



Policy on Conflicts of Interest In Business Affairs

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Administration

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I. Applicability

This Policy applies to all members of the NYU Langone Health community -- employees, faculty, staff, residents, trainees, students, Officers, and Key Persons of NYU Langone Hospitals, NYU Grossman School of Medicine, NYU Long Island School of Medicine, NYU Langone Health System (the "System") and the other NYU Langone Health Entities (each, an "Individual") -- except Trustees, who are governed by the *Policy on Conflicts of Interest for Trustees, Officers, and Key Persons*. All capitalized terms shall have the meaning set forth in Section VI below.

II. General Policy

A. Individuals have a primary obligation to serve the purposes to which NYU Langone Health is dedicated. As part of this obligation, each Individual has a duty to conduct his or her NYU Langone Health duties and the affairs of NYU Langone Health in a manner that promotes the best interests of the organization and in compliance with legal and regulatory requirements. Individuals have a duty to disclose on an ongoing basis any current, proposed or pending situations that may give rise to a Conflict of Interest.

B. A "**Conflict of Interest**" means any circumstance in which the personal, professional, financial, or other interests of an Individual (including his or her Immediate Family) may potentially or actually diverge from, or may be reasonably perceived as potentially or actually diverging from, his or her obligations to NYU Langone Health and the interests of NYU Langone Health. A Conflict of Interest may exist whenever an independent observer might reasonably question whether the Individual's actions or decisions are determined by considerations of personal benefit, whether financial or otherwise. A Conflict of Interest also may exist whenever an Individual participates, directly or indirectly, in the selection, award or administration of any business transaction which involves NYU Langone Health and the Individual, a member of his or her Immediate Family, or an entity in which he or she has a Financial Interest. Employment agreements between NYU Langone Health and the Individual are not business transactions giving rise to Conflicts of Interest under this Policy. In addition, a Conflict of Interest may exist whenever an Individual, a member of his or her Immediate Family, or an entity in which he or she has a Financial Interest engages in

competition with a service provided by NYU Langone Health, including, but not limited to, by providing a teaching, research, or clinical service for a health care provider which competes with NYU Langone Health, or by appropriating or diverting a business or financial opportunity that the Individual knows NYU Langone Health is pursuing. Examples of Conflicts of Interest are set forth in Section VII below.

C. NYU Langone Health does not engage in any matter giving rise to a potential Conflict of Interest involving an Individual unless the matter has been fully disclosed and evaluated in accordance with this Policy and a plan for managing or eliminating the Conflict of Interest has been adopted.

D. This Policy applies to any circumstance that may constitute a Conflict of Interest, regardless of whether it is specifically described in this Policy. For example, while an Individual's Financial Interests are defined to include current interests as well as interests held in the preceding twelve (12) months, there also may be situations where far older interests create an actual or perceived Conflict of Interest.

III. **Procedures for Disclosure**

A. Annual Disclosures. The following Individuals must submit to the Office of Internal Audit, Compliance & Enterprise Risk Management's Conflicts of Interest Management Unit ("CIMU") his or her disclosure forms upon appointment, hiring and annually thereafter:

- (i) Chairs, Vice-Chairs, Department Administrators, and all employees and officers at the level of Vice-President, Assistant Dean or Director or above;
- (ii) Full-time faculty members and part time employed faculty members;
- (iii) Investigators participating in NYU Langone Health's research or sponsored programs;
- (iv) Persons engaged in purchasing decisions on behalf of NYU Langone Health; and
- (v) Individuals of any NYU Langone Health committees with supervision or oversight responsibilities over patient care, purchasing, research or education at NYU Langone Health (e.g., the Pharmacy and Therapeutic Committee (P&T) and the Institutional Review Board (IRB)).

The annual disclosure form will be provided electronically to the Individual by the CIMU and must be completed and submitted within thirty (30) days of receipt. In addition, the CIMU may request any Individual to complete an annual disclosure form at any time.

In the annual disclosure form, an Individual must, among other matters, certify compliance with NYU Langone Health's *Policies on Conflicts of Interest, Commitment and Consulting*, including this Policy, and disclose all entities in which he or she has a Financial Interest which he or she reasonably believes (i) provides or seeks to provide goods and/or services to healthcare providers, (ii) does business with or seeks to do business with NYU Langone Health, (iii) donates or may donate funds to NYU Langone Health, (iv) competes with or could potential compete with NYU Langone Health in the areas of clinical care, research and development, or faculty, student, trainee, or employee recruitment, or (v) could reasonably appear to be related to the Individual's responsibilities (teaching, clinical, research, administrative or otherwise) with NYU Langone Health. Disclosures of Financial Interests must be made in specific amounts. For faculty, Individuals must also disclose any concurrent faculty appointment at any U.S. or foreign university, institution of higher education, academic teaching hospital, medical center, or research institute (including visiting, guest, or adjunct faculty appointments) other than at NYU. In addition, as provided in NYU Langone Health's *Policies on Conflicts of Interest, Commitment and Consulting*, faculty members must disclose all outside activities involving his or her professional competence. Individuals

may also be required to disclose additional personal interests, activities and relationships as mandated by regulatory requirements (e.g., IRS Form 990). Officers and Key Persons may be subject to additional disclosure requirements as provided in NYU Langone Health's *Policy on Conflicts of Interest for Trustees, Officers and Key Persons*.

