

**CALIFORNIA STATE UNIVERSITY LOS ANGELES  
CONTRACTS & GRANTS POLICY**

**SUBJECT: CONFLICT OF INTEREST DISCLOSURES FOR PRINCIPAL INVESTIGATORS**

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This directive provides CSULA policies and procedures regarding disclosure of conflicts of interest by Principal Investigators for all sponsored project funds awarded to the University by public agencies or private entities. Since 1985, the CSU has had a conflict of interest policy related to non-governmental funding sources. That policy, as specified in FSR 85-08 and 86-05, addresses only certain activities funded by private, non-governmental funding entities. The CSU does not currently have a conflict of interest policy relating to research funded by government sources. The policy and procedures contained herein for government funding sources complies with regulations adopted in October 1995 by the National Science Foundation (NSF), the Department of Health and Human Services (HHS), and the Public Health Service, including the National Institutes of Health (NIH).

## **PUBLIC/GOVERNMENT FUNDING**

### *Government Agencies*

NSF, HHS, and NIH regulations require institutions to gather information from faculty who plan to submit a proposal for consideration for funding of research. Investigators are required to disclose a listing of significant financial interests (and those of the spouse and dependent children) that could be reasonably expected to bias the design, conduct or reporting of the research. This information must be submitted to the University's Office of Research and Sponsored Programs (ORSP) at the time the proposal is submitted.

Appendix I provides Investigator Disclosure of Financial Interests Form 830-U and required compliance/filing procedures.

Note: The attached Form 830-U was designed to address specific disclosure requirements for NSF and the federal Health and Human Services agencies. Other agencies may have different disclosure formats. The Form 830-U may be used for other agencies reporting disclosures, if acceptable.

## **PRIVATE FUNDING**

### *Non-Government Entities*

The CSU system requires that a Principal Investigator report in a Statement of Economic Interest any potential conflict of interest with a non-governmental funding entity. FSR 86-05 and State regulations mandated by the Fair Political Practices Commission under the Political Reform Act (Title 2 California Code of Regulations Sections 18703-18703.5) require that a principal investigator must disclose whether or not he or she has a direct or indirect financial interest in the sponsor of research which is funded in whole or in part:

- Through a contract or grant of \$250 or more with a non-government entity; or
- By a gift for a non-governmental entity, which is earmarked by the donor for a specific research project or a specific principal investigator, provided the amount of the gift, or the aggregate over a 12-month period, from the same donor is \$250 or more.

Appendix II provides CSU Non-Governmental disclosure Form 730-U Rev.3/00 and compliance/filing procedures.

## **DISCLOSURE OF INTEREST**

A principal investigator who discloses an interest related to the public or private sponsor of a proposed project, is subject to the requirements for resolution and acceptance explained in the appendices for Form 830-U (Public) and Form 730-U (Private).

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This policy is effective immediately.

Approved By: *Signed by Herman D. Lujan, Provost & VPAA for James M. Rosser, President, on October 29, 2002.*

**APPENDIX I**  
**FORM 830-U**  
**CALIFORNIA STATE UNIVERSITY LOS ANGELES**  
**PROJECTS FUNDED BY PUBLIC/GOVERNMENTAL SOURCES**  
**INVESTIGATOR'S DISCLOSURE OF FINANCIAL INTEREST**

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This directive provides policies and guidelines regarding disclosure of conflict of interest for Principal Investigators for all grant and contract funds awarded to the University by the National Science Foundation (NSF) or the Department of Health and Human Services (HHS) or the Public Health Service (including the National Institutes of Health (NIH)).

**Background**

Effective October 1, 1995, the National Science Foundation (NSF), the U. S. Department of Health and Human Services (HHS), and the Public Health Service -including National Institutes of Health (NIH) adopted parallel policies on Investigator Financial Disclosure requirements. Under these rules the grantee institution (California State Univ. Los Angeles) must comply as follows:

- develop, enforce and certify to NSF/HHS/NIH a policy to ensure that agency-funded research is not biased by investigators' conflict of interests;
- inform potential investigators of the policy and their responsibilities under the policy;
- designate institutional officials to solicit and review financial disclosure statements from each investigator planning to participate in NSF/HHS/NIH-funded research;
- provide designated officials with guidelines for identifying conflicts of interest and take action to manage, reduce, or eliminate the conflict; and,
- maintain records for at least three years (from the date the final grant expenditures report is submitted) of all financial disclosures and all actions taken by the institution.

