

The New York Academy of Medicine
Conflict of Interest Policy revised July 14, 2014

It is the intent of The New York Academy of Medicine (the Academy) that each Trustee, employee, consultant, and member of the Institutional Review Board rigorously respect the duty to place the interests of the Academy first in all dealings with the Academy and its programs and that they shall take no action that conflicts or could reasonably be perceived to conflict with the interests of the Academy or with such Trustee's or employee's obligations to the Academy. A conflict of interest is a conflict between the private interests and the official responsibilities of a person in a position of trust.

It is, in addition, the intent of the Academy that each employee, or consultant (hereinafter collectively referred to as "employee") who is involved in the design, conduct or reporting of research will be objective and not biased by any conflicting financial interest. Employees or consultants engaged in the design, conduct or reporting of federally funded research must also conform to federal rules.

The Conflict of Interest Officer, appointed by the Academy, is The Senior Vice President for Finance and Administration (SVPFA). In order to effectuate these intentions, the Academy will institute the following procedures:

I. Trustees:

Disclosure of conflicts

a) The Academy shall annually distribute a Conflict of Interest Statement (Appendix 1) to Trustees who shall submit completed forms to the Office of Board and Fellowship Affairs.

b) Trustees of the Academy shall disclose in writing any activity or action which such person or any of their immediate family members has undertaken or plans to undertake which might conflict or reasonably be perceived to conflict with the interests of the Academy or with such Trustee's obligations thereto.

For purposes of this policy, family members include; the spouse or domestic partner of such Individual; the children and grandchildren of such Individual; the parents and grandparents of such Individual; and any trust, organization or enterprise over which such individual, alone or together with his or her family, exercises a controlling or significant interest.

c) Trustees shall disclose any family relationship or business relationship with any other officer, director, Trustee or key employee of the Academy.

d) Trustees of the Academy shall be advised of the Academy's Conflict of Interest Policy and complete the Conflict of Interest form prior to assuming their responsibilities and annually thereafter.

e) Except insofar as necessary to apply and enforce this policy, the President and Chairman of the Board of Trustees, the Chair of the Audit Committee, and the Conflict of Interest Officer shall maintain the completed Conflict of Interest Statements in confidence.

II. Employees:

Disclosure of conflicts

a) The President of the Academy shall annually distribute the Conflict of Interest Policy and form (Appendix 1) to key employees of the Academy. Employees shall present completed forms to the Conflict of Interest Officer of the Academy.

b) Key employees include those who manage units at the Academy, those who make business and/or purchasing decisions and all staff who are supported by extramural funding.

c) Key employees shall disclose any family relationship or business relationship with any other officer, director, and Trustee or key employee of the Academy.

d) Employees of the Academy shall inform the Conflict of Interest Officer in writing of any activity or action which such person or their immediate family members (as defined above in l. b)) will undertake which may conflict or might reasonably be perceived to conflict with the interests of the Academy or with such employee's obligations thereto.

e) Employees of the Academy shall be advised of the Academy's conflict of interest policy and submit completed Conflict of Interest forms prior to assuming their responsibilities and annually thereafter.

f) For those employees involved in the design, conduct, or reporting of research, the President of the Academy will annually distribute a Financial Disclosure Form (Appendix 2) in addition to the Conflict of Interest Statement and Appendix 1. Employees shall present completed forms to the Conflict of Interest Officer.

g) Employees involved in the design, conduct or reporting of federally funded research are required to undergo federal conflict of interest training every four years. A copy of a certificate of training must be on file in the Office of the Senior Vice President for Finance and Administration. Employees are not eligible to apply for federal funding if training is not documented within four years of the application date.

h) Employees involved in the design, conduct or reporting of federally funded research are required to disclose in advance and provide documentation to the office of the Senior Vice President for Finance and Administration for any reimbursed travel related to institutional responsibilities (including purpose of trip, sponsor/organizer, destination, and duration). Travel sponsored by a federal, state, or local government agency, and institution of higher education, an academic teaching hospital, a

medical center or a research institute affiliated with an institution of higher education is excluded from this requirement.

i) Except insofar as necessary to apply and enforce this policy, the President and Conflict of Interest Officer shall maintain the completed Conflict of Interest Statements in confidence.

III. Procedures:

A. The Audit Committee oversees the conflict of interest policy implementation and compliance. Each year the Conflict of Interest Officer will review completed forms and present them to the Chair of the Audit Committee. Conflicts of interest will be discussed at the Audit Committee and the minutes will document the discussion and proposed resolution to be reported to the Executive Committee.

B. General conflict of interest & related party transactions

The Board of Trustees and the management of the Academy shall approve no transaction between the Academy and a Trustee or employee of the Academy or their immediate family which will benefit such Trustee, employee or immediate family member directly or indirectly, financially or otherwise except as outlined below.

