of interest.

2 CFR §215 prescribes three sets of standards for academic and other non-profit recipients of Federal grants, each governing a different area: financial management systems, procurement policies, and procedures and property management. AAG Chapter III.B, III.C and III.D implement the OMB standards, and extend their applicability to all types of recipients of NSF grants, including commercial firms.

A. Conflict of Interest Policies

1. NSF requires each grantee organization employing more than fifty persons to maintain an appropriate written and enforced policy on conflict of interest and that all conflicts of interest for each award be managed, reduced or eliminated prior to the expenditure of the award funds. If the organization carries out agency-funded research through subawardees, contractors, or collaborators, the organization must take reasonable steps to ensure that:

- the entity has its own policies in place that meet the requirements of this policy; or
- investigators working for such entities follow the policies of the primary organization.

Guidance for development of such policies has been issued by university associations and scientific societies.

2. An organizational conflict of interest policy should require that each investigator disclose to a responsible representative of the organization all significant financial interests of the investigator (including those of the investigator's spouse and dependent children): (i) that would reasonably appear to be affected by the research or educational activities funded or proposed for funding by NSF; or (ii) in entities whose financial interests would reasonably appear to be affected by such activities.

The term "investigator" means the principal investigator/project director, co-principal investigators/co-project directors, and any other person at the organization who is responsible for the design, conduct, or reporting of research or educational activities funded or proposed for funding by NSF.

The term "significant financial interest" means anything of monetary value, including, but not limited to, salary or other payments for services (e.g., consulting fees or honoraria); equity interest (e.g., stocks, stock options or other ownership interests); and intellectual property rights (e.g., patents, copyrights and royalties from such rights).



The term does not include:

- Salary, royalties or other remuneration from the applicant organization
- Any ownership interests in the organization, if the organization is an applicant under the Small Business Innovation Research Program or Small Business Technology Transfer Program
- Income from seminars, lectures, or teaching engagements sponsored by public or non-profit entities;
- Income from service on advisory committees or review panels for public or nonprofit entities
- An equity interest that, when aggregated for the investigator and the investigator's spouse and dependent children, meets both of the following tests: (i) does not exceed \$10,000 in value as determined through reference to public prices or other reasonable measures of fair market value; and (ii) does not represent more than a 5% ownership interest in any single entity
- Salary, royalties or other payments that, when aggregated for the investigator and the investigator's spouse and dependent children, are not expected to exceed \$10,000 during the prior twelve-month period

3. An organizational policy must ensure that investigators have provided all required financial disclosures at the time the proposal is submitted to NSF. It must also require that those financial disclosures are updated during the period of the award, either on an annual basis, or as new reportable significant financial interests are obtained.

4. An organizational policy must designate one or more persons to review financial disclosures, determine whether a conflict of interest exists, and determine what conditions or restrictions, if any, should be imposed by the organization to manage, reduce or eliminate such conflict of interest. A conflict of interest exists when the reviewer(s) reasonably determines that a significant financial interest could directly and significantly affect the design, conduct, or reporting of NSF-funded research or educational activities.

Examples of conditions or restrictions that might be imposed to manage, reduce or eliminate conflicts of interest include, but are not limited to:

- Public disclosure of significant financial interests
- Monitoring of research by independent reviewers
- Modification of the research plan
- Disqualification from participation in the portion of the NSF-funded research that would be affected by significant financial interests
- Divestiture of significant financial interests
- Severance of relationships that create conflicts

If the reviewer(s) determines that imposing conditions or restrictions would be either ineffective or inequitable, and that the potential negative impacts that may arise from a significant financial interest are outweighed by interests of scientific progress, technology transfer, or the public health



and welfare, then the reviewer(s) may allow the research to go forward without imposing such conditions or restrictions.

5. The organizational policy must include adequate enforcement mechanisms, and provide for sanctions where appropriate.

6. The organizational policy must include arrangements for keeping NSF's Office of the General Counsel (OGC) appropriately informed if the organization finds that it is unable to satisfactorily manage a conflict of interest.

When OGC is notified of an unmanageable conflict of interest by an awardee, OGC will conduct the following review:

- Examine a copy of the organization's conflict of interest policy to ascertain if the policy includes procedures for addressing unmanageable conflicts.
- Contact the awardee organization's representative to determine what actions the organization plans/has taken with respect to the reported unmanageable conflict of interest, ensuring consistency with their conflict of interest policy.
- Request confirmation from the awardee when proposed actions have been accomplished.

7. Organizations must maintain records of all financial disclosures and of all actions taken to resolve conflicts of interest for at least three years beyond the termination or completion of the grant to which they related, or until the resolution of any NSF action involving those records, whichever is longer.

