

COLLEGE OF ENGINEERING

IMPLEMENTATION OF POLICY ON STAFF CONFLICTS OF INTEREST AND CONFLICTS OF COMMITMENT

APRIL 28, 2006

Introduction

SPG 201.65-1 requires the deans of the schools or colleges and the directors of administrative units to articulate and disseminate implementation policies on conflicts of interest and commitment that apply to faculty and/or staff within those units. The implementation policy and procedures for College of Engineering staff are provided below. This policy and its procedures apply to all full-time staff, whether permanent or temporary, and to all permanent part-time staff in the unit. The University expects all staff to be familiar with the contents of SPG 201.65-1 and with the applicable set of unit implementation procedures.

A. Statement of Principles for College of Engineering's Policy

The policy section of SPG 201.65-1 outlines a set of key principles relevant to conflicts of interest and conflicts of commitment, including the principles stated below.

All staff members are to act with honesty, integrity, and in the best interest of the University when performing their duties, and to abide by the highest standards of research, educational, professional, and fiscal conduct. Outside activities should not interfere with an individual's University obligations. Staff must not use their official University positions or influence for gain or advancement for themselves, parents, siblings, spouse or partner, children, dependent relatives, or other personal associates, at the expense of the University. In accordance with its mission, however, the University of Michigan allows and encourages staff to engage in outside activities and relationships that enhance the mission of the University. As a result, potential conflicts of interest and commitment are inevitable, but these potential conflicts are not necessarily problematic. Rather, the essential point is that staff must disclose these potential conflicts of interest so that they can be evaluated and, if necessary, managed or eliminated.

* When implementing SPG 201.65-1, academic and administrative units must also consider both particular rules of conduct within the University and rules that govern outside activities applicable to the staff of the College of Engineering. These include:

- Regents' Bylaw 5.13, related to governmental elective/appointed service
- SPG 201.12, related to misconduct and discipline;
- SPG 201.23, related to hiring of relatives or those with a close personal relationship;
and
- SPG 201.85, related to work performed for other University units.

Broadly defined, a potential conflict of interest encompasses external ties that may or may appear to improperly bias a staff member's judgment in performing his or her University job responsibilities. A potential conflict of commitment, broadly defined, encompasses situations in which a staff member's external relationships or activities may or may appear to interfere or compete with the University's mission, or with the staff member's ability or willingness to perform his or her job responsibilities.

B. Disclosing, Evaluating and Managing Potential Conflicts of Interest and Conflicts of Commitment

1. Disclosing potential conflicts of interest and conflicts of commitment

Whenever a potential conflict of interest or conflict of commitment exists for a CoE staff member, he or she must promptly disclose it, in writing on a form provided by the College, to the Department/Unit Administrator. (SPG 201.65-1, Section III.A.3.) See the list of administrators and the form on the CoE website <http://www.engin.umich.edu/>.

Examples of potential conflicts include (but are not limited to):

- Performing work for other University departments or units for additional pay;
- Participating in decisions or deliberations where your own personal financial interests are or could be affected;
- Participating in decisions or deliberations where a family member is or could be affected, financially or otherwise (Note: As stated in SPG 201.65-1, family members include parents, siblings, a spouse or partner, children, and dependent relatives);
- Performing activities for non-University entities for pay or pro bono;
- Accepting gifts, entertainment or other items of value from vendors or other third parties that do or have business with the University (also see below);
- Accepting an incentive or benefit to gain access to a staff member's supervisor; and
- Accepting gifts, entertainment or other items of value from students, their families and other visitors.

Gifts

A potential conflict exists when a staff member is offered a gift. General University policy prohibits employees from accepting any gift of substantial value (Regents' Bylaw 2.16). The College of Engineering defines a gift of substantial value as being worth more than \$25 US.

2. Evaluating disclosures of potential conflicts of interest or conflicts of commitment

The Department/Unit Administrator shall evaluate all disclosed potential conflicts of interest or conflicts of commitment. The Department/Unit Administrator may require the staff member to provide additional information or documentation that may be relevant to evaluating the potential conflict of interest or conflict of commitment.

As needed, the Department/Unit Administrator will consult with appropriate central administrative offices in the College and University (e.g., Dean's Office, Office of the Provost and Executive Vice President for Academic Affairs, Office of Human Resources and Affirmative Action, Office of the Vice President for Research, Office of the Vice President and General Counsel). (See also Section B.4, below) As needed, he or she will also consult with the Department Chair/Director.

3. Developing plans to manage potential conflicts of interest and conflicts of commitment

When the Department/Unit Administrator has determined that a potential conflict of interest or conflict of commitment exists that must be managed or eliminated, he or she must develop, in consultation with the employee, a recommended plan for managing the potential conflict. The Department/Unit Administrator will then provide the plan to the Department Chair/Director, who has authority for approving it, and to the employee's supervisor. The supervisor will provide the employee with a copy of the approved conflict management plan and will discuss any related ambiguities or issues that arise.

