



Cornell University Policy Office  
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## **Policy 4.14**

### **Conflicts of Interest and Commitment (Excluding Financial Conflict of Interest Related to Research)**

#### **Policy Introduction**

All members of the Cornell University community are expected to conduct the affairs of the university in a manner consistent with their primary ethical, employment, and contractual commitments to the university. Further, performance of their professional responsibilities must be free from real or apparent bias motivated by self-interest. Relationships that may provide opportunity for bias must be disclosed and appropriately managed consistent with this Policy and the complementary University Policy 1.7, Financial Conflict of Interest Related to Research, that sets forth the principles and requirements to identify, report, review, and manage real and apparent conflicts of commitment and conflicts of interest related to research.

The university recognizes that the quality of teaching, research, extension service, and the administration of university programs may be enhanced when members of the Cornell University community participate in extramural activities. This Policy establishes the principles and requirements to assure that an individual's primary and existing commitments to the university, and the objective performance of their professional responsibilities, are not adversely affected by external commitments, or other financial interests.

#### **To Whom This Policy Applies**

This policy applies to all personnel and units of the university, including members of the Board of Trustees and Board of Fellows.

#### **1 Policy Principles**

The following principles are expected to be adhered to by all individuals to whom this policy applies:

##### **1.1 Overview**

Individuals are expected to evaluate and arrange their external interests and commitments in order to avoid compromising their ability to carry out their primary obligations to the university. In the first instance, conflicts should be avoided or resolved through the exercise of individual judgment or discretion. Full disclosure of the circumstances surrounding a real or potential conflict should be made before making the commitment or initiating the activity that poses the possible conflict. Disclosure must be sufficiently detailed to permit an accurate and objective evaluation.

Failure to comply with this policy or approved Conflict of Interest (COI) management plan will result in discipline up to and including employment termination or removal from office.

## 1.2 Conflicts of Interest

An individual is considered to have a Conflict of Interest when they, a member of their family, or a known business associate either:

- (1) has an existing or potential significant financial interest or other material interest or relationship that impairs or might appear to impair the individual's independence and objectivity in the discharge of their responsibilities to the university; or
- (2) may receive a financial or other material benefit from information confidential to the university.

Typically, a Conflict of Interest may arise when an individual has the opportunity or perceived opportunity to influence the university's business, administrative, academic, or other decisions in a manner implicating personal gain or competitive advantage of any kind.

Upon full reporting and disclosure of the circumstances, the university may approve a commitment or activity, provided that the conflict(s) can be managed. In many cases, the conflict(s) can be managed through disclosure and the establishment of appropriate safeguards. Circumstances that are not susceptible to effective conflicts management may be prohibited. Individuals have a duty to submit annual Conflict of Interest disclosures and to update their disclosure form when there is a change of circumstance.

In rare cases, the financial or other interests of the university itself introduces a potential for Institutional Conflict of Interest. For example, the university may hold a financial interest related to active research projects and this financial interest introduces the prospect of bias or improper influence in institutional decision-making surrounding the research activity. Such Institutional Conflicts of Interest must be managed or prevented in the same manner as individual conflicts.

### 1.2.1 Business Ventures

An individual involved in a business venture as owner, operator, or major investor must be alert to the possibility that a Conflict of Interest or Commitment may arise. Generally, there is the potential for a real or apparent Conflict of Interest where an opportunity exists for the individual's interest in the business to influence the university or the individual's professional decisions. Even if the entity does not do business with the university or there is no reasonable expectation of a future business relationship with the university, the individual remains responsible for avoiding a Conflict of Commitment.

Board members and Senior Leaders may invest in Cornell startups subject to disclosure and COI management.

No Board Member or Senior Leader may hold a fiduciary position in a Cornell startup company or licensee, including serving as a board member, director, or officer of the startup or licensee. Exception: Senior Leaders with faculty appointments, like other faculty members who found Cornell startups may hold a fiduciary role in their startup for the purpose of incorporating and applying for funds in the time before funding is available to hire employees.

The investment of personal assets by any Board Member, and participation in any way in an investment of assets from a fund or company in which the member has a material financial interest to a Cornell startup company requires approval of the Board of Trustees Audit, Risk, and Compliance Committee.

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## **1.2.2 Contracting**

An employee may not review, approve, or administratively manage a contract when the contract is between the university and a company in which the employee has a significant financial interest, or when the contract is with a member of the employee's family, or when a member of the employee's family is an employee of the contractor and directly involved with activities included under the contract or has a significant financial interest in the contractor.

## **1.2.3 Gifts**

No gifts or accommodations of any nature may be accepted by any individual when doing so could possibly place that individual in a prejudicial or embarrassing position, interfere in any way with the impartial discharge of duties to the university, or reflect adversely on that individual's integrity or that of the university.