Additionally, the grantee institution must update all financial disclosures during the period of the award either on an annual basis or as new reportable conflicts of interest are discovered.

**Investigator Disclosure**

Investigators must disclose significant financial interests at the time of the funding proposal, and update this information annually, or as new interests are obtained during the life of the award.

***Investigator***

Investigator is defined as Principal Investigator, Co-Principal Investigator, and any other person who is responsible for the design, conduct, or reporting of the sponsored project or of any related agreement in addition, disclosure must be made for each investigator's spouse and dependent children.

***Significant Financial Interest***

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:

- 1) salary, royalties or other remuneration from the applicant institution;
- 2) any ownership interests in the institution, if the institution is an applicant under the Small Business Innovation Research Program or Small Business Technology Transfer Program;
- 3) income from seminars, lectures, or teaching engagements sponsored by public or nonprofit entities;
- 4) income from service on advisory committees or review panels for public or nonprofit entities;

5) an equity interest that, when aggregated for the investigator and the investigator's spouse and dependent children, meets both or 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

6) salary, royalties or other payments that when aggregated or the investigator and the investigator's spouse and dependent children, are not expected to exceed \$10,000 during the next funded twelve-month period.

#### **Institutional Certification**

Certification will be performed by the Dean of Graduate Studies & Research or approved designee, and will be based on information provided by the Investigator on the Conflict of Interest Disclosure Form-830-U, for each entity that may be involved. The Dean or his/her designee, will review disclosures, assess their potential for conflicts of interest, and develop resolution strategies with the Investigator to manage, reduce or eliminate such conflicts.

#### ***Resolution Plan***

If the designated official(s) determines a conflict of interest exists, a Resolution Plan must be developed with the Principal Investigator and implemented prior to award. The Resolution Plan must be in writing and approved by the Associate Dean, Graduate Studies & Research - Research Administration, the College Dean, and the Provost.

Resolution Options may 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 project affected by the significant financial interest
- divestiture of significant financial interests
- severance of relationships that create actual or potential conflicts.

#### ***Enforcement Mechanisms and Sanctions***

Potential violations of the Conflict of Interest Resolution Plan shall be handled by the Conflict of Interest Resolution Committee appointed by the Provost. This committee will establish and enforce appropriate sanctions based on the specific conduct of an investigator failing to follow the agreed upon Resolution Plan.

#### ***Reporting***

The Associate Dean, Graduate Studies & Research-Research Administration, will inform the National Science Foundation's Office of the General Counsel if the University is unable to satisfactorily manage a conflict of interest. In the case of the HHS or NIH, the Associate Dean, Graduate Studies & Research-Research Administration, will notify the agency's Awarding Component of the corrective action taken or to be taken if the failure of an Investigator to comply with the policy of the University has biased the design, conduct, or reporting of the agency's funded research.

#### ***Documentation and Record Maintenance***

The CSULA Office of Research and Sponsored Programs, will 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 relate, or until the resolution of any federal action involving those records, whichever is longer.

**CALIFORNIA STATE UNIVERSITY – LOS ANGELES**  
**Conflict of Interest Disclosure for Principal Investigators**  
**Form 830-U**

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**Completion of this form (830-Ua) is required at submission for proposals submitted to the National Science Foundation, the Dept. of Health & Human Services, and the National Institute of Health. This includes the PI and any other person responsible for the design, conduct, or reporting of research funded by NSF/HHS/NIH. It also includes the investigator's spouse and dependent children. The Principal Investigator of Record is responsible for ensuring that all project investigators submit disclosures. [Other agencies may require a different disclosure format; however, this form could be used for other agencies, if acceptable].**

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Investigator Name: \_\_\_\_\_

Department/College: \_\_\_\_\_

Project Title: \_\_\_\_\_

Proposed Sponsor: \_\_\_\_\_

Amount of Funding Requested: \$ \_\_\_\_\_

Proposed Funding Period: From \_\_\_\_\_ To \_\_\_\_\_

I have no interests to disclose on this date.

