



**UNIVERSITY POLICY**  
**ETHICS AND RECORDS POLICIES**

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**Number: 602**

**Subject: Conflict of Interest/Conflict of Commitment Policy**

**Covered Individuals: All Employees**

**Covered Campus Locations: All Locations**

**Effective Date: July 18, 2018**

**Date of Latest Revision: December 5, 2018**

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**PURPOSE**

Upper Iowa University encourages its employees to be active members of the community and to engage in professional interactions of all kinds. However, conflicts with University interests and activities sometimes arise. This Policy is intended to identify the potential conflicts of commitment or interest and appropriately address them.

**PERSONS COVERED**

This Policy applies to all employees, whether full-or part-time faculty, full-or part-time staff, administrators, exempt and non-exempt, contractual or non-contractual. Students are not covered by this Policy unless their primary connection to the University is that of employee.

**DEFINITIONS**

A “conflict of commitment” exists when the external activities of an employee are so substantial or demanding of the staff member’s time and attention as to interfere with the individual’s responsibilities to the department in which the individual works, to students, or to the University.

A “conflict of interest” arises when an employee is in a position to influence either directly or indirectly University business, research, or other decisions in ways that could lead to gain for the employee, the employee’s family, or others to the detriment of the University’s integrity and its mission of teaching, research, and public service.

“Consulting”, for the purposes of this Policy, includes not only the provision of information and expertise on professional matters, but also the holding of extramural management positions and/or board memberships. In accordance with this Policy, employees should pursue consulting activities only to the extent that these are consistent with their University commitments.

“Financial interest” shall mean any direct or indirect interest with monetary value, including but not limited to:

- a. salary, other payments for services (e.g., consulting fees or honoraria), royalties or other payments;
- b. equity interests (e.g., stocks, stock options or other ownership interests);
- c. intellectual property rights (e.g., patents, copyrights and royalties from such rights).

The term “financial interest” does *not* include:

- a. salary, royalties, or other remuneration from the University;
- b. income from seminars, lectures, or teaching engagements sponsored by Federal, state, or local entities;
- c. income from service on advisory committees or review panels for public or nonprofit entities.

## **POLICY**

### **General Principles**

Conflict of commitment and interest occur because of the type and scope of activities engaged in by the University and its employees. The mere existence of a conflict, real or potential, will not necessarily exclude a particular activity since conflicts can span a wide spectrum, from those that are minor and inconsequential to those that have serious consequences and cannot be permitted. The University and its employees have ethical and legal obligations to conduct themselves and their University activities in accordance with the highest standards of integrity.

Although teaching and learning are primary functions of the University, public service is acknowledged as a strategic priority for the University. Employee contributions to his/her profession and to the wider community are not solely represented by functions and activities performed on behalf of University programs. Active participation by employees in outside activities that enhance their professional skills, or constitute a public service activity, are encouraged.

### **Specific Responsibilities**

The employee is required and expected to take the initiative to promptly report, using the Conflict of Interest/Conflict of Commitment Disclosure Form, to his or her chairperson or academic dean in the case of faculty, and to the supervisor in the case of all other employees, asking for prior written approval for all activities or situations that may involve, or appear to involve, a conflict of commitment or interest, and to respond fully to inquiries from the person to whom the report was made in connection with that report. Center employees may report to Center Directors and Regional Directors. All employees may report to persons at a higher level than specified above if they feel it is necessary. The University administrator receiving the report has the duty and responsibility to evaluate carefully all potential conflict situations reported or known before acting to approve or disapprove the activities.

When a conflict is identified, and a decision is made to allow the activity to proceed, the appropriate University administrator may install appropriate monitoring procedures and restrictions to minimize and control the conflict. Mutually agreeable remedies are encouraged. When an employee violates this Policy or the remedies imposed under this Policy, sanctions may be imposed, subject to appeal. All parties to the evaluation, management, and approval of conflicts are to make diligent efforts to keep disclosures, remedies, and sanctions confidential to the extent allowed by law.