B. Specific Disclosures. All Individuals have an ongoing obligation throughout the year to disclose new and anticipated Conflicts of Interests. All Individuals must disclose to the CIMU any specific situation that gives rise to a potential Conflict of Interest.

C. Confidentiality. Disclosures will be kept confidential and divulged by NYU Langone Health for review under the *Policies on Conflicts of Interest, Commitment and Consulting* on a need-to-know basis or as required by applicable laws and regulations.

IV. Review and Evaluation

A. CIMU Review. The CIMU is responsible for reviewing and evaluating each disclosure made by an Individual and for determining whether a potential Conflict of Interest exists under the circumstances. In cases where the CIMU believes that a significant potential Conflict of Interest exists, the CIMU will submit the matter to NYU Langone Health's Business Conflict of Interest Committee ("BCOIC"). The CIMU will determine whether a significant potential Conflict of Interest exists based upon directions provided to the CIMU by the BCOIC from time to time and upon the best interests of NYU Langone Health.

For all other matters, the CIMU will evaluate the matter to determine if the potential for a Conflict of Interests exists, and, if so, how such potential Conflict of Interest may be managed, reduced or eliminated. When appropriate, the CIMU may adopt and issue to Individuals a plan for managing and monitoring any potential Conflict of Interest. Such plans will depend upon the facts and circumstances of the specific matter and will be consistent with this Policy and the directions of the BCOIC. Each affected Individual must review and sign the conflict management plan and comply with all of its terms.

B. BCOIC Review. The BCOIC is responsible for reviewing and evaluating each potential Conflict of Interest submitted to it by the CIMU. As a matter of policy, if the BCOIC finds that a Conflict of Interest exists, NYU Langone Health will not approve the matter unless the BCOIC determines, after reviewing all material facts, that extraordinary circumstances merit an exception and the BCOIC adopts a plan for managing and monitoring the Conflict of Interest which is fair, reasonable, and in the best interests of NYU Langone Health. Any management plan will depend upon the facts and circumstances of the specific matter. Each affected Individual must review and sign the conflict management plan and comply with all of its terms.

C. Key Persons or Officers. Potential Conflicts of Interests involving Key Persons or Officers of an NYU Langone Entity (other than the Family Health Centers at NYU Langone) are subject to the requirements of NYU Langone Health's *Policy on Conflicts of Interest for Trustees, Officers, and Key Persons*. The CIMU will submit such matters to the Audit and Compliance Committee of the System's Board of Trustees ("Audit and Compliance Committee") in accordance with the requirements of the *Policy on Conflicts of Interest for Trustees and Key Employees*. In addition, the CIMU may submit matters related to Key Persons and Officers to the BCOIC for the BCOIC's review and evaluation. Any findings of the BCOIC on matters subject to the *Policy on Conflicts of Interests for Trustees, Officers, and Key Persons* are subject to the final review of the Audit and Compliance Committee as provided in that policy.

D. Monitoring. The CIMU is responsible for periodically monitoring compliance with every plan for managing and monitoring a Conflict of Interest or potential Conflict of Interest issued under this Policy.

V. **Recusal**

No Individual shall participate, directly or indirectly, in the selection, award, or administration of any matter that gives rise to a potential Conflict of Interest. In such event, the Individual must not attempt to influence improperly NYU Langone Health's deliberation, decision-making or voting on the matter, must completely recuse himself or herself from the matter, and must notify the CIMU as provided in Section III(B) above.

VI. **Definitions**

A. "**Conflict of Interest**" shall have the meaning ascribed to it in Section II(B) above.

B. A "**Financial Interest**" is held in an outside entity by an Individual when he or she or a member of his or her Immediate Family holds a Financial Interest in the outside entity. Examples of Financial Interests are a Management, Board, or Employment Position, Ownership Interests, Consulting Compensation, Paid/Reimbursed Travel, Royalty Income, and Intellectual Property Rights, where:

- (i) "**Management, Board, or Employment Position**" means a position or appointment to serve, in either a personal or representative capacity, as a director, trustee, partner, senior executive, officer, employee, or equivalent, whether paid or unpaid, at the outside entity;
- (ii) "**Ownership Interests**" are equity interests held, either directly or indirectly, including stock and stock options (or entitlement to the same), of any amount in either a publicly-traded or non-publicly-traded entity. (*Exception: Mutual Funds*– Interests of any amount in publicly-traded, diversified investment vehicles, such as broad-based publicly-traded, diversified mutual funds and exchange traded funds, as long as the Individual, or his or her Immediate Family Members, collectively, do not have a 15% or greater direct or indirect interest in the vehicle and do not have a Management, Board, or Employment Position in the vehicle, are not Ownership Interests.);
- (iii) "**Consulting Compensation**" means salary, consulting fees, honoraria, paid authorship, lecture fees, other emoluments, stock, stock options, royalties or "in kind" compensation directly or indirectly received from an entity (or entitlement to the same), whether in connection with a Management, Board, or Employment Position or for consulting, lecturing, or service on a scientific advisory board, data safety monitoring board, steering committee for a clinical trial, executive committee for a clinical trial, or other committee for an outside entity, or for any other purpose, that have been received in the past calendar year or are expected to be received in the current or next calendar year; and
- (iv) "**Paid/Reimbursed Travel**" means the occurrence and value of any paid/sponsored (i.e., sponsored travel is that which is paid on behalf of the Investigator and not reimbursed to the Investigator so that the exact monetary value may not be readily available), and/or reimbursed travel, whether in connection with a Management, Board, or Employment Position or for consulting, lecturing, or service on a scientific advisory board, data safety monitoring board, steering committee for a clinical trial, executive committee for a clinical trial, or other committee for an outside entity, or for any other purpose, that have been received in the past calendar year (i.e., no less than the past 12 months) or are expected to be received in the current or next calendar year.
- (v) "**Royalty Income**" means payments linked to product sales, or the written contractual right to receive future royalties, directly or indirectly, under an issued or pending patent, license or copyright, that has been received in the past calendar year or is expected to be received in

the current or next calendar year. For the purpose of this Policy, Royalty Income includes all income received by an Individual from NYU in accordance with the *NYU Statement of Policy on Intellectual Property*.

- (vi) An “**Intellectual Property Right**” is an issued or pending patent, license or copyright and includes, for the purpose of this Policy, the right to income from NYU in connection with a patent, license or copyright held by or to be held by NYU (for further information, see the [*NYU Statement of Policy on Intellectual Property*](#)).

Exceptions: The following are **not** Financial Interests under this Policy:

- (i) Salary from NYU Langone Health and cost-related payments for services or reimbursements from NYU Langone Health.
- (ii) Payments to NYU Langone Health, or via NYU Langone Health to the Individual, which are directly related to the reasonable costs incurred in the conduct of a research project or sponsored program or to the payment of indirect costs and are specified in a grant, agreement or contract between NYU Langone Health and a research sponsor.
- (iii) Paid/reimbursed Travel from seminars, lectures, or teaching engagements sponsored by, or in connection with service on advisory committees or review panels for, a federal, state, or local government agency, or a non-profit institution of higher education, academic teaching hospital, medical center, or research institute that is affiliated with an institution of higher education.

C. “**Immediate Family**” means the person’s spouse, domestic partner, person in a civil union or similar relationship, dependent children, or any other family members residing in the person’s household.

D. An “**Individual**” means each member of NYU Langone Health community, including employees, faculty, staff, residents, trainees, students, Key Persons, and Officers, other than trustees.

E. A “**Key Person**” of the System (or of any of NYU Langone Health Entity) means any person, other than a Trustee or Officer, whether or not an employee of the System (or the NYU Langone Health Entity, as applicable), who (i) has responsibilities, or exercises powers or influence over the System (or the NYU Langone Health Entity, as applicable) as a whole similar to the responsibilities, powers, or influence of directors and Officers; (ii) manages the System (or the NYU Langone Health Entity, as applicable), or a segment of the System (or the NYU Langone Health Entity, as applicable) that represents a substantial portion of the activities, assets, income, or expenses of the System (or NYU Langone Health Entity, as applicable); or (iii) alone or with others controls or determines a substantial portion of the capital expenditures or operating budget of the System (or NYU Langone Health Entity, as applicable). For the System, Key Person includes but is not limited all members of the executive leadership of NYU Langone Health as defined from time to time by the CEO of the System who are not Officers of the System.

F. “**NYU Langone Health**” includes NYU Langone Health System, NYU Langone Hospitals (including all inpatient and ambulatory facilities), NYU Grossman School of Medicine, NYU Long Island School of Medicine, and all entities that are controlled by any of them, except where specifically excluded. This Policy also has been adopted by the Family Health Centers at NYU Langone; therefore, for purposes of this Policy, “NYU Langone Health” also includes the Family Health Centers at NYU Langone.

G. “**NYU Langone Health Entity**” means each individual entity that is part of NYU Langone Health.

H. “**Officer**” means any person described as an officer in the governing documents of the System or any NYU Langone Health Entity.

I. “**Trustee**” means a voting member of the governing body of NYU Langone Health System and each NYU Langone Health Entity.

VII. **Examples of Conflicts of Interest**

The following are situations that give rise to a Conflict of Interest and require disclosure to the CIMU in accordance with this Policy. This list is by no means all-inclusive. In case of uncertainty as to whether or not a Conflict of Interest exists, an Individual should disclose the matter to the CIMU. For example, some potential Conflicts of Interest occur when:

A. An Individual or a member of his or her Immediate Family has a Financial Interest in an entity or vendor that NYU Langone Health is contemplating doing business with (e.g., NYU Langone Health is contemplating purchasing, leasing or selling of goods, services, or real estate, or making or receiving a loan to or from such individual or entity, or is contemplating accepting a grant from such individual or entity for sponsored research).

B. An Individual or a member of his or her Immediate Family proposes that NYU Langone Health use or purchase goods in which the Individual has a proprietary interest (e.g., an Individual advocates the use of a device designed by the Individual).

C. An Individual, a member of his or her Immediate Family, or any entity in which he or she has a Financial Interest either engages in competition with a service provided by NYU Langone Health (e.g., by working for an organization which competes directly with NYU Langone Health or appropriating or diverting a business or financial opportunity that the Individual knows NYU Langone Health is pursuing, except that a member of NYU Langone Health’s medical staff who is also on the medical staff of another hospital does not constitute competition so long as the second appointment has been approved in advance by NYU Langone Health’s Dean and CEO or by its Chief Clinical Officer).

D. An Individual, a member of his or her Immediate Family, or any entity in which he or she has a Financial Interest recruits any NYU Langone Health faculty member or employee or solicit business which knowingly disturbs, or could be expected to disturb, the existing professional or business relationships of NYU Langone Health with any faculty member, employee, health care provider or referral source.

E. An Individual proposes that NYU Langone Health hire or contract with a member of his or her Immediate Family for a position or activity that is within his or her direct or indirect supervision or control. The employment of a member of an Individual’s Immediate Family with NYU Langone Health must be in accordance with NYU’s *Policy on the Employment of Members of the Same Family*.

F. An Individual solicits or accepts a gift, favor or anything of monetary value from a contractor, vendor, patient, co-worker, volunteer or other person with whom NYU Langone Health has a business relationship, except as specifically provided in NYU Langone Health’s *Policy on Acceptance and/or Solicitation of Gifts or Benefits From Vendors, Patients and Other Third Parties*.

G. An Individual uses assets, property or labor of NYU Langone Health to his or her personal advantage.

H. An Individual discloses or uses any non-public information obtained in the course of discharging his or her duties and responsibilities at NYU Langone Health to his or her personal advantage.

I. An Individual is an inventor on patents or other IP Rights held by NYU and licensed to a start-up company, and receives an inventor's share to any NYU licensing or royalty income and any equity NYU receives from the start-up company through licensing.

VIII. **Enforcement**

A. Violations of this Policy are subject to disciplinary action, up to and including termination of employment or association with NYU Langone Health, in accordance with NYU Langone Health disciplinary policies and procedures applicable to the respective Individual.

B. Any failure to make a disclosure as required under this Policy by any members of an NYU Langone Health committee will result in the member being suspended or removed from such committee.

IX. **Questions**

Any questions relating to this Policy should be directed to the Office of Legal Counsel or the CIMU.

X. **Relationship to Other Policies**

A. This Policy replaces the *Policy on Conflicts of Interest in Business Affairs* issued on April 1, 2009 as previously updated on April 1, 2011, July 1, 2014, June 29, 2016, and March 1, 2018.

B. This Policy is intended to supplement, but not replace, other policies and guidelines applicable to the Individual, including the conflict policies set forth in the NYU Faculty Handbook and elsewhere in NYU Langone Health's *Policies on Conflicts of Interest, Commitment and, Consulting*.

C. A matter involving an Individual's participation in research is also reviewed under NYU Langone Health's *Policy on Conflicts of Interest in Research and Sponsored Programs*.

D. Key Persons and Officers of the System and each NYU Langone Entity (other than the Family Health Centers at NYU Langone) are subject to both this Policy and the System's *Policy on Conflicts of Interest for Trustees, Officers and Key Persons*. For any matter related to a Key Person or an Officer, to the extent there is any issue about whether the requirements of this Policy conflict with the requirements of the *Policy on Conflicts of Interest for Trustees, Officers and Key Persons*, this Policy is to be interpreted to assure compliance with the *Policy on Conflicts of Interest for Trustees, Officers and Key Persons*.