

**Appendix C**  
**CME Activity Funding Sources** (Information Sheet)

## OVERVIEW

This is a summary of common sources of CME Activity Funding, including related terms and policies for further reference. The department is responsible for CME activity fees, regardless of the funding source(s). The CME activity application must be approved prior to the submission of grant requests or exhibitor outreach.

## FUNDING SOURCES

### **Commercial Support [Independent Medical Education (IME) Grant]**

The Office of Continuing Education (OCE) is designated by UTSW to manage all independent medical education grant funding, including submission of the application, processing of the Letter of Agreement (LOA) and distribution of the funds. Please note that due to market competition and industry funding designation, education grant submission should be completed *several months prior to the planned activity date*.

### **UTSW Department/Entity Sponsorship**

The UTSW department/entity hosting the activity may allocate funding to cover all or part of CME activities, with approval of appropriate department leadership.

### **Gifts**

Unrestricted funds from a gift may be used to support CME activities, as long as the funding aligns with applicable policies and terms. Inquiry about the eligibility and process for receiving and allocating a financial gift must be done through the [UTSW Office of Development and Alumni Relations \(DAR\)](#).

### **Exhibitor Fees**

Note that 'Exhibitor Fees' must be equitably offered at fair market value, to **all potential supporters**. 'Exhibitor Fees' are *not considered 'Commercial Support'* by ACCME. Rather this fee is considered a promotional fee. Marketing by ineligible companies includes advertisement of company name acknowledgement of commercial and/or exhibitor support.

*See Attachment: 'CME Activity Exhibit Fee Structure/Guidance to Course Directors'-presented to CE Advisory Committee 7/20/2023'*

### **Registration Fees**

Registration fees are charged at the discretion of the Course Director/activity sponsoring department. It is customary to charge fees for conferences/symposia, held in-person or virtually. Fees should be assessed, based on comparable activities, in consideration of the overall cost of the activity, to assure a positive operating margin for the activity. For example, if catering is included and/or the venue is held off-campus, registration fees are usually higher than activities without these amenities.

## TERMS/REFERENCES

**ACCME Standards for Integrity and Independence in Accredited Continuing Education** - The Standards for Integrity and Independence in Accredited Continuing Education are designed to ensure that accredited continuing education serves the needs of patients and the public, is based on valid content, and is free from commercial influence. (See [Standard 4:Manage Commercial Support Appropriately](#) and Standard 5: [Manage Ancillary Activities Offered in Conjunction with Accredited Continuing Education.](#))

**Activity Sponsor**- the organization hosting/financially sponsoring the activity, and in control of educational content. Ineligible companies are not considered sponsors. Financial support for the CME activity may be provided, in line with ACCME standards.

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**Commercial Support**- financial or in-kind support from ineligible companies

- See [FSS-551 CONTINUING MEDICAL EDUCATION](#)
- See [ETH-105 RELATIONSHIPS OF UT SOUTHWESTERN FACULTY, EMPLOYEES, AND TRAINEES WITH VENDORS](#)

**Fair Market Value** -see Attachment 'CME Activity Exhibit Fee Structure/Guidance to Course Directors

**Gift** – a commitment in the form of cash, pledges, securities, bequest/trust distributions, life insurance, real property, in-kind, retirement plan assets, and other transferable assets received by UT Southwestern from an individual, corporation, foundation, or other entity that is given with the intent of supporting UT Southwestern's mission and programs, with no expectation of benefit other than UT Southwestern expending the contribution for any mutually agreed upon purposes. The contribution is a nonreciprocal transfer in that there is no implicit or explicit statement of exchange, purchase of services, or provision of exclusive information. If the contributor receives benefits in return for the contribution, the amount of the gift recorded and reported is reduced by the fair market value of all benefits given, according to U.S. Internal Revenue Service regulations. A restricted gift must be used by UT Southwestern only for the specified purpose designated by the donor. An unrestricted gift may be used by UT Southwestern in accordance with UT Southwestern and UT System policies. Under no circumstances may UT Southwestern accept gifts to benefit an individual unless the donor is exempt from federal income taxes as defined by the Commissioner of Internal Revenue.

**Policies related to Gifts:**

[FIM-601 Gifts – Solicitation, Acceptance, Processing, and Acknowledgement Handbook Policy](#)  
[\(compliance360.com\)](#)

[FIM-601P-01 Procedure for Receipt of Gifts - Handbook Policy \(compliance360.com\)](#)

**Ineligible companies** – companies whose primary business is producing, marketing, selling, re-selling, or distributing healthcare products used by or on patients

**Marketing by ineligible companies**—includes advertising, sales, **exhibits**, and promotion

**Attachment:**

**CME Activity Exhibit Fee Structure/Guidance to Course Directors**

We must comply with the following to ensure we are not jeopardizing the CME Activity's certification nor the University's accreditation status with ACCME. Relevant ACCME Standards and UT Southwestern Policies include:

- ***ACCME Standards for Integrity and Independence in Accredited Continuing Education***
- ***Relationships of UT Southwestern Faculty, Employees, and Trainees with Vendors (UT Southwestern Policy ETH-105)***

We strongly encourage only one exhibitor level for all exhibitors. Many CME offices seem to be offering only one Exhibitor level. This simplifies compliance.

- If the Course Director/Planning Team advises to pursue tiered Exhibitor fee/sponsorship levels, there are two primary considerations our office needs to have in reviewing requested Exhibitor fee levels:
  - **Fair Market Value**- This is an example of an agreement language (to which we must be able to comfortably attest): "To the Parties' best judgment, the requested Sponsorship funds are reasonable in amount and commensurate with value of the corporate benefits being offered in exchange". To show that the benefit/value aligns with the fee, we should compare the proposed fee structure to other similar CME activities of the same parameters (in our case, comparing other ACCME accreditors at academic medical centers, CME accredited conferences onsite or off-site).
  - **Grant/Gifts** - if the fee exceeds the value, we appear to be requesting a grant or gift—other and separate terms must be followed for these (commercial support application-different allowable expenses).

Therefore, we must assure alignment of the proposed fee structure with the value, as noted above.

***(Note: Sponsorship of meals is not permitted as it does not align with "fair market value" criteria and to minimize perceptions that such sponsorship is a "gift" subject to potential bias and required reporting under the 'Physician Payments Sunshine Act')***

**Please consult with your assigned Office of CE Program Coordinator for guidance.**

***-Presented to CE Advisory Committee 7/20/2023'***