4. Involving other University individuals or offices, as required

Purchasing

When a potential conflict involves a purchase of goods or services, the Department/Unit Administrator must also disclose the conflict to the appropriate staff person in the University's Office of Purchasing Services, and also to the unit staff member responsible for handling unit purchases. If the Department/Unit Administrator determines that a conflict exists that must be managed or eliminated, he or she will consult with these individuals in developing a plan to manage or eliminate the conflict.

Research

When a potential conflict involves work performed for a research project, the Department/Unit Administrator must inform the head of the research project. If the Department/Unit Administrator determines that a conflict exists that must be managed or eliminated, it is his or her responsibility to ensure, in consultation with the head of the research project and the Department Chair/Director, that the conflict management plan does not conflict with requirements related to the research or to research funding.

C. Administering the Policy

1. Record-Keeping and Issues of Confidentiality and Privacy

When personal, financial or related documents are provided to the Department/Unit Administrator, the documents shall be placed in a secure file accessible only to the Department/Unit Administrator and the unit supervisor. Documentation of the staff member's disclosure and action taken shall be included within the secure file. The documentation may be

as simple as identifying the disclosure and, when no further action was required, including a notation to that effect on the disclosure description.

In some circumstances, the University is required to disclose potential conflicts to people within or outside the University. For example, if a conflict exists within the context of a federally sponsored project, the University *is required* both to disclose the existence of that conflict (without providing identifying information) to the federal government and to indicate whether it has managed the conflict. Also, the University may be legally required to disclose information in response to requests made under the Michigan Freedom of Information Act (FOIA) <http://www.umich.edu/~urel/foia.html>. Should any individual have a legitimate educational or business reason to access the confidential records, whether in the context of a federally sponsored project, a FOIA request, or otherwise, the Department/Unit Administrator or the unit supervisor may authorize access to the file, provide copies, or provide oral or written summaries of the information in the file. Where possible, the individual to whom the Department/Unit Administrator or unit supervisor authorizes disclosure shall be required to maintain at least the same level of confidentiality as applies to the original information.

Administrators of this policy will make every reasonable effort to preserve confidentiality and protect the privacy of all parties in the course of investigating a potential conflict of interest or commitment and, as applicable, in developing a plan to manage the conflict. (See Regents' Bylaw 14.07 *Privacy and Access to Information* and SPG 201.46 *Personnel Records – Collection, Retention and Release*.)

Any faculty or staff member who becomes aware of a Department/Unit Administrator or unit supervisor who has provided or may have provided unwarranted access to conflict documentation or information, as defined in this policy, should inform the relevant superior.

2. *Resolving Disputes*

When a staff member disputes any action or decision related to a potential conflict of interest or conflict of commitment, the staff member should first ask that the action or decision be reviewed by his or her supervisor. If, following that review, the staff member is not satisfied with the action or decision, the staff member may initiate existing University policies and procedures for handling disputes.

3. *Violations*

Any violation of SPG 201.65-1 or this policy may be a cause for disciplinary action. In the first instance, the employee's supervisor shall evaluate the violation and take appropriate action, if needed, in accordance with existing University policies and procedures. Consultation with the employee's Human Resources representative may be appropriate. The outcome of the supervisor's review and any actions taken shall be documented and included within the secure file maintained by the Department/Unit Administrator. If appropriate, all relevant documentation may also be included within the employee's personnel file maintained as provided under SPG 201.46.

4. Conducting Education and Training

Upon hiring into or transferring into the unit, every staff member shall be provided with the College of Engineering policy on conflict of interest/commitment and will certify annually that they have reviewed the policy and are in compliance at performance evaluation time. (CoE will develop an on-line process to do this).

5. Policy Review

The Department/Unit Administrator shall regularly review all potential conflict disclosures and actions taken with the Department Chair/Director to ensure a consistent approach to potential conflicts within the unit. The College will require an annual report be submitted each February.

D. Other Governing Policies

Implementation of SPG 201.65-1 within the College of Engineering requires compliance with other University policies and procedures, as well as with any relevant external rules of professional conduct and applicable law. Relevant policies, procedures, rules, and law include (but are not limited to) the following:

- Regents' Bylaw 2.16, regarding gifts to University employees;
- Regents' Bylaw 5.13, regarding governmental elected or appointed service;
- Regents' Bylaw 5.14, regarding leaves of absence;
- SPG 201.12, regarding misconduct and discipline;
- SPG 201.23, regarding appointment of individuals with close personal or external business relationships;
- SPG 201.65, regarding employment outside the University;
- SPG 201.85, regarding special stipends for work performed for other University units, the payment of honoraria, and the payment of travel expenses;
- SPG 500.01, 601.03-2, and 601.11, in particular to the extent that they address appropriate use of University resources, such as the libraries, office space, computers, secretarial and administrative support staff, and supplies;
- Office of Vice President for Research (OVPR) Policy on Conflict of Interest in Sponsored Research and Technology Transfer Agreements; and
- Michigan Compiled Laws § 15.321 et seq., regarding contracts of public employees with their employers.