### **Examples of Allowable Activities**

The following are offered as examples of external, income-generating activities that are not considered conflicts of interest. They are exempt from reporting requirements, unless they are so extensive in time and effort that they constitute a potential conflict of commitment.

1. Receiving honoraria, stipends, and/or royalties for published scholarly works and other writing, creative works, lectures, and/or presentations.
2. Participating at professional conferences for the purpose of making scholarly presentations, conducting seminars or workshops.
3. Receiving honoraria for serving as a special reviewer or on a review panel for academic, governmental, or not-for-profit organizations.
4. Receiving royalties under the University's or another academic institution's royalty distribution policies.
5. Preparing books, articles, software and other creative works relevant to University duties.
6. Earning income from passive investments such as interest or dividends from banks, mutual funds, or stocks and bonds.

### **Examples of Activities Involving Potential Conflicts of Interest or Commitment Subject to Reporting Requirements**

The following activities represent examples of potential or actual conflicts of commitment or interest. In cases where it is not clear whether an activity involves a conflict of interest or commitment, and where it does not fall clearly within the preceding list of allowable activities, the activity should be reported by the employee to the appropriate administrative supervisor in order to obtain a ruling.

1. Failing to meet University responsibilities (e.g., conducting classes, assisting students outside of class, working customary staff hours, conducting research, serving on committees) due to involvement in external activities.
2. Using University resources to conduct research that is sponsored by an entity in which the employee or his/her family member holds a financial interest.
3. Serving in an executive or managerial capacity or holding significant financial interests in for-profit or not-for-profit entities doing business with the University.
4. Serving on the board of directors or major advisory committee of an external entity which sponsors the employee's research or provides gift funds for the use of the employee or his/her department.

5. Utilizing University students or employees in consulting activities, activities supported by gift funds, and/or research sponsored by an entity in which the employee has financial interests.
6. Teaching or advising a family member. Such a potential conflict must be reported to the chair, program director, or dean so that the dean can determine if a substitution can be made for the course or if arrangements can be made for grading or other evaluation, or advising.
7. Accepting any gift, gratuity, or service (except examination copies of textbooks) from a current or prospective vendor.
8. Conducting testing or clinical trials of products, devices, or services owned or controlled by a business in which the employee or a member of his/her family has a financial interest or receives remuneration.
9. Diverting research or business opportunities from the University to another academic institution, federal laboratory, business, or consulting entity.
10. Directing purchasing opportunities or professional referrals to a family-owned company or an associated entity.
11. Using University funds and/or facilities, and/or computer resources, and/or consumables or equipment for purposes unrelated to the employee's contractual or employment obligations.

### **Dealing With Disclosure of Conflict**

All potential conflicts must be reported to the appropriate University administrator, using the Disclosure Form, as defined under the Specific Responsibilities section of this Policy. Potential conflicts involving sponsored research activities must also be reported to the University's Provost. The administrator to whom the conflict is reported may decide that disclosure of the potential conflict is sufficient, that the conflict needs to be monitored and evaluated on an on-going basis, or that the conflict must be prohibited in its entirety if resolution is not possible. All decisions by the University administrator must be in writing and communicated to the person reporting the potential conflict on a timely basis.

### **RULES, PROCEDURES, GUIDELINES, FORMS, AND OTHER RELATED RESOURCES**

[Conflict of Interest-Conflict of Commitment Disclosure Form](#)

### **CONTACTS**

Acting as the Policy Owner, the Compliance Coordinator is responsible for answering questions regarding the application of this policy.

### **SANCTIONS**

University employees are expected to use good judgment, professional commitment, and the highest standards of ethics to protect themselves and the University from conflicts. Failure of

an employee to disclose and resolve or avoid an apparent conflict of interest or conflict of commitment in accordance with this Policy may result in sanctions under the applicable provisions of the Faculty Handbook or the Employee Handbook.

## **HISTORY**

- July 16, 2018 – policy recommended by the University Policy Committee for approval by the President’s Council
- July 18, 2018 – policy approved by the President’s Council
- December 3, 2018 – revisions to policy recommended by the University Policy Committee for approval by the President’s Council
- December 5, 2018 – revisions to policy approved by the President’s Council