Under the New York Non-Profit Revitalization Act of 2013, related party transactions are barred unless certain conditions are met as described below. The Conflict of Interest Officer and the President will report to the Executive Committee all potential related party transactions for review and resolution in advance. For a related party transaction to be approved,

- the majority of the Executive Committee must agree that the related party transaction is fair, reasonable and in the Academy's best interest at the time of the determination, that using an alternative is not to the Academy's benefit and that the material facts of the transaction are disclosed in advance;
- the deliberations, including discussion of alternatives, are documented in the minutes and reported to the Board of Trustees;

- the related party may not be in the room for the discussion; and
- the Trustee who will benefit, directly or indirectly from a transaction shall not be eligible to vote on any issue regarding that transaction and shall not be counted toward a quorum for such a vote.

C. Financial conflict of interest in research

1) The Conflict of Interest Officer will be responsible for the implementation of this policy. He/she will:

a) assure that in addition to a Conflict of Interest Statement, a Financial Disclosure Form is collected annually from each Academy full-time and part-time employee and consultant involved in the design, conduct, or reporting of research including any human subject research;

b) review all Financial Disclosure Forms to determine if any staff member or his/her family has a significant financial interest¹ that would reasonably appear to be affected by involvement in human subject research;

¹ *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 interests (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) Academy salary; (2) Income from seminars, lectures, or teaching engagements sponsored by public or nonprofit entities; (3) Income from service on advisory committees or review panels for public or nonprofit entities; (4) An equity interest that when aggregated for the investigator and the investigator's immediate family, meets both of the following tests: Does not exceed \$5,000 in value as determined through reference to public prices or other reasonable measures of fair market value, and does not represent more than a five percent ownership interest in any single entity; or (5) Salary, royalties or other payments that when aggregated for the investigator and the investigator's spouse or partner and dependent children over twelve months, do not and are not expected to exceed \$5,000. Interests of Financial uncertain value (e.g. stock options) must be reported on the Financial Disclosure Form as a significant financial interest.

c) maintain the confidentiality of the specific information provided in the Financial Disclosure Form except as required in (d);

d) report any specific instances of significant financial interest that would reasonably appear to be affected by involvement in research to the President of the Academy and the Chair of the Academy Institutional Review Board.

2) There will be a rebuttable presumption that persons with a financial conflict of interest may not conduct human subject research related to that conflict. This presumption may be rebutted by providing evidence that the financial conflict of interest will not unreasonably affect the research; that the conflict can be managed through a process of disclosure and monitoring; and or that there is a compelling interest (e.g. heightened safety or welfare of subjects) that the person be allowed to participate in the research, with appropriate management of the conflicting interest.

3) The Conflict of Interest Officer will make a recommendation to the President, the Executive Vice President and the Audit Committee in each case as to how to manage, reduce, or eliminate the conflict of interest. Such recommendations might include:

a) divestiture of the significant financial interest prior to initiating the research;

b) precluding participation of the individual in the research;

c) public disclosure of the existence of a significant financial interest;

d) disclosure of the financial conflict of interest in the informed consent form for the research;

e) modification of the research to ensure the conflict of interest does not adversely affect the welfare of the subjects;

f) monitoring of the research to ensure the conflict of interest does not adversely affect the welfare of the subjects.

4) The President, in consultation with the Conflict of Interest Officer and the Chairman of the Institutional Review Board and the Audit Committee will determine the course of action to manage, reduce or eliminate the financial conflict of interest in each case.

5) The Academy Institutional Review Board may not approve any research proposal involving an individual with a financial conflict of interest until the conflict of interest has been managed or eliminated to the satisfaction of the President and the Institutional Review Board itself.

6) Each staff member is responsible for updating his/her financial disclosure form at least annually, at any time when there is a change in financial status which results in the creation of a significant financial interest for him/herself, his/her spouse, partner, or dependent child, that might reasonably appear to affect any research project involving human subjects.

7) All Academy staff will comply with this policy, or be subject to disciplinary action including the risk of termination of employment.

8) The Conflict of Interest Officer will submit a report annually to the Academy Board of Trustees listing any instances of financial conflicts of interest in human subject research and how each was managed or eliminated.

D. Nepotism. The Academy is committed to a policy of employment and advancement based on qualifications and merit. Family members of persons currently employed or affiliated with the Academy may only be hired or paid in exceptional circumstances approved in advance by the Senior Vice President for Finance and Administration. Family members include; the spouse or domestic partner of such Individual; the children and grandchildren of such Individual; the parents and grandparents of such Individual; and any trust, organization or enterprise over which

such Individual, alone or together with his or her family, exercises a controlling or significant interest.

Family members may not work directly for or supervise a relative and they may not occupy a position the same line of authority where they may initiate or participate in decisions involving a direct benefit to the relative. Such decisions include, but are not limited to hiring, retention, transfer, promotion, and compensation.

Adopted by the Executive Committee of the Board of Trustees at its July 15, 2014 meeting.