I am disclosing the following significant financial interests related to the entity involved with the project that is proposed to the identified sponsor. (*Responses should include the investigator, his/her spouse, and any dependent children.*)

Name of Entity: \_\_\_\_\_

Address of Entity: \_\_\_\_\_

Principal Type of Business: \_\_\_\_\_

Are you a director, officer, partner, trustee, or employee of the entity? Yes  No

Do you have an investment of \$ 10,000 or more in the entity? Yes  No

Do you hold an equity position of 5% or more in the entity? Yes  No

Do you have an interest in any intellectual property rights belonging to the entity? Yes  No

**Investigator Certification**

- I agree to update this disclosure either on an annual basis, or as new reportable significant financial interests are obtained.
- I agree to cooperate in the development of a Resolution Plan to address any actual or potential conflict of interest identified via this Disclosure.
- I agree to comply with any conditions or restrictions imposed by CSULA to manage, reduce, or eliminate actual or potential conflicts of interest or forfeit the award.

\_\_\_\_\_  
Signature of Disclosing Investigator

\_\_\_\_\_  
Date

***Endorsement***

I have reviewed this financial interest disclosure and believe that no significant financial interest exists. If one does exist a Resolution Plan to manage, reduce, or eliminate any actual or potential conflict of interest has been implemented, or will be implemented prior to the award.

Signed: \_\_\_\_\_ Date: \_\_\_\_\_

[print name] Dean of Graduate Studies and Research - Research Administration or Designee

**APPENDIX II  
CALIFORNIA STATE UNIVERSITY LOS ANGELES  
CONFLICT OF INTEREST POLICY  
PRIVATE/NON-GOVERNMENTAL FUNDING SOURCES  
CSU FORM 730-U**

**Principal Investigator's  
Statement of Economic Interests**

**CSU**

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**What Is a Statement of Economic Interests?**

A Statement of Economic Interests is a form mandated by the State of California Fair Political Practices Commission on which principal investigators disclose certain financial interests. A Statement of Economic Interests is also called a financial disclosure statement in Trustee policy and related guidelines.

**Why Must a Statement of Economic Interests Be Completed and What Must Be Disclosed?**

FSR 86-05 and State regulations mandated by the Fair Political Practices Commission under the Political Reform Act (2 California Code of Regulations Sections 18703-18703.5) require that a principal investigator must disclose whether or not he or she has a direct or indirect financial interest in the sponsor of research which is funded in whole or in part:

- through a contract or grant of \$250 or more with a non-governmental entity; or
- by a gift from a non-governmental entity which is earmarked by the donor for a specific research project or a specific principal investigator, provided the amount of the gift, or the aggregate over a 12-month period, from the same donor is \$250 or more.

When an interest of a principal investigator in the sponsor is disclosed, a campus committee must review whether the contract, grant, or gift can be accepted.

**When Must Statements of Economic Interest Be Filed?**

Disclosure statements must be filed:

1. before final acceptance of the above type of a contract, grant, or gift;
2. when funding is renewed; and
3. within 90 days after expiration in the case of a contract or grant, or after funds have been completely expended in the case of a gift.

**Where to Send Completed Statements of Economic Interests**

Send to: The Office of Research & Sponsored Programs, Attention: Compliance Support Coordinator.

**Will the Statements Be Available to the Public?**

Yes. State law indicates that the completed statements will be open to public inspection.

**What to Disclose**

When a principal investigator has a reportable financial interest in a sponsor of research, the required financial disclosure statement shall contain:

1. disclosure of income
  - a. the name and address of the sponsor and a general description of the business activity, if any, of the sponsor;
  - b. a statement whether the aggregate value of income from the sponsor or, in the case of a loan, the highest amount owed to the sponsor, was at least \$250 but did not exceed \$1,000, whether it was in excess of \$1,000 but was not greater than \$10,000, or whether it was greater than \$10,000;
  - c. in the case of a gift, a description of and the amount of the gift; and
  - d. in the case of a loan, the annual interest rate and the security, if any, given for the loan.

## **2. disclosure of equity or ownership interest and disclosure of position in sponsor**

When an investment or equity (ownership) interest is required to be disclosed, or when the principal investigator is a director, officer, partner, trustee, employee, or holds any position of management, the disclosure statement shall contain:

- a. a general description of the business activity in which the sponsor is engaged;
- b. a statement whether the fair market value of the investment or interest exceeds \$1,000 but does not exceed \$10,000, whether it exceeds \$10,000 but does not exceed \$100,000, or whether it exceeds \$100,000; and
- c. the position held in the entity by the principal investigator.

