

UNIVERSITY POLICY ON CONFLICT OF INTEREST AND CONFLICT OF COMMITMENT

The members of this academic community are indebted to the generations of our predecessors whose selfless efforts to expand human knowledge have earned the public's confidence in the work carried on in the name of The Johns Hopkins University. Indeed, public confidence in the University's integrity undoubtedly ranks among its greatest assets. The University's reputation for integrity, and its favored status as an institution exempt from taxation requires that decisions made on behalf of the University reflect the best interests of the institution and not be motivated by a desire for personal and private gain. Clearly, institutional integrity rests on the personal integrity of each one of us who is called upon to act on behalf of the University. Each of us, therefore, is responsible for resolving conflicts between personal and institutional interests in favor of the University.

Those employed by the University are expected to devote their primary efforts to the furtherance of its educational, research, and service objectives. The University, however, acknowledges that outside activities of its faculty and staff can enhance the prestige and reputation of the institution. To this end the University encourages its Employees to accept outside commitments consistent with the performance of their institutional responsibilities. Care must be given, however, to avoid external commitments that may impair the University's reputation, may threaten independent scholarly inquiry, may compromise one's freedom of thought or action, may compete with the University's business interests, or may impair or impede the individual's ability to perform independently the duties of his/her University position.

The policy is established as an integral part of the University's efforts to ensure that all who act in the University's name will conduct themselves in accordance with high ethical standards. Those to whom the policy applies include officers, faculty, staff, and others who are compensated or otherwise supported by the University for their services or who appear to act as agents of the University in using, controlling, or assigning to others the use of University facilities and resources. It shall be interpreted in a manner consistent with applicable federal and state statutes and implementing regulations.

1. NECESSITY FOR A WRITTEN REPORT DISCLOSING POTENTIAL CONFLICTS

Trust, good faith, and open discussion of controversial issues among colleagues have always been central to the life of this University. The activities of Employees must be governed by thoughtful and shared consideration of individual circumstances, rather than rigid rules. Determination of whether a conflict of commitment or conflict of interest exists in a particular instance will

always be a matter of judgment involving all the facts of the situation. While informal discussion with the Dean, department director or chair, or other University representatives may provide guidance for decisions, Employees must prepare a written report before undertaking any commitment that may conflict or appear to conflict with their primary commitment to the University. The purpose of this disclosure requirement is not to place specific restrictions on outside activities; it indicates only when a report must be made. The written report should be made as described in Sections II and III below.

Disclosure by a full written report is the best preventive measure to avoid any real or apparent conflict between the obligations of Employees to the University and to other competing commitments including their personal interests.

II. ACTIVITIES REQUIRING REVIEW AND WRITTEN APPROVAL BY AN AUTHORIZING OFFICIAL

Whenever the name of The Johns Hopkins University or any of its components might be used by another party.

Since an academic relationship can be of great value to a non-University organization, opportunities for outside activities may be offered to faculty and students in part because of their association with The Johns Hopkins University. It must be remembered that Employees are inextricably linked to the University. Reporting prior to undertaking an outside commitment serves to protect the Employee, the University, or both from possible discredit or embarrassment. Thus, Employees must be discriminating in the selection of outside commitments, regardless of whether they are professional or non-professional in character, and regardless of whether the obligation is to be discharged in “off hours” or during vacation. If a non-University organization wishes to use the University’s name, symbols, or logos, written approval must be obtained prior to such use. To obtain a copy of the University’s statement on the use of its name, symbols, or logos, or to initiate the approval process, contact the appropriate authorizing official.

III. ACTIVITIES REQUIRING WRITTEN REVIEW AND APPROVAL BY A SUPERVISOR (REPORTING)

In situations covered by this Section, the Employee must submit a written statement of the activity and any proposed written Agreement to the supervisor. The written disclosure must be made and approval received prior to any Agreement to undertake an outside commitment or prior to exceeding the annual threshold for outside activities (see Section G). However, disclosure is a continuing obligation. Disclosure must be made or updated if a possible conflict becomes evident when an Employee’s ongoing relationship with an outside party changes.

The purpose of these reviews is to ensure that the proposed Agreements comply with policies of the department, the division and the University. After the review is completed, and the proposed Agreement is found to comply with all relevant policies, a written statement of approval will be sent to the Employee. If the Employee's supervisor approves the reported activity, the report and notice of approval must then be filed with the Divisional Representative which, in some cases, may be the appropriate committee on conflict of interest. In cases where the Employee's supervisor does not approve, the Employee may appeal to their Division Representative (see Section IV).

The requirement for reporting in the situations outlined below is meant to ensure that conflicts of commitment and conflicts of interest will be considered openly and fairly and that appropriate action will be taken to resolve those conflicts. Reporting thus serves to protect individual Employees, The Johns Hopkins University, and academic freedom in general. A written report must be made promptly in any of the following circumstances:

A. Whenever outside activities require a written Agreement (e.g., letter of understanding, grant, contract).

With the exception of Agreements for faculty to provide occasional guest lectures or for the publication of faculty literary or scholarly works or service on editorial boards and/or government advisory boards, all written Agreements relating to outside professional activities must be reviewed to ensure that they do not conflict with institutional policy. Review is required regardless of duration of the activity.