## **1.2.4 Grading and Evaluations**

A recusal plan that effectively ensures the integrity of the grading process must be developed when a student enrolls in a course that is taught (or co-taught) by a family member or domestic partner. The recusal plan must establish a grading process that does not involve assessments rendered by the related instructor and is fair relative to how other students in the class are graded. The recusal plan must be executed by the student, the related instructor, and the chair of the instructor's department (or equivalent).

## **1.2.5 Community, Civic, and Governmental Activities**

The university encourages participation in community, civic, and governmental activities. As with other external engagements, employees who consider serving in elected or appointed positions on government councils, boards, and commissions should report and discuss such opportunities with their supervisors to ensure that there are no actual, apparent, or potential Conflicts of Interest or Commitments with their university duties and obligations.

## **1.3 Conflicts of Commitment**

### **1.3.1 For All Members of the Cornell University Community**

A Conflict of Commitment arises when an individual undertakes external commitments that may burden or interfere with their primary obligations and commitments to Cornell. The university expects that individuals will take appropriate steps to prevent external activities and commitments from having an adverse impact on the performance of their university duties and obligations.

### **1.3.2 Senior Leaders**

Senior Leaders are fiduciaries, owe special duties of care and loyalty to the university as a whole, and must keep the university's interests paramount to all others.

### **1.3.3 Academic Staff**

An academic staff member who accepts a full-time appointment with the university has a primary commitment to the university that generally includes teaching classes, being available to students and colleagues outside the classroom, serving departmental, college, and university committees, providing clinical services (where applicable), conducting

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research, publishing scholarly works, and otherwise meeting the changing needs of the university. Those holding Cooperative Extension or clinical appointments have specified obligations of service to the public.

Such an appointment constitutes a full-time obligation to the university, and, with the exceptions explicitly permitted by university policies on consulting and other related professional activities, full-time faculty members must not engage in other employment.

### **1.3.4 Nonacademic Staff**

Nonacademic staff with full-time appointments are expected to give their primary professional commitment to Cornell University. The university expects that staff members also will recognize the possibility that their external activities and commitments may have adverse effects on the performance of their university obligations and disclose any such activities.

### **1.3.5 Part-Time Appointees**

Faculty and staff members who hold part-time appointments commonly will have major obligations and commitments, not only to the university, but also to one or more outside entities. The potential for conflict may be significant. Accordingly, part-time employees are expected to exercise special care in reporting and fulfilling their multiple obligations.

## **2 Responsibilities**

### **2.1 Responsible Office(s)**

**Audit, Risk, and Compliance Committee of the Board of Trustees (Audit Committee)** - Oversees the administration of the university's policies on conflicts of interest. Reviews and approves COI Management Plans for Board Members and Senior Leaders.

**Conflicts Advisory Panel (CAP) [WCM] and Financial Conflicts of Interest Committee (FCOIC) [Ithaca]** – The CAP makes recommendations to and advises the dean of Weill Cornell Medical (WCM), regarding conflicts of interest and commitment. The FCOIC ensures all real or apparent FCOIs, other than those of Senior Leaders, related to research are identified and managed as required by Policy 1.7 Financial Conflicts of Interest Related to Research.

The FCOIC, for Ithaca, and the CAP, for WCM, are responsible for establishing procedures for the disclosure and management of actual and perceived Conflicts of Interest and Commitment of all academic staff and all nonacademic staff members involved in research. If the CAP or FCOIC receive COI/COC disclosures of Senior Leaders who have faculty appointments all such disclosures must be forwarded, with any relevant comments and advice, to the Vice President and General Counsel for evaluation and further action.

**Office of Research Integrity and Assurance (ORIA) [Ithaca] Office of Research Integrity (ORI) [WCM]** – Staffs the FCOIC [Ithaca] and CAP [WCM]. Analyzes potential conflicts of interest and commitment and draft management plans. Manages Conflict of Interest survey and report processes. Reviews status of active management plans. Collects and forward reports of potential conflicts of commitment to the appropriate college, division, or other administrative unit.

**University Conflicts Committee (UCC)** – May recommend Conflict Management Plans (CMPs) for Board Members and Senior Leaders related to investments in Cornell start-ups.

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## 2.2 University Management

**General Counsel** – With the Chief Research Compliance Officers (CRCOs), staffs the UCC and advises on matters involving external commitments and financial interests of Senior Leaders. The Office of General Counsel and Secretary are responsible for establishing procedures for annual disclosure and management of actual and perceived Conflicts of Interests and commitment of Board Members and Senior Leaders.

**Chief Research Compliance Officers (CRCOs)** – With the General Counsel, staff the UCC.

**Provost and Provost for Medical Affairs** - Manage conflicts of WCM directors and unit heads other than senior leaders.

