

Standing Committee Annual Report

Name of Committee or Council:

Conflict of Interest and Intellectual and
Property Rights Committee

Chair

Anne Wall

Meeting Dates in Current Year:

Via email throughout the year, March 27,
2015, and April 17, 2015

Major Actions or Accomplishments:

Report of Conflict of Interest and Intellectual Property and Rights Committee 2014-2015

Committee Members:

Anne Wall, Faculty Representative (Chair)

Darren Michael, Faculty Representative

Stephanie Reeves, University Attorney (ex officio)

Andrew Shepard-Smith, Director, Grants and Sponsored Research (ex officio)

John Volker/Dong Nyonna, Faculty Representative

Lisa Lewis, Faculty Representative

Phillip Hall, Faculty Representative

Brittney Herron, Staff Representative

Charge:

The committee shall evaluate conflict of interest disclosures as well as allegations or concerns raised relating to possible conflicts of interests and shall make determinations regarding what actions may be required to manage, reduce or eliminate conflicts of interests. The committee will also be responsible for reviewing disclosures submitted by employees concerning inventions, discoveries, and copyrightable materials which are derived from work supported by or through the institution, or which involve a significant use of the institution's resources. Recommendations of the committee concerning the rights and responsibilities of all parties will be referred to the President for final determination.

The committee was called to review two separate issues related to conflict of interest and intellectual property and rights during the 2014-2015 school year. What follows is a summary of these issues and the committee's responses. Much of the work of the committee was conducted through email, although two face to face meetings were held in the spring.

The first issue was brought before the committee in December 2014 by Andrew Shepard-Smith relative to the publication of his book, Uniform Administrative Requirements, Cost

Principles, and Audit Requirements for Federal Awards (2 CFR 200): A Handbook for Institutions of Higher Education, Hospitals, Non-Profit Organizations, and State and Local Governments. The committee reviewed the information Mr. Shepard-Smith submitted and determined he had full ownership of the work because he wrote it on his time without the use of University resources.

The second issue was brought before the committee by Interim-Provost Jaime Taylor in February 2015. The committee was charged with determining whether a conflict of interest existed between College of Business professor Mike Phillips and his son's for profit business, Society of Business Research. The committee met first on March 27, 2015 to review the documents and information pertaining to the issue. We met again on April 17, 2015 to discuss the potential conflict with Dr. Phillips. The committee determined there was indeed a conflict of interest, and recommended to President White that APSU College of Business faculty have no more interactions with the Society of Business Research.

In April, 2015, Andrew Shepard-Smith made the suggestion that this committee be separated into two separate committees, the Conflict of Interest Committee and the Intellectual and Property Rights Committee. suggestion was approved by the policy committee on April 14, 2015.

If you have any further questions about the role of this committee or our decisions, please feel free to contact me.

Anne Sauder Wall, Ed.D.

Professor, Martha Dickerson Eriksson College of Education

Austin Peay State University

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Recommendations made by the Conflict of Interest and Intellectual and Property Rights Committee 2014-2015

Andrew Shepard-Smith

Members of the Conflict of Interest and Intellectual Property and Rights Committee agree unanimously that the University has no claim to Andrew Shepard Smith's book, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR 200): A Handbook for Institutions of Higher Education, Hospitals, Non-Profit Organizations, and State and Local Governments. Edited with Commentary by Andrew Shepard-Smith. Publisher: KDP. ISBN-13: 978-1505298482; ISBN-10: 1505298482.

Dr. Mike Phillips

The Conflict of Interest committee met Friday, April 17, 2015, at 2pm. The members of the committee discussed the conflict of interest regarding College of Business Professor of Finance Dr. Mike Phillips and Austin Peay State University's financial support of the Society of Business Research (SBR), a for-profit business owned by Dr. Phillips, his wife, and his son. Dr. Phillips attended the meeting, addressed the committee concerning the relationship between APSU and the SBR, and answered questions posed by the committee. Following the conversation with Dr. Phillips, the committee voted unanimously to recommend to President White that the conflict of interest between APSU employee Dr. Mike Phillips and SBR is an example of self-dealing and needs to be eliminated. The committee also recommends that no other expenditures be made from any Austin Peay State University account to the SBR.

