

Horace H. Rackham School of Graduate Studies

**POLICY ON FACULTY CONFLICTS OF INTEREST AND
CONFLICTS OF COMMITMENT**

August 2006

A. Identification of Potential Conflicts of Interest and Commitment

Potential conflicts of interest and commitment are inevitable where faculty are engaged, as they ought to be, with actors and institutions outside the University. Nor are these potential conflicts necessarily problematic. Rather, the University allows and encourages faculty to engage in outside activities and relationships that enhance the University's mission. It is nevertheless important that faculty disclose any potential conflicts of interest or commitment as soon as they arise so that they can be evaluated and, if necessary, managed or eliminated.

A potential conflict of interest arises when external ties might appear to bias a faculty member's judgment in performing his or her University obligations. A potential conflict of commitment arises when a faculty member engages in external activities or assumes external commitments that might appear to compromise his or her ability to fulfill the responsibilities of his or her University position. (See Standard Practice Guide (SPG) 201.65-1.)

Faculty members who hold administrative appointments at the Rackham Graduate School are expected to refer to their own school or college for guidance on policies governing conflicts of interest and commitment. The same applies to the directors of the Graduate's School's affiliated units. However, circumstances may arise when the potential for conflicts of this nature occurs during the faculty members' performance of administrative duties specific to Rackham or its affiliated units. The following guidelines are therefore intended to apply to faculty members only in their administrative capacity while at the Graduate School.

1. Potential Conflicts of Interest

Examples of potential conflicts of interest at the Rackham Graduate School include, but are not limited to, the following:

- Funding decisions made by the faculty administrator for his/her home department or academic program involving a significant disbursement of funds.
- Faculty award decisions made by the faculty administrator for colleagues, friends or relatives.
- Student award decisions made by the faculty administrator for current or former students or advisees or individuals connected to colleagues or relatives.
- Accepting gifts, meals, entertainment, or other items of value from vendors or other third parties that do or have business with the University (also see below), e.g., office supplies or other sample items from vendors hoping to do business with Rackham or its affiliated units.
- Accepting gifts from students or colleagues in excess of a value equivalent to \$25.00.
- Accepting payment for lunch or dinner by student, colleague, or outside contact doing business with the university.

2. *Potential Conflicts of Commitment*

The existence of a potential conflict of commitment must be evaluated in light of the minimum time and effort requirements applicable to the faculty member in question.

All faculty, including visiting and clinical faculty, with at least half-time University appointments owe their primary professional commitment to the University. A commensurate commitment of those faculty members' time and intellectual energy must therefore be devoted to activities that further the University's mission. Even where obligations to the University are met, a faculty member may not engage in activities that compete with the University or that otherwise diminish or undermine the University's mission. It is inappropriate for faculty, without prior approval, to divert to other entities or institutions opportunities for research, education, clinical care or financial support which otherwise might flow to the University.

With these principles in mind, examples of potential conflicts of commitment include, but are not limited to, the following:

- Undertaking consultancy work, paid or unpaid, for an external agency.
- Requiring staff assistance for non-Rackham projects involving a significant expenditure of time.
- Requiring staff assistance for non-UM projects involving a significant expenditure of time.
- Extensive service on outside for- or non-profit boards or professional associations connected to graduate education.

B. Disclosure, Evaluation, and Management of Potential Conflicts of Interest and Commitment

1. *Disclosure of Potential Conflicts*

In general, each faculty member must promptly disclose potential conflicts of interest or commitment to the Dean of the Graduate School. It is expected that disclosures of potential conflicts will be made as they arise. In addition, faculty members will be required to fill out a disclosure form annually. Finally, written guidelines concerning the Graduate School's policies on these matters will be distributed to each faculty member at the time of appointment.

2. *Management of Potential Conflicts*

Upon disclosure of a potential conflict of interest or commitment, the Dean of the Graduate School or Administrative Director will evaluate the extent of the potential conflict to determine whether it is necessary to manage or eliminate it. The Dean or Administrative Director may ask the faculty member to provide additional information or documentation if necessary.

In some circumstances, evaluation of the potential conflict will require consultation with and processing by central administration offices. For example, centralized processing is necessary in the following circumstances:

- Where the disclosure involves sponsored research or technology transfer, by the Office of the Vice President for Research;
- Where there may be a conflict between two academic units, by the Provost's Office;
- Where the disclosure involves a purchase of goods or services, by Purchasing.

In many cases, consultation with central administration offices, even when processing by those offices is not required, may help determine how to respond to a given disclosure. Examples of potentially appropriate consultation might include the following: where the disclosure involves sponsored research or technology transfer, with the Office of the Vice President for Research; where there may be a conflict between two academic units, with the Provost's Office; where legal obligations or potential liability may be involved, with the General Counsel's Office; and where the disclosure involves a purchase of goods or services, with Purchasing.

In response to a disclosure of a potential conflict, the Dean may, after consulting with the faculty member, determine that no action is necessary. In other cases, the Dean may decide that it is sufficient to document the disclosure and his or her determination that no further management is required. If the Dean determines that management of the potential conflict is necessary, however, he/she will develop a conflict management plan in consultation with the faculty member. That plan may include, but is not limited to:

- Disclosing the potential conflict to appropriate sources inside and/or outside the University;
- Modifying or limiting the faculty member's duties to minimize or eliminate the conflict;
- Reducing the faculty member's appointment to accommodate the outside interest or activity;
- Securing the faculty member's agreement to modify or suspend outside activity, use of University resources, or other activities that create the potential conflict; or
- Prohibiting certain outside activity as inconsistent with the faculty member's obligations to the University.

