

Conflict of Interest Policy and Procedure Proposal

In keeping with the AAUP recommendation to normalize disclosure of potential conflicts of interest, and in order to foster a culture of transparency, we propose the following:

- Conflict of Interest education, including the creation of a webpage with information and links to resources for employees.
 - Current Conflict of Interest Policy in the Business Policy and Procedure Manual.
 - Relevant state statutes.
 - Explanation and illustrative examples for different conflicts of interest, especially those related to outside employment and business interests and the thresholds that will trigger the need for prior approval.
- Adoption of an electronic workflow similar to travel requests.
- Adoption of an annual disclosure form that all employees fill out.

Because technologies change, the adoption of an electronic workflow for the reporting procedure is not included in changes to the “General Statement of Policy” below which already requires notification “in writing.”

Additionally, in an effort to strengthen and clarify current policy, we propose the following changes to the Business Policy and Procedure Manual (Section: Administration, Subject: Conflict of Interest). Changes are redlined below.

GENERAL STATEMENT OF POLICY

A fundamental principle of ethics is that any person who exercises discretionary authority on behalf of the University may not use, or appear to use, this authority for his or her own personal benefit.

It is therefore the basic policy of Southeast Missouri State University that all members of the University community have a duty to be free from the influence of any conflicting interest (as well as free from the influence of any interest which may appear to be conflicting) when they act on behalf of the University or represent it in negotiations or advise others within the University community with respect to dealing with third parties. Members of the University community are expected to act on behalf of the University on the sole basis of that which is in the best interest of the University, without favor or preference (and without prejudice) to third parties based on personal considerations.

The regents, faculty, employees and agents of the University shall faithfully discharge their duties and shall refrain from knowingly engaging in any outside matters of financial interest incompatible with the impartial, objective and effective performance of their University duties. They shall not realize personal gain in any form which would influence improperly the conduct of their University duties. They shall not knowingly use University property, funds, position, or knowledge gained as a result of association with the University for personal or political gain. They shall be alert to and abstain from conduct which has the “appearance” of conflict of interest. They shall inform their supervisors in writing of reasonably foreseen potential conflicts. The faculty and staff members are expected to use their best judgment in carrying out their duties and responsibilities as deemed appropriate to the individual’s profession and University’s mission.

Use of confidential information –

Confidential information about the University obtained by reason of position or employment by the University shall not be used for personal financial gain or to the unfair advantage of another person.

Outside business interests and employment –

Employees of the University, whether employed full time or part time, should avoid outside business interests or employment which may interfere with the performance of their duties to the University.

Commercial transactions with students should be avoided, particularly if the employee has decision-making authority over the student with respect to university matters, such as grades, advisement, academic probation, disciplinary sanctions, scholarships, loans, or student employment.

Notification of outside employment for remuneration or of outside business interests requiring substantial personal attention (including consultation requests, ~~and~~ employment at other academic institutions, compensated board memberships, and significant equity holdings or indebtedness in the areas of a person's research or teaching) must be given in writing in accordance with the applicable personnel policy.

1. Business Policy and Procedure Manual: (03-11) Other Employment Practices: Outside Employment – Any outside employment for remuneration must be reported in writing to the employees' supervisor. ~~Prior approval is not necessary.~~ For full-time employees, any employment or outside business interests requiring a time commitment of more than 30 percent of a standard, 40-hour work week (12 hours per week), will need prior approval, and any employment at another academic institution will need prior approval.

2. Faculty Handbook: Faculty Professional Responsibilities: 3. Outside Employment: (page 152) ~~CM111~~

A. Academic Year

Faculty members under contract for full-time employment have a paramount responsibility to the University. Notifications of any outside employment for remuneration during the academic year, including employment at other institutions, must be given in advance and in writing to the ~~Department department Chairperson chairperson~~, college ~~Deandean~~, and ~~Provost provost~~. Employment or outside business interests requiring a time commitment of more than 30 percent of a standard, 40-hour work week (12 hours per week) will need prior approval, and any employment at another academic institution will need prior approval.

