



November 20, 2003

TO: IC Directors
OD Senior Staff

FROM: Director, NIH

SUBJECT: Awards, Travel, and Official Duty and Outside Activity Approvals–ACTION

Congress has completed the doubling of the NIH budget, which is an expression of the priority given to biomedical research by the American people. It is also emblematic of the trust and confidence the Nation's lawmakers have in NIH and its employees. This trust is a precious commodity that must be maintained through outstanding performance and strict adherence to ethical principles. Should the public lose faith in the ability of NIH to support excellent research and practice high standards of ethical behavior, the biomedical research enterprise in the United States will lose its momentum.

Recently Congress and the media have been scrutinizing the implementation of ethics rules at the NIH. They are reviewing a wide range of activities that are allowed under Federal regulations, including lecture awards, outside activities, consultant arrangements, and financial holdings. Care must be taken to ensure that we continue to adhere to strict ethical practices and that we avoid the perception of conflicts of interest, even in situations where remuneration or awards are considered permissible.

As you know, NIH employees cannot accept compensation from outside entities for the performance of activities that are part of our official responsibilities. Even in cases where we are permitted to accept compensation for teaching, speaking, and writing on subjects within our field of expertise, or to accept awards recognizing our achievements, I urge you to exercise cautious judgment in accepting such honors. Although the applicable rules permit us to accept these rewards, they also encourage us to exercise sound judgment, noting "it is never inappropriate and frequently prudent for an employee to decline a gift." Each of us must ultimately assess whether the risk of adverse perception counsels against accepting the financial benefits associated with various honors. Please consider the greater good of the NIH when deciding whether to accept financial benefits offered in recognition of your work or public service. As the Director of NIH, I will not accept any financial or travel benefit offered as part of any award from an entity that does business with the NIH.

Although I am confident that our system of managing conflicts of interest at NIH has been successful in preventing breaches of Federal ethics rules, I believe we can improve our performance by subjecting ethics deliberations to a more transparent process of peer review. Therefore, I will establish a committee to provide advice to the NIH Deputy Ethics Counselors on specific activities such as the acceptance of lecture awards and consulting arrangements. This committee will provide NIH Deputy Ethics Counselors with valuable deliberative information to ensure final ethics decisions are consistent with Federal rules and avoid the perception of conflicts. The committee will also help NIH officials determine the appropriateness of engaging in activities that are not part of their official duties.

Finally, in order to coordinate better the efforts of the ethics program staff and the Office of Management (OM), effective immediately, copies of approved official duty clearances (required by our manual issuance for all IC Directors and staff) must be attached to travel paperwork when it is submitted to OM for approval. Please remind your employees that timely prior approval is required for official duty and most outside activities prior to the start of such activities.

Thank you for your cooperation.

/s/

Elias A. Zerhouni, M.D.