What Is a "Financial Interest"?

A "financial interest" in the sponsor of research means:

1. a direct or indirect investment in the sponsor worth more than \$1,000;
2. a position as director, officer, partner, trustee, employee of or any other position of management in the sponsor;
3. Income from the sponsor, including consulting income aggregating \$250 or more in value, or \$50 if the income was a gift, received by or promised to the principal investigator 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.)

What is an "Indirect Investment" or "indirect Financial Interest"?

A principal investigator has an "indirect financial interest" or "indirect investment" in a sponsor if:

1. his or her spouse or dependent child has a financial interest in the sponsor; or
2. his or her spouse or dependent children own directly, indirectly, or beneficially a 10 percent interest or greater in any business entity or trust which has a financial interest in the sponsor of the research.

What is an "Equity (Ownership) Interest"?

For the purposes of this policy, an "equity (ownership) interest" shall be an investment of more than \$1,000 in the sponsor by the principal investigator, his or her spouse, or dependent children.

What is a Gift?

"Gift" means, except as provided below, any payment to the extent that consideration of equal or greater value is not received and includes a rebate or discount in the price of anything of value unless the rebate or discount is made in the regular course of business to members of the public without regard to official status. The term "gift" does not include:

1. informational materials such as books, reports, pamphlets, calendars or periodicals. No payment for travel or reimbursement for any expenses shall be deemed "informational material";
2. gifts which are not used and which, within 30 days after receipt, are returned to the donor or delivered to a charitable organization without being claimed as a charitable contribution for tax purposes;
3. gifts from an individual's spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, sister-in-law, nephew, aunt, uncle, or first cousin or the spouse of any such person; provided that a gift from any such person shall be considered a gift if the donor is acting as an agent or intermediary or any person not covered by this paragraph;
4. any devise or inheritance;
5. hospitality involving food, beverages or lodging provided by an individual in his or her home to any public official filing a statement of economic interests; and
6. exchanges between a public official filing a statement of economic interests and an individual other than a lobbyist on holidays, birthdays, or similar such occasions. This provision does not apply to the extent that the gifts received by the public official exceed in value the gifts that he or she has given.

## **What is Income?**

**"Income" means, except as provided below, a payment received, including but not limited to any salary, wage, advance, dividend, interest, rent, proceeds from any sale, gift, including any gift of food or beverage, loan, forgiveness or payment of indebtedness received by the filer, reimbursement for expenses, per diem, or contribution to an insurance or pension program paid by any person other than an employer, and including any community property interest in income of a spouse. Income also includes an outstanding loan. Income of an individual also includes a pro rata share of any income of any business entity or trust in which the individual or spouse owns, directly, indirectly, or beneficially, a 10% interest or greater.**

## **Violations**

**Failure to file the required Statement of Economic Interests or failure to report a financial interest may subject a principal investigator to civil and criminal liability, including fines, as well as University discipline (Government Code Sections 8100-910140)**

## **Whom to Contact if You Need More Information:**

**Associate Dean, Office of Research and Sponsored Programs (ORSP).**

**FPPC's Approved List of Non-Profit Sponsors  
of Research for which Independent Review Committee Action is not Required**

American Cancer Society  
American Diabetes Association  
American Heart Association  
American Liver Foundation  
American Lung Association  
The American Lupus Society  
American Philological Association  
Arthritis Foundation  
California Association for Neurologically Handicapped Children  
California Division of the American Cancer Society  
California Heart Association  
California Lung Association  
Cerebral Palsy Foundation  
Cystic Fibrosis foundation  
The Deafness Research Foundation  
Easter Seal Research Foundation  
Epilepsy Foundation of America  
The Ford Foundation  
John Simon Guggenheim Memorial Foundation  
H. F. Guggenheim Foundation  
Juvenile Diabetes Foundation  
Leukemia Society  
March of Dimes  
Muscular Dystrophy Association  
Myasthenia Gravis Foundation  
National Collegiate Athletic Association  
National Geographic Society  
National Kidney Foundation  
National Leukemia Association  
National Multiple Sclerosis Society  
National Society to Prevent Blindness  
National Sudden Infant Death Syndrome Foundation  
Northern California Society to Prevent Blindness  
Rockefeller Foundation  
Damon Runyon-Walter Winchell Cancer Fund  
Scottish Rite Schizophrenia Research Program  
US Olympic Committee  
United Cerebral Palsy  
Woods Hole Oceanographic Institution