Rationale for the committee's decision:

- TBR defines a conflict of interest as occurring "when personal interests, financial or

otherwise, of a person who owes a duty to the TBR and its constituent Institutions (Regents and all employees) actually or potentially diverge with the person's professional obligations to and the best interests of the TBR and its Institutions." TBR Conflict of Interest Policy 1:02:03:10

- TBR's policy further states that a situation in which an "employee can appear to influence or actually influence an Institutionally-related decision from which that person or a member of that person's family stands to realize a personal financial benefit is self-dealing, and a conflict of interest." TBR Conflict of Interest Policy 1:02:03:10

- TBR defines personal financial benefit as occurring when "the employee appears to influence a University decision from which that person, family member, or other person in a close personal relationship with the employee benefits financially, such as institutional purchases from businesses that the employee has a financial interest, acceptance of gifts, and use of educational materials or grant funding from which an employee or family member receives a financial benefit." TBR Conflict of Interest Policy 1:02:03:10

- TBR defines a family member as including the "spouse and children (both dependent and non-dependent) of a person covered by this policy." TBR Conflict of Interest Policy 1:02:03:10

- According to Dr. Phillips, his son, Matt Phillips, is the manager of SBR and receives a financial benefit when APSU reimburses Dr. Phillips and/or any other APSU employees for registration costs for SBR conferences or pays incentive publication fees for SBR journals. Matt Phillips also realizes a financial benefit when APSU funds are used to cover the expense of attendees' meals or other costs pertaining to SBR conferences. For example, such a financial benefit occurred when \$1250.00 from the APSU Business Advisory Fund was used to pay for SBR conference attendees' lunches at the Nashville conference in 2014; according to conference registration materials, these lunches were already covered by the conference registration fees. It is the opinion of the committee that this situation fits TBR's definition of self-dealing.

- Additionally, Dr. Phillips can potentially influence APSU faculty to attend SBR conferences or submit articles for publication in SBR journals, resulting in a financial benefit for his son.

The committee also became aware of several issues that did not directly affect their recommendation to President White but were areas of concern. Listed below are the additional concerns of the committee:

- Dr. Phillips mentioned on several occasions that his participation with the SBR was fully supported by his chair, Dr. Susan Cockrell, and his dean, Dr. William Rupp. The committee is concerned that neither Dr. Phillips nor the administrative team in the College of Business disclosed to the university this potential conflict of interest. APSU policy 5:056 states that "Allowing a conflict of interest to be present without addressing the conflict as guided by policy is a serious violation of an employee's duty to the University."

- The committee is concerned about how the scholarly activity of APSU College of Business faculty in SBR journals and conferences might impact or has already impacted the retention, tenure, and promotion decisions in the College of Business at APSU. Publications and presentations are critical elements in the RTP process, and numerous College of Business faculty members have published articles in SBR journals and made presentations at SBR conferences. The committee perceives that these faculty members may be professionally profiting from their close relationship with the owners and editors of the SBR.

· The committee is also concerned about how the scholarly activity of APSU College of Business faculty in SBR journals and conferences might affect their pursuit of AACSB accreditation. Standard 2 of the AACSB requirements for accreditation states "Normally, a significant level of the contributions in the portfolio must be in the form of peer-reviewed journal articles or the equivalent." As Dean Rupp noted in his vision for the College of Business, "outputs are actual evidence of research productivity. The most common metric to benchmark research productivity is the number of refereed journal articles published per faculty member." Because frequency of publications is critical to gaining accreditation, it might appear that the SBR, established in 2012, was created to facilitate an increase in scholarly work among College of Business faculty. AACSB Eligibility Procedures and Accreditation Standards for Business Accreditation New Dean, New Vision, New Focus: The Necessary Building Blocks of a Great Business School

· The SBR is listed on Jeffrey Beall's list of potentially predatory publishers, based in part on the following criteria:

- o Both of the SBR journals have the same editorial board.
- o There is little or no geographical diversity in the editorial board (six of the seven editorial board members are APSU College of Business faculty).
- o The editorial board engages in gender bias (there are no female members).
- o No members of the editorial board have ever published in either of the journals.
- o The SBR charges authors for publishing but requires transfer of copyright and retains copyright on journal content.
- o The journals have no published policies or practices for digital preservation, meaning that if the journals cease operations, all of the content disappears from the Internet.
- o The publisher has no membership in industry associations.