Consulting relationships may also result in conflicts of interest—both financial and professional. A faculty member’s consulting agreement with an outside sponsor must ethically balance the researcher’s responsibility to the university, to students, and to the sponsor.

External Professional Activities for Pay should generally be limited to no more than the equivalent of 20 percent (20%) of the Covered Employee’s contracted time.[[1]](#footnote-1)

Keep the following in mind:

1. Your primary commitment is to UNCG and your individual consulting agreements should not conflict with that obligation or with any federal or state regulations which the University operates under.
2. Your consulting activities need to be as separate from your research as possible, so that these activities are not seen as an extension of your sponsored research at UNCG. The scope of your consulting responsibilities needs to be very specific so that it does not grant the company/organization access to work not done under the consulting agreement or interfere with intellectual property disclosure or publications resulting from your academic work.
3. Utilizing students as a university resource for personal gain is not allowed, so if students are encouraged to work with you on this consulting project, they must also be paid or receive some sort of remuneration of value for their work with you in this endeavor.
4. Any consulting agreements you enter into with your clients must explicitly recognize that title to all potentially-patentable inventions conceived, or first reduced to practice, in whole or in part, in the course of your University responsibilities, or with more than incidental use of University resources, must be assigned to the University. This means that your consulting agreements must not grant to outside entities access to ideas that did not arise as a direct result of your consulting activities or that would be deemed an extension of your University activities.
5. Your consulting agreements must not delay or prohibit publications resulting from your UNCG research. You must not provide the company/organization with early or exclusive access to results of your UNCG research, unless previously agreed to via a sponsored research agreement and approved by the Director of the Office of Sponsored Programs.
6. Remember that a consulting agreement is a legal document often drawn up by the company/organization's lawyers. Who is your advocate? You may wish to have your attorney review any legal documents you sign.
7. You must disclose your relationship with the company/organization in publications and public discussions of any of your research that is sponsored by the company/organization or related to it.

Consulting Scenario[[2]](#footnote-2)

Dr. Oak’s visit inspires the research staff at RWP and generates significant internal discussion of the problem that they are trying to solve. Mr. Birch proposes to his management that the research project would be greatly advanced if they could collaborate with Dr. Oak. After gaining approval for his plan, Mr. Birch proposes a consulting relationship to Dr. Oak.

The consulting agreement that is provided by RWP includes provisions that Dr. Oak not disclose any information that she learns during her discussions with RWP, and it further provides that any patentable inventions made in her field of expertise will be owned by RWP. To compensate Dr. Oak’s cooperation, RWP proposes a consulting fee that is lucrative and attractive. The agreement is structured for Dr. Oak to sign the agreement in her capacity as an assistant professor at the university, and the signature block of the agreement lists the name of the university with Dr. Oak as the signatory. Dr. Oak scans the agreement, sees nothing wrong with its terms, and signs it. Dr. Oak, enthused about the consulting and collaboration, volunteers one of her graduate students to conduct experiments that complement the studies at RWP.

The relationship between Dr. Oak and RWP has crossed over into the sponsored research in her laboratory. An approach that may be appropriate in some institutions is for the department head or dean of the college to appoint a committee to review the results of the research conducted in Dr. Oak’s lab to ensure that graduate students are working on appropriate projects, and that patentable inventions are assigned to the university.

CAUTIONS AND REMINDERS

Dr. Oak’s situation raises a number of issues related to consulting relationships and to the entrepreneurial activities that may result from these relationships. Because one scenario cannot cover all of the possible variations that may occur, the checklist below is offered to help faculty members in similar situations.

* Avoid a consulting relationship with a company that distorts the responsibilities to the university as primary employer. Frequently this occurs in the form of the company requiring the faculty member to devote time and effort already committed to the university.
* Be cautious when entering into relationships that limit publication.
* Refrain from creating any impression that the university has sanctioned the outside activity, unless the university has approved this.
* Do not use university resources to benefit a consulting relationship without permission.
* Do not use students to support consulting activities.
* Keep a contemporaneous journal or notebook that summarizes unique information or intellectual property discussed in all consultations.
* Seek the advice of a dean or member of the sponsored research staff before entering agreements that may limit future sponsored activities.

Discloser Name: Title/Rank

Department:

Campus Address:

Email Address:

|  |
| --- |
| Background Information: |
|  |
| Research relationships: |
| Please describe any research or other relationships between entities for which you consult and UNCG. |
| Financial & Physical Resources: |
| Use of university facilities, resources or services by external parties must be in compliance with all relevant university policies as well as federal and state regulations.  Arrangements for these must be made through the department chair or dean and in most circumstances will require a written agreement with appropriate university approvals. This includes use of computers, laboratory equipment, and supplies that reside in the Investigator’s university laboratory. |
| Student involvement: |
| Students who choose to work with you on your external activities for pay are not allowed to be utilized as volunteers. Describe how your students will be remunerated for their work on this external activity. |
| Additional Actions to Manage or Reduce Potential Conflicts: |
| Describe in detail any additional Management Strategies that will be utilized to mitigate any potential or perceived conflict, and explain how these oversight mechanisms are intended to address the potential conflict(s). |

**Acknowledgement**

By signing below, the employee attests that this Management Plan confirms their understanding of the manner in which the potential conflict of interest or commitment arising from their external professional activities for pay will be handled.

Additionally, the employee attests that:

* S/He agrees to comply with the policies of the university and the UNC general administration on external activities for pay and to comply with the management mechanisms described herein.
* The information presented in this document is complete, accurate, and true to the best of their knowledge.

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| --- | --- | --- | --- |
|  |  |  |  |
| Printed Name & Title |  |  |  |
|  |  | Date: |  |
| Signature |  |  |  |
|  |  |  |  |

**Administrative Review and Approval**

By signing below, the Department Head, Dean, Dean’s designee, or equivalent acknowledges:

* S/He has read and agrees to monitor the management mechanisms described herein, with annual reviews and updates to the plan as appropriate.
* The management plan is deemed to include mechanisms which are sufficient means to manage any conflict of commitment or eliminate any financial conflicts of interest.

|  |  |  |  |
| --- | --- | --- | --- |
|  |  |  |  |
| Printed Name & Title |  |  |  |
|  |  |  |  |
|  |  | Date: |  |
| Signature |  |  |  |

**Approved**

Reviewed & approved by the ORI Director

|  |  |  |  |
| --- | --- | --- | --- |
|  |  |  |  |
| Printed Name & Title |  |  |  |
|  |  |  |  |
|  |  | Date: |  |
| Signature |  |  |  |

1. Per UNC System Policy Manual [300.2.2.1[R]](http://www.northcarolina.edu/apps/policy/index.php?pg=vs&id=18166&added=1) [↑](#footnote-ref-1)
2. From: <https://studylib.net/doc/13018379/cogr-recognizing-and-managing-personal-financial> [↑](#footnote-ref-2)