**Dean, Director, or Unit Head** - Collect and retain reports of non-research-related external commitments and interests. Manage conflicts of individuals within the unit.

Conflicts of Interest and Commitment of nonacademic staff not involved in research are managed pursuant to procedures established by the vice president, vice provost, dean, or director (“Unit Head”).

## 2.3 Individuals

Individuals are responsible for discharging their Cornell duties in a manner that is free from real or apparent bias motivated by self-interest and reporting and managing actual and apparent Conflicts of Interest and Commitment consistent with this policy.

Any member of the Cornell University community may report known or suspected Conflicts of Interest or Commitment.

## 3 Record Retention

Records associated with this policy shall be maintained by the individual or Unit engaging in the activity. Records shall be retained or disposed of in accordance with [University Policy 4.7, Retention of University Records](#).

## 4 How to Report a Concern

The [Cornell Ethics and Compliance Hotline](#) is the primary mechanism to confidentially or anonymously report ethics, integrity, or compliance concerns to the University. [Other reporting options](#) are also available.

## 5 Compliance

University Compliance, University Audit, and others may audit or investigate to assess compliance with this policy. Non-compliance with university policies is addressed in accordance with applicable policies and procedures and is subject to progressive disciplinary action up to and including termination.

## 6 Related Resources

- Cornell University Bylaws <https://bpb-us-e1.wpmucdn.com/blgs.cornell.edu/dist/5/9068/files/2022/10/22-10-bylaws-w-TC.pdf>
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- University Policy 4.6, Standards of Ethical Conduct <https://policy.cornell.edu/policy-library/standards-ethical-conduct>
- University Policy 3.25, Procurement of Goods and Services <https://policy.cornell.edu/policy-library/procurement-goods-and-services>
- University Policy 1.7, Financial Conflict of Interest Related to Research <https://policy.cornell.edu/policy-library/financial-conflict-interest-related-research>
- Cornell Hotline, at (866) 384-4277 (toll-free) or [www.hotline.cornell.edu](http://www.hotline.cornell.edu)

## 7 Definitions

Term	Definition
<b>Academic Staff Member</b>	Any instructional or research staff member listed in Article XVII, Section 1 of the Cornell University Bylaws (see Related Resources).
<b>Associate</b>	A person, trust, organization, or enterprise (of a business nature or otherwise) with respect to which the individual or any member of his or her family (1) is a director, officer, employee, member, partner, or trustee, or (2) has a significant financial interest or any other interest that enables him or her to exercise control or significantly influence policy.
<b>Board Member</b>	Any member of the Board of Trustees or the WCM Board of Fellows.
<b>Community and Civic Activities</b>	Elected or appointed service on government councils, boards, and commissions.
<b>Conflict Management</b>	Measures taken to address the risk of bias or the appearance of bias when members of the university community have real or apparent conflicts of interest.
<b>Conflict Management Plan (CMP)</b>	Written plan detailing the measures for conflict management.
<b>Conflict of Commitment (COC)</b>	A situation caused when an individual undertakes external commitments that may burden or interfere with their primary obligations and commitments to the university, even if the outside activity is valuable to the university or contributes to professional development.
<b>Conflict of Interest (COI)</b>	An actual, apparent, or potential conflict of interest may arise when the interests, activities, or relationships of any Cornell individual to whom this Policy applies compete with or are perceived to compete with the interests, activities, or concerns of the university such that the individual's actions or decisions on behalf of the university, or related to the individual's employment responsibilities, are compromised, or appear to be compromised.
<b>Cornell Startup</b>	Any entity that is created to license Cornell-owned technology, is expected to or has licensed Cornell-owned technology or is founded predominately on the basis of Cornell-owned technology.
<b>Disclose/Disclosure</b>	To provide relevant information about an individual's external commitments and financial interests to parties inside and outside the university to assure full awareness of potential conflicts and institutional efforts to address them.
<b>Individual</b>	Any employee, faculty, or governing board member of Cornell University.



