

8/6/1997

EXEMPTION REQUEST FORM  
DISCLOSING CONFLICT OF INTEREST  
RELATED TO RESEARCH OR DEVELOPMENT

University of Maryland ("UM")  
Baltimore

**PART ONE:**

**INSTRUCTIONS TO THE UM FACULTY MEMBER OR EMPLOYEE**

1. Introduction

This form can be used to disclose and request approval of your relationships with business entities which are involved in research and development whenever it appears that the State Ethics Law might prohibit such relationships. The State Ethics Law prohibits some relationships unless UM approves them as provided in the Public-Private Partnership Act and related University of Maryland System and UM policies. To request an exemption from the State Ethics Law, complete those parts of this form which are designated for completion by you as a requesting employee.

If you review these instructions and the form and have doubt about its applicability, or questions, you are encouraged to contact the Conflict of Interest Officer, Mr. Joseph Giffels, at 706-6331, or [jgiff001@umabnet.ab.umd.edu](mailto:jgiff001@umabnet.ab.umd.edu) for more information.

2. How is this form used?

To complete the form, it is suggested that you download it from the webpage at <http://www.ospa.umab.edu/>. You can insert your answers to questions and print a completed form. Use attachments at your discretion.

Upon completion, this form is to be routed for review and action by, as applicable, (a) your academic division head, department chair, and dean, or (b) your administrative supervisor, unit head, and vice president. A negative action at any level of review ends the review of the exemption request. A positive action at all levels will result in the form being sent to the Conflict of Interest Officer for review and consideration by UM as specified in institutional policy.

Only the President of UM can issue exemptions as provided in the Public-Private Partnership Act. Intermediate supervisors have no authority to grant exemptions.

3. What does the Public Ethics Law require? Who needs to be concerned about making exemption requests?

The Public Ethics Law prohibits many relationships between University employees and business entities which have other relationships with the University or which have an interest in the outcome of University research. The Ethics Law also prohibits certain relationships between those business entities and the spouses and dependent children of University employees who will be involved in the work which is of interest to the entities.

The Public-Private Partnership Act permits UM to grant exemptions to the application of the Public Ethics Law. Many of the anticipated relationships which might violate the Ethics Law in the absence of an exemption will be faculty relationships, but all employees are subject to the Ethics Law and the Public-Private Partnership Act.

Examples of relationships which may require review under the Public-Private Partnership Act are: consulting agreements, equity ownership (by UM employees or their spouses or children), holding an office or board membership in companies, and dual employment by UM and outside business entities. The UM PROCEDURES IMPLEMENTING BOARD OF REGENTS POLICY ON CONFLICTS OF INTEREST IN RESEARCH OR DEVELOPMENT provide more information about the Ethics Law and the types of exemptions which may be allowed under the Public-Private Partnership Act.

Penalties for violating the State Ethics Law are severe, up to and including loss of employment. If you have any question whatsoever about the application of the Public Ethics Law to a particular situation, you should review UM Procedures carefully. Also, consult the Conflict of Interest Officer if you have questions.

4. When should an exemption request be made?

Generally, the rule to follow is "the sooner, the better." If you are considering a relationship with an entity which may sponsor research, make grants in support of research, option or license a University technology, etc., the exemption request should be made at the time UM is made aware of the other proposed arrangements, e.g., when a grant proposal is routed or when a technology is disclosed to UM and the disclosure lists as a potential licensee an entity with which you propose a future relationship as an employee, consultant, advisor, etc.

5. What happens after your exemption request is routed to the Conflict of Interest Officer?

Typically, the Conflict of Interest Officer will contact you to let you know when your exemption request will be acted upon by the University, whether more information is required, and whether it is necessary to present the request to the advisory committee which assists the President in making decisions about exemption requests. If the Officer needs to speak directly to the entity with which you seek a relationship, you will be advised.

6. Does this process replace the federal conflict of interest disclosure process used in applying for NIH and PHS funding?

No. This process responds to State law, not to a federal requirement. If you have federal funding and are notified that a conflict of interest report is required, you must follow the federal filing and disclosure procedures. UM will review federal disclosures and State exemption requests concurrently, if practical.

7. Do you need to be concerned about exemptions if you have or expect a relationship with an entity that does not have a contract with UM?

Yes, you do. For example: (1) If an entity has concern about the proof or disproof of the success of a drug product through research work conducted by you or your colleagues, a consulting relationship with that entity might violate the Ethics Law even though the entity is not carrying out research through a contract with UM. (2) If an entity is supporting your work or closely related work through a gift or grant to the University of Maryland Foundation (UM Fund), you would need an exemption in order to have a relationship with that entity.

8. What if you resign from UM employment?

Many provisions of the Ethics Law apply to former UM employees. The Ethics Law may bar a transition from UM to employment by a business having dealings with UM, or having an interest in UM research activities, if your UM business activities are in the same subject areas. Before you resign UM employment to accept outside employment which might be perceived as subject to the Ethics Law, seek an exemption. If you resign and subsequently have an opportunity to enter into a relationship which might violate the Ethics Law because of your former employment, you may request an exemption, processing the request in the same way it would be handled if you were still an employee.

9. Are all research personnel on a project subject to the conflict of interest rules about requesting exemptions?

Yes. Often only key personnel--principal investigators and co-investigators who are creating a protocol and structuring the budget--need to seek exemptions under the Public-Private Partnership Act. This is because often only the key personnel have opportunities for consulting agreements, employment relationships with a research sponsor or supporter, or other relationships that are subject to the State Ethics Law. However, any member of the research team who has an opportunity to have a relationship requiring an exemption must seek the exemption.

Whenever possible, exemption requests from colleagues involved in the same work, and seeking relationships with the same entity, should be forwarded for institutional review as a group of requests. However, a separate request form must be submitted for each individual; collective requests are not acceptable.

10. Will the public have access to exemption requests?

Approved requests for exemption will be filed as public records of UM and are subject to review upon request by members of the general public, other University personnel, the State Ethics Commission, and others.

11. Can any part of an exemption request remain confidential?

To request an exemption, you may need to disclose information which is confidential because it is related to ongoing research or was obtained under confidentiality obligation from another party. In such cases, do not set forth the information on this form or in attachments to this form. Indicate on the form that you are submitting responsive but confidential information under separate cover. The confidential information should be available to all parties who review the form. It is helpful if any material provided by other parties which such parties wish to be held in confidence is clearly marked "Confidential and Proprietary" and is accompanied by a letter from the organization identifying the material as proprietary data or trade secrets.

Confidential information received in connection with this form will not be placed on the public record. However, it may have to be disclosed upon specific request. UM is subject to the Maryland Access to Public Records Law, and may be requested to produce information you have designated as confidential. In most cases, UM will assert that the confidentiality of ongoing research and the proprietary interests of other parties are sufficient cause to deny inspection of material you have designated as confidential.

The following information items are examples of information which is **never** protected by the University as confidential information: University salaries, the nature of University research projects, budgets for University research projects, names of entities sponsoring University projects, terms of research agreements and license agreements with the University, Public-Private Partnership Act exemption requests, and any approvals or conditional approvals given in response to exemption requests.

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**PART TWO:**

**DISCLOSURE AND EXEMPTION REQUEST**

**Print or type all information.**

**Section One.** Directory Information. Supply the requested information about yourself, as the employee requesting the exemption, and about the entity with which your relationship is proposed:

A. About You

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

University Title: \_\_\_\_\_

Division/Department or Administrative Unit: \_\_\_\_\_

\_\_\_\_\_

FTE: \_\_\_\_\_ Annual Salary: \_\_\_\_\_

University Business Address: \_\_\_\_\_

\_\_\_\_\_

Phone Number: \_\_\_\_\_

Facsimile: \_\_\_\_\_

E-mail Address: \_\_\_\_\_

B. About Your Immediate Supervisor

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

University Title: \_\_\_\_\_

University Business Address: \_\_\_\_\_  
\_\_\_\_\_

Phone Number: \_\_\_\_\_

Facsimile: \_\_\_\_\_

E-mail Address: \_\_\_\_\_

C. About the Entity

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

Form of Organization: \_\_\_\_\_  
(e.g., LLC, corporation, partnership)

State in which it is organized: \_\_\_\_\_

General nature of its business activities: \_\_\_\_\_  
\_\_\_\_\_

Any other names under which it does business, and the names of any wholly owned subsidiaries, or corporate parents (companies which own the entity) which conduct business similar to the entity's business, or which also have relationships with UM or you. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

A Contact Person: Give the name and title of an officer or other person at the entity or its parent who is informed about the proposed relationship:  
\_\_\_\_\_

Give the person's business address: \_\_\_\_\_  
\_\_\_\_\_

Telephone Number: \_\_\_\_\_

Facsimile Number: \_\_\_\_\_

E-Mail Address: \_\_\_\_\_

D. Additional Information

Is the entity an ongoing business concern? \_\_\_yes \_\_\_no

If the entity is to be established, (a) when do you think it will be created?  
\_\_\_\_\_ (give month and year)

(b) What state will it be organized in? \_\_\_\_\_

**Section Two. Your Conflict of Interest Concerns.** Supply information about the potential or actual conflict of interest and your proposal to mitigate it.

A. Description of Conflict of Interest. Describe in your own words the potential or actual conflict of interest which you or others have identified which led you to file this exemption request. Use the space provided, or attach a statement. You may attach supporting documents as helpful.

B. Steps to Mitigate Conflict. Describe in your own words what steps you think UM could take to ensure that the integrity of your UM work is not compromised by your relationship with the entity. Be thorough. Use the space provided, or attach a statement. You may attach supporting documents as helpful.

Have you discussed these suggestions with the entity (y/n)? \_\_\_\_\_

Is the entity prepared to pay the costs associated with implementing these suggestions (y/n)?  
\_\_\_\_\_

**Section Three. Research and Development Activities.** Explain how, in your view, the exemption will advance the research and development goals of the Public-Private Partnership Act. What are the research and development activities of the entity? In providing this information, remember that the UM Procedures Implementing Board of Regents Policy on Conflicts of Interest in Research or Development define "research" and "development" as basic or applied research or development, including (A) the development or marketing of university-owned technology or intellectual property; (B) the acquisition of services of an official or employee by an entity for research and development purposes; or (c) participation in State economic development programs. Research does not have to be sponsored research in order for relationships with entities to be eligible for Public-Private Partnership Act exemptions.

**Section Four. Details of Relationship.** Provide information about the entity's relationship, present and/or proposed, with UM, and the entity's present or proposed interest in your work at UM.

A. Sponsored Research Agreements. Describe any present or proposed sponsored research agreements with the entity, as sponsor or as subcontractor to UM, involving you or your laboratory or academic group. Give the approximate budget, the Principal Investigator, the title of the project, and the name of the UM grants and contracts administrator most familiar with the project.

B. Options or License Agreements. Describe any present or proposed options or license agreements known to you between UM and the entity if such agreements relate to inventions or other intellectual property developed by you or in your laboratory or academic group, giving the title of the subject intellectual property.

C. Entity Interest in Outcome. If, to your knowledge, the entity is interested in the outcome of your research or academic work, but is not a sponsor of your work, explain why the entity has such interest, in your opinion.

D. Gifts or Grants. If the entity has made gifts or grants to UM or the University of Maryland Foundation (UM Fund) in support of your work at UM, give information about the dates and amounts of the gifts or grants, including whether or not the funds were used for any purpose related to your proposed relationship with the entity.

**Section Five. Ownership Information.** If you are requesting an exemption permitting you to have an ownership interest in an entity, provide the requested information, and attach a copy of any written proposal or offer covering the ownership interest.

A. What "units" you will or may own. (E.g., stock, warrants, limited partnership interest, LLC interest.)

B. Ownership.

Individual \_\_\_\_\_ Joint \_\_\_\_\_

If joint, name of co-owner: \_\_\_\_\_

C. Value of your Ownership Interest. Current estimated dollar value \_\_\_\_\_.  
Percent of total ownership \_\_\_\_\_.

D. Conditions of Ownership. Describe any conditions or encumbrances affecting your ownership interest. (E.g., will you be prohibited from exercising options or selling stock for a certain period

of time, or until certain events occur?)

E. Will you purchase the ownership interest? (Y/N) \_\_\_\_ If so, what will you pay for it?  
\_\_\_\_\_ How does that price compare with the market value, if there  
is a market value?

F. If you are not purchasing the ownership interest, what is the consideration for the ownership  
interest?

G. From what person or organization will you acquire your ownership interest?

**Section Six. Your Employment Relationship.** If you are requesting an exemption for an  
employment relationship (including both traditional compensated employment and other  
relationships e.g., consulting, office or executive responsibility in the entity's operations, board  
membership, royalties, etc.), attach a copy of any written proposal or offer covering the  
employment relationship and provide the requested information:

A. What position will you hold? What duties will you have on behalf of the entity? Be as  
specific as possible. In particular, if you will be conducting any research or scientific work for the  
entity, address what you will be doing, where you will do it, and the relationship, if any, to your  
work at UM.

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

Responsibilities: \_\_\_\_\_

\_\_\_\_\_

B. How much time per biweekly period \_\_\_\_\_, month \_\_\_\_\_, year \_\_\_\_\_ will you be providing to  
the entity? \_\_\_\_\_

C. What compensation, if any, do you expect from the entity?

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D. Will you use annual and other paid leave time for the work for the entity? (Y/N) \_\_\_\_\_ If no, please explain.

E. Are you requesting a leave of absence or change in level of FTE at UM in order to make your time available to the entity? (Y/N) \_\_\_\_ If available, attach a copy of the request you have made and the approval.

F. If you are an externally funded investigator, what percentage of your FTE is budgeted to grants and contracts at this time?

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**Section Seven. Gifts.** Describe any gifts for which you are requesting an exemption because of your relationship with the donating entity, or that entity's interest in your work.

If you are seeking permission to accept a gift or honorarium from an entity which has a relationship with you, or an interest in your work, provide the nature and value of the gift. You need to give this information whether you are considering a gift directly to you which you plan to retain, a gift you plan to give to another person or entity (e.g., assigning the gift to the UM Fund), or a gift arranged through you but directed to the UM Fund or other UM affiliates which can hold and administer funds for the benefit of your work.

Give the nature and value of the gift (cash, stock, etc.; market value or face value), and attach a copy of any written offer.

**Section Eight.**

A. Other Relationships with the Entity. Provide information about any other relationship with the entity which has not been discussed above, but which may require an exemption to be lawful. Include here matters such as employment of a spouse or dependent child by the entity, ownership of an interest in the entity by a spouse, dependent child, or other dependent, or relationships between the entity and other organizations with which you or your spouse or dependent child have ownership or employment relationships. In describing ownership interests, give details, including percentage interest and value. In describing employment, give levels of effort and salary.

B. Relationship with other organizations. Describe any employment, ownership, or business relationship held by you or a spouse or dependent child in any business which could be affected (positively or negatively) by your relationship, or the results of your work, for the entity discussed in this exemption request.

**Section Nine. Signature and Approvals.**

Before routing this form, execute it here. Please remind other reviewers to consider this form thoughtfully, complete their sections below, and execute the form if they are forwarding your request with a positive recommendation. Omit any steps of review which are not applicable to you. Be sure the last reviewer forwards the exemption request to the Conflict of Interest Officer.

A. I hereby make oath or affirm that the contents of this Exemption Request are true and correct to the best of my knowledge, information and belief.

\_\_\_\_\_  
Your Signature

\_\_\_\_\_  
Date

B. Supervisor's Statement

I have reviewed this exemption request and I support it, subject to the conditions, if any, set out here: \_\_\_\_\_

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

\_\_\_\_\_  
Date                      Supervisor's Signature

C. Statement of Division Head or Director

I have reviewed this exemption request and I support it, subject to the conditions, if any, set out here: \_\_\_\_\_

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

\_\_\_\_\_  
Date                      Signature of Division Head or Director

D. Statement of Chairperson or Assistant/Associate Vice President

I have reviewed this exemption request and I support it, subject to the conditions, if any, set out here: \_\_\_\_\_

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

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Chairperson or Assistant/Associate Vice President

E. Statement of Dean or Vice President

I have reviewed this exemption request and I support it, subject to the conditions, if any, set out here: \_\_\_\_\_

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

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Dean or Vice President

FORWARD THIS FORM TO J. JOSEPH GIFFELS, UM CONFLICT OF INTEREST OFFICER, FIFTH FLOOR, LOMBARD BUILDING, 515 WEST LOMBARD STREET, BALTIMORE, MD 21201.

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