3. *Record-Keeping and Issues of Confidentiality and Privacy*

The Dean will keep a record of action on disclosures made under this policy, in part to help develop a consistent practice of treating like cases alike. The record 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. Appropriate records may also be maintained in the individual faculty member's personnel file.

The Dean will make all reasonable efforts to preserve the privacy and confidentiality of personal information revealed as part of this process; to that end, the Dean will keep all records that include personal information about named individuals in a secure file accessible only to the Dean of the Rackham Graduate School. Where any other faculty or staff member has a legitimate educational or business reason to access the documentation, then the Dean may authorize access to the file and provide either copies and/or information, as may be required for the stated educational or business purpose. If the Dean provides copies of information in the files to a faculty or staff member, he or she must also ask that individual to maintain the same level of confidentiality as applicable to the original information or documents.

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 that conflict. Also, the University may be legally required to disclose information in response to requests made under the Michigan Freedom of Information Act (FOIA). Should any other individual have a legitimate reason to access the confidential records, whether in the

context of a federally sponsored project, a FOIA request, or otherwise, the Dean may authorize access to the file, provide copies, or provide oral or written summaries. Where possible, the individual to whom the Dean authorizes disclosure will be required to maintain at least the same level of confidentiality as applicable to the original information or documents.

Any faculty member who becomes aware that the Dean has provided or may have provided unwarranted access to conflict documentation or information, as defined in this policy, should inform the relevant superior for appropriate action, who in this case would be the Provost.

C. Dispute Resolution

A faculty member may dispute any decision made in response to the disclosure or non-disclosure of a potential conflict of interest or commitment. Appeals will be reviewed by a sub-committee of the Rackham Executive Board which will consist of the three longest-serving elected members of the Board. Following exhaustion of these unit-specific procedures, the faculty member may dispute any action or decision under this policy in accordance with applicable University procedures.

D. Education and Training

At the time of hiring or transfer into Rackham or one of its affiliated units, and/or the time of the implementation of the policy, every faculty member shall be provided with the Rackham Conflicts of Interest/Conflict of Commitment Policy for Faculty and asked to disclose potential conflicts of interest or commitment in writing. All faculty members employed by Rackham and its affiliated units will certify annually, on paper or online, that they have reviewed the policy and are in compliance. Rackham or its affiliated unit will record the fact of giving the Rackham policy to an employee. Disclosure shall also occur on a case-by-case basis throughout the year as potential conflicts arise. In addition, every faculty member shall complete the online educational tutorial for overall University policy at http://www.provost.umich.edu/programs/COI_COC/tutorindex.html.

E. Violations

Any failure to comply with SPG 201.65-1, its procedures, or this implementing policy may lead to disciplinary action, up to and including termination of appointment in accordance with applicable disciplinary procedures. Possible violations that may lead to disciplinary action include, but are not limited to, the following: failure to disclose fully a potential conflict; failure to agree to and comply fully with a required conflict management plan; failure to maintain the confidentiality of conflict documentation and information; and failure to complete any required training or education regarding the policy.

F. Policy Review and Revision

The Dean will annually review all actions taken under this policy and, upon consultation with the Rackham Executive Board, make recommendations to the Provost regarding any needed revisions to the policy or any need for increased education. Any revisions in policy or practices will be discussed with the faculty. If the Dean determines that any of the changes he or she would like to adopt will materially change the policy, the Dean will follow the procedures used to adopt the original policy. In particular, the Dean will submit any materially revised policy to the Office of the Provost and Executive Vice President for Academic Affairs for further review and approval and then to the President for formal adoption. See SPG 201.65-1 for procedures

(<http://www.hr.umich.edu/procedures/spg201-65-1.htm>). A current version of the Rackham Graduate School's policy should be on file with the Provost's Office at all times.

This policy applies to all faculty of the Rackham Graduate School, including both full- and part-time faculty, whether classified as regular instructional, clinical, adjunct, or visiting faculty.

G. 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 Rackham Graduate School 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
<http://www.umich.edu/~regents/bylaws/bylaws02.html#16>;
- Regents' Bylaw 5.12, regarding outside employment of University faculty
<http://www.umich.edu/~regents/bylaws/bylaws05b.html#3>;
- Regents' Bylaw 5.13, regarding governmental elected or appointed service
<http://www.umich.edu/~regents/bylaws/bylaws05b.html#4>;
- Regents' Bylaw 5.14, regarding leaves of absence
<http://www.umich.edu/~regents/bylaws/bylaws05b.html#5>;
- 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 copyright and other 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
http://www.research.umich.edu/policies/um/conflict_ovpr_drda_tmo.html;
- Michigan Compiled Laws § 15.321 et seq., regarding contracts of public employees with their employers.

In the event of any inconsistency between this policy and other University or external requirements, those other requirements will prevail. In interpreting this policy the Dean should be attentive to preserve the principle of academic freedom of speech and thought. In addition, policy administrators will make every reasonable effort to preserve confidentiality and protect the privacy of all parties in the course of investigating and managing a potential conflict of interest or commitment.

Horace H. Rackham School of Graduate Studies

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

With my signature below, I certify that I have read, in its entirety, the Rackham Graduate School Policy on Faculty Conflicts of Interest and Conflicts of Commitment.

Please check one box below. For potential conflicts, please explain in the area below the line for today's date.

I have no potential conflicts to report I have a potential conflict to report

Signature _____

Name (please print) _____

Today's Date _____

Explanation of Potential Conflict: