

ASU System Policy

Effective Date: 09/07/07

Subject: Conflict of Interest or Conflict of Commitment

All full-time employees of Arkansas State University; whether administration, faculty, or staff, are obligated to devote their working time and efforts to university activities. However, involvement of university employees in outside pursuits, both public and private, often serves the interests of the individual, the university, and the general public. Participation in activities outside the university is encouraged so long as these activities do not create either a conflict of interest or a conflict of commitment.

Conflict of Interest. A conflict of interest exists when an employee has the opportunity, directly, or indirectly, to secure personal gain or financial benefit to self or others through influencing decisions of the university.

Conflict of Commitment. A conflict of commitment exists when an employee's time and effort to outside activities interferes with that employee's obligations and responsibilities to the university.

The Arkansas legislature has passed specific laws governing the actions of state employees with respect to ethical and employment conflicts of interest. Under those laws, conflicts of interest and conflicts of commitment are not always unethical or illegal. If the interests of the university are served by an arrangement in which the conflict of interest or conflict of commitment may exist, or if the conflict is insubstantial or remote, the university may allow the employee to participate in the outside activity but only after obtaining express written permission from the university.

Examples. The following list provides examples of situations which may involve conflicts of interest or conflict of commitment and must be disclosed. The list is not exhaustive. Any situation which has the appearance of or potential for a conflict of interest or conflict of commitment must be disclosed.

- Employee or immediate family member ownership, management, or other relationship with an organization doing business with the university;
- Participation in outside business activities including personal commercial enterprises;
- Teaching credit or noncredit courses, seminars, or workshops not for the university;
- Fees provided for professional services including consulting, honoraria, royalties, or expert testimony;

- Private payment, income, gifts, or other benefits associated with university research;
- Income from and ownership of intellectual property;
- Time away from work to attend extracurricular events;
- Use of university facilities, employees, or students in personal or commercial activities;
- Acceptance of gifts, gratuities, or special favors offered because of university position; and/or
- Influencing university decisions or purchases to obtain personal benefit or benefit for others; receipt of royalties from the sale of textbooks or course materials for classes taught by the faculty member has been determined by law to constitute a conflict of interest. Royalties so received will be paid to the campus at which the faculty member teaches for the purpose of funding programs that benefit students academically.

Disclosure. Every employee shall complete the Disclosure of Conflict of Interest or Conflict of Commitment form attached to this policy on an annual basis. Copies shall be maintained in the employee's personnel file maintained in the Human Resources office.

When an employee desires to participate in an activity in which a potential or actual conflict of interest or conflict of commitment exists, that employee shall complete the Disclosure of Conflict of Interest or Conflict of Commitment form and submit the form to the immediate supervisor. After consulting with the employee, determining whether an actual or potential conflict of interest or conflict of commitment exists, and considering the ramifications for the university, the supervisor will return a copy of the form to the employee within five (5) working days with a proposed approval, disapproval, or management plan. A management plan may include, but is not limited to, the following actions:

1. Monitoring of an employee's responsibilities, duties, or tasks;
2. Modification of an employee's responsibilities, duties, or tasks;
3. Public disclosure of the conflict of interest or conflict of commitment;
4. Divestiture of a financial interest creating a conflict of interest or conflict of commitment; and
5. Severance of the relationship creating the conflict of interest or conflict of commitment.

The immediate supervisor will submit the proposed approval, disapproval, or management plan to his or her supervisor who will take final action within five (5) additional working days and provide a copy of the final decision to the employee and the immediate supervisor. Campus employees may appeal any adverse decision to the chancellor or his/her designee, while system employees may appeal the decision to the president or his/her designee. The decision of the chancellor and president or their designees is final.

No agreements may be entered into between university employees and outside entities until such time as approval has been given to engage in activities constituting a conflict of interest or conflict of commitment.

(Adopted by the Arkansas State University Board of Trustees on September 7, 2007, Resolution 07-58. Appendix A revised and adopted on September 25, 2009, Resolution 09-71.)

APPENDIX A
Disclosure of Potential Conflict of Interest or Conflict of Commitment
Arkansas State University

Employees of Arkansas State University are required to report actual or potential conflicts of interest or conflicts of commitment, or the appearance thereof, with respect to their obligations to the university or its welfare. To comply with the Arkansas State University System policy, please complete the following disclosure.

All employees are required to complete this form annually or more often if an actual or potential conflict of interest or conflict of commitment, or the appearance thereof, arises.

- I have read the Arkansas State University System policy on conflict of interest or conflict of commitment, and I attach a report disclosing each actual or potential conflict, or the appearance thereof, in compliance with that policy.
- I have read the Arkansas State University System policy on conflict of interest or conflict of commitment, and I have no actual or potential conflicts, or the appearance thereof, to disclose.

Signed _____ Date _____

Name (print or type) _____ ID Number _____

Title _____

Department _____

Administrative Review

- The proposed activity has been reviewed, and no conflict of interest or conflict of commitment, or the appearance thereof, that would interfere with the employee's obligations to Arkansas State University or its welfare appears to exist.
- The proposed activity has been reviewed and an actual or potential conflict of interest or conflict of commitment, or the appearance thereof exists, and I recommend the attached management plan be implemented.
- The proposed activity has been reviewed and constitutes a conflict of interest or conflict of commitment, or the appearance thereof, and I do not recommend that the activity be allowed.

I (approve, disapprove, refer) the disclosure for the reasons checked above.

Immediate Supervisor _____

Date _____

I have reviewed and (approve, disapprove) the recommendations of the immediate supervisor.

Supervisor _____

Date _____

- Signed copy retained by employee, immediate supervisor, and supervisor
- Signed copy sent by supervisor to employee's personnel file in Human Resources