~~Prior approval is not necessary, but reporting is required.~~

B. Summer

Faculty members not under contract to provide services to the University during the summer months may be engaged in other employment. Those under contract to provide services to the University during the summer months, if their contractual period with the University overlaps periods of outside employment, are subject to the reporting requirements outlined above.

Consultation –

Consultation, whether income-producing or otherwise, is the application of professional and scholarly expertise in the external community. Notification of any consultation must be given in advance and in writing to the employee's supervisor or the faculty member's department chair, college dean, and the provost. Consultation requests requiring a time commitment of more than 30 percent of a standard 40-hour work week (12 hours per week) will need prior approval.

It is the policy of the University to permit consulting activities that:

1. Are related to the professional interest and development of the faculty member or employee.
2. Do not interfere with regular duties.
3. Do not utilize University materials, facilities or resources except as may be allowed under University business policies.
4. Are in agreement with the American Association of University Professional/American Council on Education (AAUP/ACE) Statement on Conflict of Interest and with the requirements of accreditation for the particular school or unit in question.
5. Do not compete with the work of the University and are not otherwise contrary to the best interest of the University.
6. Do not violate federal or state law, and
7. Do not represent a conflict of interest under other policies of the University.

Patents and copyrights –

Textbooks, tapes, software and other learning materials, or property or equipment, for which a patent or copyright is held by an employee of the University or members of the employee's family, may be purchased for use by the University so long as the employee involved does not participate in the decision to make such purchase and any royalties for the purchase or use of such material, property or equipment, are returned to the University, and provided such purchases or use shall not be in violation of R.S. Missouri Sec. 174.220. Also see Patents and Copyrights Policy as printed in the Southeast Missouri State University Faculty Handbook (pages 153). [cm12]

Use of University stationery and logos –

Neither the name of the University, nor any of its graphic identification symbols is to be used in printed materials intended to endorse or promote individual enterprises or to otherwise enhance private gain without the prior written permission of the University President. Official University stationery may not be used in outside business, personal and other private or political activities of employees.

Nepotism –

University employees shall not participate in the selection, hiring, promoting, job assignment, demotion, disciplining, or supervision of another employee who is related within the fourth degree of consanguinity or affinity.

Disclosure –

~~In addition to annual disclosure,~~ University personnel shall promptly notify the appropriate supervisory authority in writing of known conflict of interest situations throughout the year. ~~and shall refrain from participation in the matters involved.~~ [CMJ3] This reporting requirement is in addition to, and does not relieve University personnel from, the responsibility for making disclosures required by Chapter 105 of the Missouri statutes pertaining to conflict of interest.

Sanctions –

Conduct by University personnel that violates state law or the University's policies, regulations or rules pertaining to conflict of interest shall constitute a breach of duty to the University and shall be subject to disciplinary action, including possible termination of employment. Such conduct may also be subject to criminal prosecution under Chapter 105 of the Revised Statutes of Missouri.

Dispute resolution –

Complaints concerning conflict of interest shall be presented in writing to the Assistant to the President for Equity and Diversity Issues, who shall investigate the complaint and attempt to bring about an informal resolution of the matter. If the matter cannot be satisfactorily resolved informally, the matter shall be referred to the Provost (in case of academic personnel), or the Human Resource Director of the University (in case of non-academic personnel), and the matter shall then be handled under the appropriate disciplinary procedures applicable to the employee involved. [CMJ4]

Non-discrimination –

The University shall not discharge, threaten, or otherwise discriminate against any person because of a report, verbal or written, of a violation or suspected violation of this policy or of the law relating to conflict of interest.

Reservation of Right to Amend Policy –

This policy may be amended at any time, and from time to time, as the Board of ~~Regents-Governors~~ may deem necessary or appropriate, or as may be required by law. To the extent necessary, any other policies of the University which are in conflict with this policy are deemed amended so as to conform to this policy, and this policy shall be deemed amended, if necessary, so as to conform to applicable law.

~~Approved by Board of Regents—December 5, 1991~~