

UNIVERSITY OF TORONTO

GUIDELINE FOR COMPLIANCE WITH

THE U.S. NATIONAL SCIENCE FOUNDATION (FINANCIAL) CONFLICT OF INTEREST POLICY

INTRODUCTION

This Guideline is made under the University of Toronto's [Policy on Ethical Conduct in Research](#).

Where research is funded by the U.S. National Science Foundation (the "NSF") (which occurs only through a sub-award), the sub-award will ordinarily provide that the [NSF Conflict of Interest policy](#) (the "NSF policy") applies.

This Guideline sets out the obligations of Investigators and the University when the NSF policy applies.

One of the requirements of the NSF policy is that the University must have a written enforced policy on financial conflicts of interest ("FCOIs") for NSF-funded research that complies with the NSF policy. This Guideline fulfills that requirement.

Anyone who chooses to apply for or accept NSF funding (through the University) or to work on an NSF-funded project where the sub-award provides that the NSF policy applies and who meets the definition of Investigator below must comply with this Guideline and, through it, the NSF policy.

DEFINITIONS

Investigator means the Principal Investigator/Project Director, co-PI/co-PDs, and any other person identified on the proposed project who is responsible for the design, conduct, or reporting of research or educational activities funded or proposed for funding by NSF.

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:

- a. salary, royalties or other remuneration from the proposing organization;
- b. income from seminars, lectures, or teaching engagements sponsored by public or non-profit entities;

- c. income from service on advisory committees or review panels for public or non-profit entities;
- d. an equity interest that, when aggregated for the Investigator and the Investigator's spouse or common law spouse and dependent children, meets both of the following tests: does not exceed \$10,000 in value as determined through reference to public prices or other reasonable measures of fair market value, and does not represent more than a 5% ownership interest in any single entity; or
- e. salary, royalties or other payments that, when aggregated for the Investigator and the Investigator's spouse or common law spouse and dependent children, are not expected to exceed \$10,000 during the prior twelve-month period.

REQUIREMENTS

1. All FCOIs for each award must be managed, reduced or eliminated prior to the expenditure of the award funds.
2. The University designates the Associate Vice-President, Research Oversight and Compliance to be its Institutional Delegate.
3. Each Investigator must disclose to the University's Institutional Delegate (on the [University's NSF Financial Interests Report form](#)) all significant financial interests of the Investigator (including those of the Investigator's spouse or common law partner 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.
4. The University 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.
5. The Institutional Delegate will review financial disclosures, determine whether an FCOI exists, and determine what conditions or restrictions, if any, should be imposed by the University to manage, reduce or eliminate such FCOI. An FCOI exists when the Institutional Delegate 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 FCOIs include, but are not limited to:

- a. public disclosure of significant financial interests;
- b. monitoring of research by independent reviewers;
- c. modification of the research plan;
- d. disqualification from participation in the portion of the NSF-funded research that would be affected by significant financial interests;

e. divestiture of significant financial interests; or

f. severance of relationships that create conflicts.

6. The University must have adequate enforcement mechanisms, and provide for sanctions where appropriate.

7. If there is a second tier sub-award or a collaboration with another entity, the University must take reasonable steps to ensure that the entity either has an NSF-compliant FCOI policy or follows this Guideline.

8. The University will keep the primary awardee (and through it, the NSF's Office of the General Counsel (the "OGC")) appropriately informed if it finds that it is unable to satisfactorily manage an FCOI.

9. When the OGC is notified of an unmanageable FCOI by the University, the OGC will conduct a review, as described in the [NSF policy](#).

10. The University must maintain records of all financial disclosures and of all actions taken to resolve FCOIs for at least three years beyond the termination or completion of the grant to which they relate, or until the resolution of any NSF action involving those records, whichever is longer.