

University Business Policy and Procedure
01-07
CONFLICT OF INTEREST

POLICY

This policy is undertaken in fulfillment of the mission, vision, and core values of the University. The University values integrity, honesty, and fairness, and strives to integrate these values into all aspects of its activities. It is the policy of the University that its faculty and staff – and all who serve on the University’s behalf – conduct the affairs of the University in accordance with the highest ethical and legal standards, consistent with the educational mission of the University.

Faculty and staff (“employees”) are expected to avoid even the appearance of impropriety in the performance of their duties on behalf of the University. Employees must carry out their duties and administer University resources only in furtherance of the University’s mission and interests and not for personal gain.

To manage such issues, all employees have an obligation to refrain from acting in circumstances of conflict and to obtain any advance approvals that may be required by this policy. When appropriate, employees also have an obligation to withdraw from all involvement, debate, voting, or decision-making in matters where a conflict of interest or commitment exists or may exist. An employee’s failure to disclose conflicts or potential conflicts on a timely basis will be addressed by the University and may form the basis for discipline, up to and including termination of employment.

OPERATING PROCEDURES

Definitions

- A. **Conflict of Interest** means a situation in which the interests of an employee and the interests of the University diverge or may appear to diverge. Conflicts often arise when there is the potential for an employee or the employee’s immediate family members to benefit personally because of the employee’s involvement in a University activity or decision. Conflicts of interest may also arise when an employee has non-University interests or duties that could possibly influence how the employee acts in executing his or her duties on behalf of the University. Actual, present impropriety is not necessary for a conflict of interest to arise. The appearance or potential for a conflict can be just as damaging as actual self-dealing.
- B. **Conflict of Commitment** means a situation in which an individual engages in outside activities, either paid or unpaid, that interfere with the individual’s primary professional obligation and commitment to the University.
- C. **Outside Professional Activity** means any activity that involves the use of the employee’s expertise, the practice of the employee’s profession, or contribution to the employee’s professional competence or development, and activities relating to a direct or indirect financial interest in an entity that proposes to do business or is doing business with the

University, or that is conducting research or business that is relevant to the scope of the employee's University responsibilities. Activities that are part of the employee's private life and not expressly governed by University business policy and procedure are deemed "non-professional activities."

- D. Potential Conflict means a situation that, while not necessarily a formal conflict of interest or commitment, raises significant risk of an appearance of impropriety or conflicted decision-making, such that it should be brought to the attention of appropriate leadership and managed appropriately. Potential conflicts may be difficult to identify, which is why anything that seems to fall close to the line or that might be perceived as improper should be disclosed or brought to the attention of the appropriate institutional representatives before a decision or recommendation is made that might be undermined by the appearance of impropriety.
- E. Immediate family members, for purposes of this policy, are defined as an employee's spouse, parent, parent-in-law, sibling, brother- or sister-in-law, son- or daughter-in-law, children, grandparent, grandparent of spouse, grandchildren, or members of the family who reside within the staff member's household.

Financial Conflicts

Employees may not directly or indirectly expend University funds for personal gain. Absent advance written disclosure and approval, employees may not purchase or influence the acquisition of equipment, goods, devices, or services for University use or with University funds from an individual, firm, or organization: (i) in which the employee or his/her immediate family members have a current or contemplated financial interest (anything of monetary value, whether or not the monetary value is readily ascertainable); or (ii) if the employee also is employed by, or is negotiating or has an arrangement concerning prospective employment with, that individual, firm, or organization.

Gifts, Favors, or Gratuities

Employees may not accept any personal gifts or favors exceeding \$200.00 in any calendar year from any single person, company, or firm which transacts, or wishes to transact business with the University. This is not intended to be applicable to any item of food, refreshment, entertainment or other benefit provided to the Employee while attending a meeting, conference or convention provided on the same conditions as for other attendees. Gifts of money, other than payments or donations made to the University using its established processes, or promises of contributions to personal or professional interests, may never be accepted, whatever the amount in question.

Externally Funded Research

Disclosure and proper management of potential conflicts of interest with respect to externally funded research projects are governed by University Business Policy 11-02. Additional conflict of interest requirements may be set forth in grant or funding documentation, as well as in federal, state, or local laws, rules, or regulations.

Employment of Immediate Family Members

Employees and their immediate family members may not be assigned to positions in which one family member will have direct administrative or supervisory responsibility for the other or would be in a position to influence the terms or conditions of the other person's employment. Likewise, employees may not initiate or participate in shared governance or institutional decisions involving or conferring a direct benefit (*e.g.*, initial appointment or hire, retention, renewal, tenure, promotion, salary, performance evaluations, discipline, leave of absence, or other benefits) upon their immediate family members. Employees may not sign off on payroll/personnel forms or disbursements that affect their own salaries or those of immediate family members or approve reimbursement of their own expenses or those of a direct supervisor.

