

UNIVERSITY OF MICHIGAN – ATHLETICS DEPARTMENT



Code of Conduct and Conflicts of Interest Policy

[Revised 3/23/07, 7/31/07 and 12/18/07]

Introduction

The Athletics Department coaches, staff, and members of Advisory Boards of Intercollegiate Athletics (ABIA) strive to maintain the highest ethical standards in our business practices, particularly when relating to vendors, boosters, and opportunities for outside income. Conflicts of interest and commitment are inevitable. However, they are solvable through early disclosure so they may be evaluated, managed or eliminated. These principles will drive our guidelines:

1. Avoid the intent and appearance of unethical or compromising practices in relationships, actions, and communications.
2. Demonstrate loyalty to the University by diligently following the lawful instructions of the University of Michigan, the NCAA, the Big Ten Conference, and any other conference in which the University participates.
3. Refrain from any private business or professional activity that would create a conflict or the appearance of a conflict between personal interests and the interests of the University.
4. Refrain from soliciting money, loans, gifts, or discounts, and from accepting gifts, entertainment, favors, or services which might influence, or appear to influence, business or professional decisions.

Outside Activities and Income

All coaches, members of the Michigan Athletics Department staff, and members of the Advisory Board of Intercollegiate Athletics are required to hold themselves to the highest ethical standard as representatives of the University of Michigan. Coaches and staff may engage in activities outside their duties for the University and be compensated for those activities, but only so long as those activities do not interfere with their performance of University responsibilities. Specifically, Athletics Department employees are prohibited from endorsing tobacco products, alcohol and organizations associated with gambling operations.

Any full or part time administrative or coaching staff member must receive prior written approval from the Athletics Director before participating in any endorsement of products or services or prior to receiving athletically related income and benefits from sources outside the University.

Equipment and Apparel Contracts

All contracts for athletics equipment, apparel, or any services used in the furtherance of Michigan athletics shall be negotiated and entered into between the University and the Vendor, and not by any individual, coach or any member of a coaching staff.

Purchases by the Michigan Athletics Department of equipment for summer camps owned and operated by coaching staff are prohibited.

All membership on advisory boards for equipment and apparel companies must be approved in advance by the Athletics Director.

Conflicts of Interest and Conflicts of Commitment

The state of Michigan Conflict of Interest Law (MCLA 15.321 *et seq.*) prevents University employees, or entities in which University employees have an ownership interest or in which they are a director, officer, or employee, from contracting with the University without Regental approval. Furthermore, the University has a strict policy regarding conflicts of interest and conflicts of interest (SPG 201.65-1). 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. All new Athletics Department employees will be provided with a copy of this policy, and the University expects all staff to be familiar with its contents.

A. Statement of Principles for Intercollegiate Athletics

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 to further 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 enhances 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 faculty and staff must disclose these potential conflicts of interest so that they can be evaluated and, if necessary, managed or eliminated.

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 interest 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 staff member, he or she must promptly disclose it, in writing, to the Athletics Director.

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. Family members include parents, siblings, a spouse or partner, children, and dependent relatives;
- Performing activities for non-University entities for pay (e.g. impact on ability to fulfill University responsibilities, etc.);
- Accepting gifts, entertainment, or other items of value from vendors or other third parties that do or have business with the University. A potential conflict exists when a vendor, current or potential, gives a gift to a staff member. General University policy prohibits employees from accepting any gift of substantial value from vendors or from students (Regents' Bylaw 2.16). A substantial gift is any item \$50 or higher. Whatever the value of a gift, it is never appropriate to receive a gift that is given with the expectation of receiving some favor or benefit in return.
- Accepting an incentive or benefit to gain access to a staff member's supervisor.
- Referrals to a business in which the faculty/staff member or a member of his or her immediate family has an interest.
- Interest in a business that competes with the University.
- Publishing books or other media items (e.g., dvd's) without disclosure of the staff member's related financial interest.
- Allowing University responsibilities to influence or benefit a company in which the staff member or his or her immediate family has an interest.

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

The Athletics Director shall evaluate all disclosed potential conflicts of interest or conflicts of commitment for proper action. The Athletics Director 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 Athletics Director will consult with appropriate central administrative offices (e.g., 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) and, where appropriate, the University President.

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

When the Athletics Director has determined that a potential conflict of interest or conflict of commitment exists that must be managed or eliminated, the employee's supervisor must develop, in consultation with the employee, a recommended plan for managing the potential conflict. The Athletics Director has authority for approving it or not. 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 Athletics Director 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 Athletics Director 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 the conflict.

C. Administering the Policy

1. Record-Keeping and Issues of Confidentiality and Privacy

When personal financial or associational documents are provided to the Athletics Director, the documents shall be placed in a secure file accessible only to the Athletics Director or designee and the unit supervisor. Where any other staff member has a legitimate business reason to access the documentation, then either the Athletics Director or designee or the unit supervisor may authorize access to the file and provide either copies and/or information, as may be required for the stated business purpose. If the Athletics Director or designee provides copies of information in the files to a staff member, he or she must also ask that staff member to maintain the same level of confidentiality for the copied information as applies to the original information or documents.

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. The University may be legally required to disclose information in response to requests made under the Michigan Freedom of Information Act (FOIA). In addition to the people listed above, should any other 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 Athletics Director or designee 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 Athletics Director or designee 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.

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 the above review, the staff member remains unsatisfied with the action or decision; the staff member may initiate existing University policies and procedures for handling disputes, when available.

3. Conducting Education and Training

Upon hiring into or transfer into the unit, every staff member shall be provided this Athletics Department policy.

4. *Violations*

Any violation of 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, all 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 Athletics Director or designee. If appropriate, all relevant documentation may also be included within the employee's personnel file maintained by the department's personnel manager.

5. *Policy Review and Revision*

The Athletics Director or designee shall regularly review all potential conflict disclosures and actions taken to ensure a consistent approach to potential conflicts within the unit. The directors of various Athletics Department units shall similarly regularly consult and review potential conflict management issues with the Athletics Director. Any changes to this policy must be approved by the University President.

Appendix

Rules of Conduct. When implementing SPG 201.65-1, Intercollegiate Athletics must also consider both particular rules of conduct within the University and rules that govern outside activities applicable to department staff. 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.

The specific definitions for a *potential conflict of interest* and *potential conflict of commitment* in Section II.A of SPG 201.65-1 also apply.

Other Governing Policies. This policy implements SPG 201.65-1, *Conflicts of Interest and Conflicts of Commitment*, incorporates SPG 201.65-1 in its entirety, and includes all elements required under that SPG. Implementation of SPG 201.65-1 within the Department of Athletics requires compliance with other University policies and procedures, including all Regents' Bylaws and SPGs, 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;
- Michigan Compiled Laws § 15.321 et seq., regarding contracts of public employees with their employers.