B. Whenever a proposed Agreement involves the use of facilities or resources belonging to or utilized by The Johns Hopkins University.

A report must be made if the University will be investing its resources and sharing in the risks of a venture or in any other way subsidizing the activity, whether or not sharing in any revenue generated by the activity. The *Johns Hopkins University Intellectual Property Policy* governs an Employee's participation in any Agreement under which an outside entity will profit from the resources of the University itself as well as from the Employee's personal involvement. On the other hand, because consulting Agreements and publications in any form may involve an Employee's personal effort without implying an endorsement by The Johns Hopkins University, such Agreements for publications and payment of related royalties, or limited consulting Agreements are not subject to sharing of income with the University, although they still must be reported.

C. Whenever an outside commitment provides for intellectual or tangible property rights in the way of patent ownership or licensing

to an organization other than the University.

Employees must report any relationship they are considering or are engaged in with another organization when that organization anticipates providing financial or other support for the Employee's work or when the organization anticipates utilization of Intellectual Property (e.g. inventions, know-how) or tangible property (e.g. research materials) or original works of authorship (e.g. computer software but not textbooks) of that Employee's work. (See the *Johns Hopkins University Intellectual Property Policy* for a full description of these matters.)

D. Whenever an Agreement is being considered that restricts an Employee's public reporting of the existence of the Agreement or of Intellectual Property developed by an Employee under the Agreement.

In the case of a relationship with an outside organization, the Employee must determine whether there are requirements for confidentiality that might compromise his or her fundamental rights of academic freedom or those of other Employees or of students or of the University. Academic freedom means, in part, unhindered discussion and publication of results of research.

E. Whenever an Employee's relationship to an outside party might appear to influence either the conduct of the University's business with the outside party or the conduct of research within the University.

A report must be made of a relationship to an organization when that organization proposes to conduct business with the University (or an affiliated organization) wherein the Employee may influence or may appear to influence the decision-making process on behalf of either party.

Consideration must be given to whether there is a perception of outside financial incentives being used to direct research activity away from avenues that might lead to more substantial scientific discoveries or to the accomplishment of academic goals. Conflicts of interest may arise when an Employee has a relationship (e.g., consultant, adviser, owner, shareholder) to an outside organization that is conducting business with the University that will potentially benefit either that Employee or a subordinate Employee.

Consulting Agreements between Employees who are faculty or research staff and outside organizations are distinct from research projects. Research projects require an Agreement with the University. When such an Agreement exists, payment for the faculty member or research staff member's effort is part of the University budget (see E) and is used as a source of an appropriate proportion of the faculty member or research staff member's University salary

support. The appropriate divisional office of research administration must be made aware of compensation provided under a consulting Agreement which will co-exist with a research Agreement from the same sponsor.

- F. Whenever any remuneration is proposed in addition to the Employee's salary support through the University in consideration for a service which is otherwise provided by the University (e.g., clinical practice, musical instruction, extramural instruction.)**

Each division within the University has the prerogative to establish its own written policy as an alternative to the University policy as stated here in this Section F.

- G. Whenever the aggregate time for all outside commitments exceeds a threshold per year that is established by each division.**

The maximum amount of time spent on outside commitments which is compatible with fulfilling the primary responsibility to the University is determined by the department director, chair or Dean in accordance with divisional policy. The divisional threshold is a trigger for when a report must be made and not necessarily a limit on the level of outside activities. Intermittent activities such as visiting lectureships are desirable and bring honor and credit to a faculty member and to the University, but excessive time devoted to these activities can compromise the faculty member's ability to meet his or her obligations to the University. In addition, faculty members at ranks below full professor must consider the impact of secondary commitments on their ability to fulfill the criteria for promotion.

Usually individual lectureships, conferences and scientific or professional meetings need not be included in the threshold unless those activities otherwise constitute or include activities described elsewhere in this document. However, divisional policies may require reporting of these activities for review. Activities that must be reported include ongoing or repetitive arrangements with an outside organization for activities such as consultation, research, laboratory testing, teaching, writing or membership on advisory groups, councils and/or boards.

H. In special circumstances

A complete written report of all outside activities may be requested by the department chair, director or Dean on an as needed basis, such as in connection with appointments, promotions, or administrative assignments.

The Dean or his/her designee may also request a written report from faculty members in connection with requests for institutional clearance or certification of research (e.g., for research on animals or humans), application for support of academic endeavors or purchases of equipment, or similar requests.