Faculty and Staff Outside Employment

Employees of the University should avoid outside business interests or employment that may interfere with the performance of their University duties or that may interfere with or be contrary to the University's mission. During those times that they are under contract or have appointment with the University, full-time (benefit-eligible) employees shall obtain written approval and consent of their division executive prior to accepting outside compensated employment which overlaps with the University's teaching, research, or service missions, such as when an employee of the University teaches either credit or non-credit courses not connected with the University. Such approval and consent must be obtained prior to each occurrence.

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 any portion of the summer months are subject to the reporting requirements outlined above.

Consultation by employees, whether income-producing or otherwise, is the application of professional and scholarly expertise in the external community. It is a significant means of professional improvement as well as a form of community service. However, consultation may, in some instances, also constitute a business interest requiring disclosure and approval when the entity for which the employee consults also transacts business with the University, is in competition with the University, or where the consultation itself competes with the work of the University. It is the policy of the University to permit consulting activities that:

1. Are related to the professional interest and development of the 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. Do not compete with the work of the University and are not otherwise contrary to the best interest of the University,
5. Do not violate local, state, or federal law, and
6. Do not represent a conflict of interest under other University business policies and procedures.

Use of University stationary or 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 or in personal and other private or political activities of employees.

Unauthorized Use of or Access to Information, Programs, Resources, or Technology

Employees may not use University programs, resources, services, or technology to advance their outside consulting or business activities, for personal gain, or for any other unauthorized purposes. See University Business Policy 10-05 for more guidance specific to the appropriate use of information technology.

Employees may not disclose, provide, or transmit to a private individual, firm, or entity access to any University-owned work product, proprietary research results, materials, services, facilities, technology, records, confidential or privileged information, or other resources that are not made generally available to the public. This does not preclude faculty members or scholars from sharing or transmitting their own scholarly work, research results, or other information to journals, co-authors or collaborators, professional colleagues, or other individuals or entities with a legitimate interest in the information being shared; nor is this limitation intended to limit faculty or scholars' academic freedom rights.

Faculty Grading Conflicts

Faculty members are discouraged from teaching immediate family members and should not do so unless such assignments are unavoidable to meet the programmatic needs of the student. Under no circumstances should a faculty member grade, or confer or cooperate in assigning a grade to, his or her immediate family member. The faculty member must also avoid the appearance of any partiality or favoritism to his or her immediate family member regarding assignments, availability of lab space, practice space, equipment, or any other aspects of class or program management. Faculty should confer with their chairs or deans about management of such circumstances to avoid the appearance of impropriety. The University reserves the right to reassign a faculty member to another teaching assignment to avoid conflict issues involving an immediate family member.

Assignment to Students of Materials Authored by University Personnel

Faculty members may not assign their own texts or publications for classroom use where such assignment requires students to purchase a text or publication in which the faculty member has a financial interest in the sale or licensing of such materials, except upon recommendation by the Chair of the Department and prior written permission of the Dean and Provost. A faculty member may not exert pressure upon other faculty or staff to assign the faculty member's texts or publications where the faculty member has a financial interest in the sale or licensing of such materials. Where a department or committee is evaluating whether to adopt or assign a particular text or publication authored by a University faculty member, the faculty member in question shall not participate in any consultation, deliberation, or vote on the matter.

Disclosure Requirements

Employees shall promptly notify the appropriate supervisory authority in writing of known conflict of interest or commitment situations throughout the year. This reporting requirement is in addition to, and does not relieve employees from, the responsibility for making disclosures required by Chapter 105 of the Missouri statutes pertaining to conflict of interest. All conflict of interest disclosures are held in the strictest confidence possible and are shared only on a need to know basis.

Prohibited Acts by Employees

Employees are bound by the regulations stated in Mo. Rev. Stat. § 105.454. Specifically, no officer or employee shall:

1. Perform any service for consideration, during one year after termination of his or her office or employment, by which performance he or she attempts to influence a decision of any agency of the state, or a decision of any political subdivision in which he or she was an officer or employee or over which he or she had supervisory power, except that this provision shall not be construed to prohibit any person from performing such service and receiving compensation therefor, in any adversary proceeding or in the preparation or filing of any public document or to prohibit an employee of the executive department from being employed by any other department, division or agency of the executive branch of state government. [Mo. Rev. Stat. § 105.454(5)]
2. Perform any service for any consideration for any person, firm or corporation after termination of his or her office or employment in relation to any case, decision, proceeding, or application with respect to which he or she was directly concerned or in which he or she personally participated during the period of his or her service or employment. [Mo. Rev. Stat. § 105.454(6)]

Complaints regarding Conflicts of Interest or Commitment

Where an employee has concerns about conflict of interest or commitment in specific contexts, or where an employee believes that the University's resolution of conflict concerns regarding that employee have been inappropriately addressed, the employee may

submit complaints in accordance with the grievance policy and procedure in 03-13 of the Business Policy and Procedure Manual.