Term	Definition
<b>External Commitment</b>	An obligation or activity (e.g., management, employment, advisory, or consulting role) that is not part of one's primary commitments or obligations to the university.
<b>External Entity</b>	An entity other than the university or one of its units.
<b>Family</b>	An individual, and that individual's spouse, domestic partner, parent, sibling, child, or any other blood relative, if that other blood relative resides in the same household.
<b>Institutional Conflict of Interest</b>	An Institutional COI occurs when the financial interests of Cornell has the potential to unduly influence institutional decision-making or compromise the integrity of the underlying decision(s) or transaction(s).
<b>Nonacademic Staff Member</b>	An employee not included in the definition of <i>Academic Staff Member</i> , above.
<b>Conflicts of Interest Disclosure Form/Survey</b>	The document in which an individual provides information to the university concerning their external commitments, financial interests, and covered family relationships in accordance with this policy.
<b>Senior Leaders</b>	<p>Any of the following:</p> <ul style="list-style-type: none"> <li>• President</li> <li>• Provosts, Executive Vice Provosts, Vice Provosts, Deputy Provosts</li> <li>• Executive Vice Presidents, Vice Presidents</li> <li>• Deputy General Counsel and Secretary of the Medical College</li> <li>• Deans</li> <li>• Senior Associate Deans of the Medical College</li> <li>• President and CEO, WCM Physicians Organization</li> <li>• WCM Chief Medical Officer</li> <li>• Chief of Staff and Special Counsel to the President</li> <li>• Chief Investment Officer</li> <li>• University Auditor</li> <li>• Chief Compliance Officer</li> <li>• WCM Chief Financial Officer</li> </ul> <p>Note: IRS and other regulations may require inclusion of "five highest compensated," "key employees," "interested persons," "disqualified persons," etc.</p>
<b>Significant Financial Interest (SFI)</b>	<ol style="list-style-type: none"> <li>1. With regard to any publicly traded entity, a significant financial interest exists if the value of any remuneration received from the entity in the twelve months preceding the disclosure and the value of any equity interest in the entity as of the date of disclosure, when aggregated, exceeds \$5,000. For purposes of this definition, remuneration includes salary and any payment for services not otherwise identified as salary (e.g., consulting fees, honoraria, paid authorship). Equity interest includes any stock, stock option, or other ownership interest, as determined through reference to public prices or other reasonable measures of fair market value.</li> <li>2. With regard to any non-publicly traded entity, a significant financial interest exists if the value of any remuneration received from the entity in the twelve months preceding the disclosure, when aggregated, exceeds \$5,000, or when an individual or his</li> </ol>

Term	Definition
	<p>or her family holds any equity interest (e.g., stock, stock option, or other ownership interest).</p> <p>3. Related to intellectual property rights and interests (e.g., patents, copyrights), upon receipt of income related to such rights and interests.</p> <p>The term “significant financial interest” (SFI), however, does not include the following types of financial interests:</p> <ul style="list-style-type: none"> <li>• Salaries, royalties, or other remuneration paid by Cornell to an individual, including intellectual property rights assigned to the institution and agreements to share in royalties related to such rights.</li> <li>• Income from investment vehicles, such as mutual funds and retirement accounts, as long as the individual does not directly control the investment decisions made in these vehicles.</li> <li>• Income from seminars, lectures, or teaching engagements, or income from service on advisory committees or review panels for a federal, state, or local government agency, a non-profit U.S. institution of higher education as defined at 20 U.S.C. 1001(a), an academic teaching hospital, a medical center, or a research institute that is affiliated with an institution of higher education.</li> <li>• Any paid or reimbursed travel determined by the university not to constitute a significant financial interest.</li> </ul>
<b>Unit</b>	A department, research center, institute, program, business service or financial transaction center, office, or other operating entity of the university.
<b>Unit Head</b>	The chair, director or other leader of a unit and/or the campus Human Resource professional, who, individually or together shall be responsible for ensuring unit compliance with this policy, which may include supervising a Conflict of Interest management plan. In the event the chair, director or other leader is the subject of the concern at issue, that person’s immediate supervisor shall serve in their stead.
<b>University Conflicts Committee (UCC)</b>	<p>Provides advice regarding CMPs for Board Members and Senior Leaders related to investments in Cornell start-ups.</p> <ul style="list-style-type: none"> <li>• <b>Members:</b> <ul style="list-style-type: none"> <li>– CU Vice President for Research and Innovation (Co-chair)</li> <li>– WCM Sr. Associate Dean for Research (Co-Chair)</li> <li>– WCM Sr. Associate Dean for Innovation and Initiatives</li> <li>– Vice Provost for Cornell Tech</li> <li>– CU Chair of the Financial Conflict of Interest Committee</li> <li>– WCM’s Chair of the Conflict Advisory Panel</li> <li>– <i>As needed: A non-voting faculty subject matter expert for a specific case appointed by the President.</i></li> </ul> </li> <li>• <b>Staff:</b> <ul style="list-style-type: none"> <li>– General Counsel,</li> <li>– Deputy General Counsel,</li> <li>– CU &amp; WCM Chief Research Compliance Officers.</li> </ul> </li> </ul>



## 8 Responsible Office and Policy Administration

Policy Clarification and Interpretation	Contact	Phone	Email/Web Address
General Counsel	General Counsel	(607) 255-5124	<a href="mailto:counsel@cornell.edu">counsel@cornell.edu</a>

## 9 Responsible Executive

Unit	Title
Cornell University	Vice President and General Counsel, Provosts

## 10 Revision History

Date	Summary of Revisions
Originally Issued:	May 31, 1986
Current Version Approved:	March 15, 2023
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