IV. ACTIVITIES REQUIRING REVIEW AND WRITTEN APPROVAL BY THE DIVISIONAL REPRESENTATIVE AND/OR A COMMITTEE

Each Division shall designate an official (Divisional Representative) who shall review disclosure information for the purposes of assuring compliance with University policies and federal regulations. The Provost will be responsible for designating a University Representative for non-divisional entities (e.g. Mind Brain Institute).

The following arrangements must be referred to the Divisional Representative for review and approval. He/she in turn may refer the matter to the divisional Conflict of Interest Committee, Intellectual Property (Technology Transfer) Committee or, in the absence of either, to the University's Research and Intellectual Property Policy Committee which will make recommendations to the Dean or Provost for final approval or disapproval.

A. Royalty

Proposals for external support of research involving an Employee Invention, when the research will be performed by the Employee Inventor and the Employee will receive royalty from the sale of products derived from the Invention.

B. Equity

1. Proposals for licensing an Employee Invention when the Employee, his/her supervisor or spouse or minor children, on their own or through the University, hold equity or will hold equity in the licensee.
2. Proposals for external support of research involving an Employee who, on his/her own or through the University, holds equity or will hold equity in a company supporting the research or in a company whose technology is a subject of the research.

C. Other

1. Proposals for external support of research involving an Employee whose supervisor, spouse, or minor children hold equity in the sponsor.

2. Proposals by an Employee to have a compensated management position, board of directors seat, or other fiduciary role in any organization (non-profit or for-profit).

If such service is unrelated to the employee's professional responsibilities at the University, e.g. community association board, local swimming club board, etc. approval is not required.

3. Proposals by an Employee to enter into an arrangement with another entity having the potential to produce Intellectual Property similar to that produced by an Employee through his/her University duties.

V. POLICY ENFORCEMENT

The Divisional Representative shall have the obligation to solicit and review disclosures to assure compliance with University policies and federal regulations.

A. Divisional Policy

In cases where there is an actual or apparent conflict, and procedures for managing, reducing or eliminating such conflicts have been established at the Divisional level, such procedures shall apply.

B. University Policy

In the absence of a Divisional policy, the following shall apply:

1. Management

If the Divisional (or University) Representative determines that a material conflict of interest exists, he/she must determine what actions should be taken by the institution to manage, reduce or eliminate such conflict of interest. Examples of conditions or restrictions that might be imposed to manage conflicts of interest 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 all or a portion of the research;

- (e) Divestiture of significant financial interests;
- (f) Severance of relationships that create actual or potential conflicts; or
- (g) Placing equity in an escrow account

2. Sanctions

Any Employee failing to comply with University policy, including the findings of the Divisional Representative and/or Committee, shall be subject to disciplinary actions ranging from a warning from the Divisional or University Representative and a letter to the Employee's file, to suspension for a specified period of time, to termination.

In the case of termination, including that of a tenured faculty member, divisional procedures should be followed. In the absence of such divisional procedures, the Dean or director will bring his/her recommendation and the Divisional Representative's report and any additional relevant material to the Provost for approval.

A party found to have failed to report a conflict of interest shall have the opportunity to appeal that decision and related disciplinary action (up to and including termination of their employment) in writing to the Provost of the University within ten (10) working days of receipt of the decision. The decision of the Provost shall be final.

1 October 1996

GLOSSARY

<i>Agreements</i>	for the purposes of this policy, the term “Agreement” means a legally enforceable contract establishing the rights and obligations of the parties.
<i>Employee</i>	for the purposes of this policy, the term “Employee” is an individual receiving compensation or other financial support from the University as the result of an employer-employee relationship. In addition, the term “Employee” shall apply to individuals, such as students or volunteers, whether or not receiving compensation or other financial support, whose affiliation with the University permits them to use, control, or assign to others the use of University facilities and resources.
<i>Outside activity</i>	service to any entity other than the JHU
<i>Faculty</i>	as defined by each division
<i>Intellectual Property</i>	Intellectual property is any new and useful process, machine, composition of matter, life form, article of manufacture, software, <u>copyrighted</u> work, or tangible property. It includes such things as new or improved devices, circuits, chemical compounds, drugs, genetically engineered bacteria, data sets, software, musical processes, or unique and innovative uses of existing Inventions. Intellectual Property may or may not be patentable or copyrightable. Intellectual Property is created when something new and useful has been conceived or developed, or when unusual, unexpected, or non-obvious results have been obtained with an existing Invention which can be practiced for some useful purpose. Intellectual Property can be created by one or more individuals, each of whom to be an Inventor must have conceived of an essential element or have contributed substantially to its conceptual development.
<i>Invention</i>	A creation of Intellectual Property which did not exist previously.
<i>Inventor</i>	An Inventor is one who makes a creative input to the conception of the Invention. U.S. Patent statutes require that only the true Inventor(s) be named on the Patent. <u>A</u>

coauthor or one who merely reduces the Invention to practice (i.e. successfully uses the Invention in its intended manner) is not an Inventor unless he makes a creative input to the conception.