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All non-profit, tax-exempt educational institutions

**APPENDIX II**  
**CALIFORNIA STATE UNIVERSITY LOS ANGELES**  
**CONFLICT OF INTEREST POLICY**  
**PRIVATE/NON-GOVERNMENTAL FUNDING SOURCES**  
**CSU FORM 730-U**

**Principal Investigator's  
Statement of Economic Interests**

**CSU**

To be completed for all research projects which have been or will be funded, in whole, or in part: (1) through a contract or grant of \$250 or more with a non-governmental entity; or (2) by a gift from a non-governmental entity which is earmarked by the donor for a specific research project or a specific principal investigator, provided the amount of the gift, or the aggregate over a 12 month period, from the same donor is \$250 or more.

Title of Research Project: \_\_\_\_\_

Name of Principal Investigator: \_\_\_\_\_

Department: \_\_\_\_\_

California State University Los Angeles (CSULA)

A. Provide the following information about each non-governmental entity which will fund (or has funded) this project, in whole or in part:\*

\* If more space is needed for listing multiple entities, add these on a separate piece of paper labeled "Section A, continued" and attach to this form.

Name of entity: \_\_\_\_\_

Address of entity: \_\_\_\_\_

Principal business of entity: \_\_\_\_\_

Amount of funding:        \$ \_\_\_\_\_         Estimated         Actual

B. This statement is:

Application Statement: This is an application for initial funding or for renewal of funding for the research project.

Project Completion Statement: The research project expired on: \_\_\_\_\_

C. Are you a director, officer, or partner, trustee, or employee of, or do you hold any position of management in, any entity listed in A?

No         Yes

D. Do you, or does your spouse or dependent child, have:

1. An investment of \$1,000 or more in any entity listed in A above?

- No         Yes — value does not exceed \$10,000  
 Yes — value exceeds \$10,000 but does not exceed \$100,000  
 Yes — value exceeds \$100,000

2. Income (including any payment, such as salary or consulting fees) of \$250 or more received from any entity listed in A within the last 12 months? (Do not include any salary or summer salary paid by the University with funds provided by an entity listed in A.)

- No         Yes — value does not exceed \$1,000  
 Yes — value exceeds \$1,000 but does not exceed \$10,000  
 Yes — value exceeds \$10,000

3. Gifts from any entity listed in A of \$50 or more?

No  Yes — describe gift and state value: \_\_\_\_\_

4. Outstanding loans

a. Loans\*\* received from any entity listed in A for which the outstanding balance has exceeded \$250 in the past 12 months?

No  Yes — amount owed did not exceed \$1,000  
 Yes — amount owed exceeded \$1,000 but did not exceed \$10,000  
 Yes — amount owed exceeded \$10,000

b. If you answered yes (any yes box checked) to 4a:

Was the loan  secured or  unsecured?

What was the interest rate of the loan? \_\_\_\_\_ %

Was the loan entirely repaid within the past 12 months?  No  Yes

\*\*Do not include a loan from commercial lending institution made in the ordinary course of business on terms available to the public without regard to the official status if the loan: (1) was used to purchase your principal place of residence, or (2) is less than \$10,000 including indebtedness from an installment, sale or contract.

E. If you listed more than one entity in A, and have answered yes to C or to any question in D, indicate in which entity you, your spouse or dependent child has each financial interest disclosed.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

### VERIFICATION

I DECLARE UNDER PENALTY OF PERJURY THAT I HAVE USED ALL REASONABLE DILIGENCE IN PREPARING THIS STATEMENT AND TO THE BEST OF MY KNOWLEDGE IT IS TRUE AND COMPLETE.

Executed on \_\_\_\_\_, 20\_\_ at \_\_\_\_\_ (location)

Signature: \_\_\_\_\_

All of the information on this form is mandatory, is required by the provision of the Political Reform Act, Government Code Sections 81000, et seq., and will be available to any member of the public upon request. This information is to be used to reveal to public scrutiny certain financial interests of public officials and employees in order to disclose potential conflicts of interest and to aid in the prevention of actual conflicts of interest.