



Policy on Conflicts of Commitment and Interest

Active participation by resident NMC researchers and staff (full- or part-time) in external activities that enhance their professional skills or constitute public service can be beneficial to NMC as well as to the individual and is encouraged. Nonetheless, a need exists for a general framework against which the propriety and advisability of non-NMC activities can be measured and monitored.

Subject to this general standard, researchers and staff should appropriately use their own judgment in deciding whether to engage in extramural activities. NMC recognizes that members of its faculty and staff are professionals and requires that they remain alert to the possible effect of outside activities on the integrity of their decisions and their ability to fulfill their obligations to NMC.

Definitions

A conflict of commitment arises when the external activities of a researcher or staff member are so demanding of time or attention that they interfere with the individual's responsibilities to NMC.

A conflict of interest occurs when the researcher or staff member is in a position to advance one's own interests or that of one's family or others, to the detriment of NMC.

In this policy, Executive Director refers exclusively to the Executive Director of the NMC.

In this policy, 'Partner Institutions' refers to LANL, UNM, NMC, and NM Tech. The Executive Director may, at his discretion, add to this list.

In this policy, 'Substantial Financial Interest' is defined as ownership representing the lesser of \$10,000 or 10% of the equity in the outside organization.

Policy

It is the policy of NMC that researchers and staff have an obligation to avoid unacceptable ethical, legal, financial, or other conflicts of interest and to ensure that their activities and interest do not conflict with their obligations to NMC or its welfare. Specifically, an NMC employee or contractor's first responsibility is to the NMC and its partner institutions. No employee will act in such a way as to compromise this responsibility. No employee may use any NMC resources to advance their personal gain, or the gain of others with whom they are related in any manner, via family or contractual obligations, without written permission of the Executive Director. Furthermore, no NMC employee will conduct business through the NMC in any way with any company in which he/she has a substantial financial interests without written permission of the Executive Director.

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Suite 301, Research Park, 4200 West Jemez Rd, Los Alamos, NM 87544, 505 412-4177

It is the policy of NMC that researchers or staff engaging in an outside activity or possessing a personal interest that could lead to a substantial conflict of interest or commitment must immediately disclose that possibility by filing a disclosure form with the Executive Director. Researchers or staff members not engaged in such activities or possessing such interests need only affirm this fact on the disclosure form.

If the Executive Director, having been provided with all pertinent information, determines that the individual's situation presents a substantial conflict of interest or commitment, that situation must be resolved.

NMC employees are encouraged to disclose whenever they are in doubt about the possibility that a conflict of interest may exist. This protects both the NMC and employee against possible future adverse repercussions.

Examples of allowable income-generating activities

The following are offered as examples of external, income-generating activities that are not considered conflicts of interest. They are exempt from reporting requirements, unless they are so extensive in time and effort that they constitute a potential conflict of commitment.

- a. Receiving honoraria, stipends, and/or royalties for published scholarly works and other writing, creative works, lectures, and/or presentations.
- b. Participating at professional conferences for the purpose of making scholarly presentations, conducting seminars or workshops.
- c. Receiving honoraria for serving as a special reviewer or on a review panel for academic governmental, or not-for-profit organizations.
- d. Receiving royalties under the Institute's or another academic institution's royalty distribution policies.
- e. Preparing books, articles, software and creative works relevant to NMC duties.
- f. Earning income from passive investments such as interest or dividends from banks, mutual funds, or stocks and bonds.
- g. Any work performed for or benefiting partner institutions.

Examples of potentially conflicting activities or those requiring prior approval and potential management.

The following activities represent examples of potential or actual conflicts of commitment or interest. **While they do not necessarily imply conflict of interest they do require review and possible management of conflict of interest or commitment by the Executive Director.** The list is not inclusive and is intended to provide guidance. Where noted, activities of this type involving partner institutions would generally not be considered conflict of interest or require disclosure; however, it is recommended that the Executive Director be consulted in any ambiguous situation.

- a. Failing to fully meet NMC responsibilities (as agreed to in contract letters) due to involvement in external activities.
- b. Using NMC resources to conduct research that is sponsored by an entity in which the researcher, staff member or his/her family member holds a substantial financial interest.
- c. Serving in an executive or managerial capacity or holding significant financial interest in for-profit or not-for-profit entities doing business with NMC. (Partner institutions excluded).
- d. Recruiting NMC employees to other institutions without prior approval by NMC administration.
- e. Serving on the board of Executive Directors or a major advisory committee of an external entity that sponsors the researcher's or staff member's research or provides gift funds for the use of the researcher or staff member.
- f. Utilizing NMC post-doctoral fellows, students or employees in consulting activities and/or research sponsored by an entity in which the researcher or staff member has financial interests.
- g. Conducting testing of products, devices, or services owned or controlled by a business in which the researcher or staff member or a member of his/her family has a financial interest or receives remuneration.
- h. Diverting research or education opportunities from NMC to another academic institution, federal laboratory, business or consulting entity. (Partner institutions excluded)
- i. Directing purchasing opportunities to a family-owned company or an associated entity.
- j. While acting in the context of his/her NMC duties, making professional referrals to a business in which a researcher, staff member or a member of his/her family has a financial interest.
- k. Conducting non-NMC business activities involving NMC employees.
- l. Solicitation for funding on behalf of any non-NMC beneficiaries at NMC-sponsored events. (Partner institutions excluded).
- m. Any outside consulting that could provide the sponsoring outside entity with knowledge or data that may be used to give the outside entity an advantage in securing IP that otherwise would be secured by the NMC, its partner institutions, or its research sponsors.

Sanctions and Appeals

Final responsibility for this policy resides in the Executive Director, who reviews reports of potential conflicts and determines the remedies. If remedies mutually satisfactory to the researcher or staff member and NMC are not reached, NMC may impose a sanction. Sanctions for violating this Policy depend on the severity of the violation and range from reprimand to dismissal.