



Conflict of interest arises whenever the personal or professional interests of a board member, administrative officer, key employee, highly compensated employee, investigators on federally funded projects, faculty or staff member are potentially at odds with the best interests of the institution.

Scope

This policy applies to each member of the Board of Trustees, to all administrative officers at the rank of dean or higher, those identified as key employees and highly compensated employees as defined by the Internal Revenue Code, and investigators on federally funded projects. Further, the policy is intended to serve as a guide for all persons employed by the institution, regardless of position.

Fiduciary Responsibility

Members of the Board of Trustees and administrative officers (including the president, vice presidents and deans), key employees, highly compensated employees and investigators on federally funded projects serve a public interest role and thus have a clear obligation to make decisions with the sole intent to promote the best interests of the institution and the public good.

This policy requires that board members, administrative officers, key employees, highly compensated employees and investigators on federally funded projects must consider as a potential conflict of interest any transaction for the institution that also involves:

1. A member of the university board, an administrative officer, a key employee, a highly compensated employee or a member of their family (which shall be a spouse, parents, siblings, children, financial dependent, or domestic partner), or
2. An organization with which a member of the university board, administrative officer, key employee or highly compensated employee is affiliated.

Disclosure

At the first knowledge of any such potential or actual conflict of interest, any affected party shall disclose the precise nature of the interest or involvement.

Disclosure is further required of board members, administrative officers, key employees, highly compensated employees, and investigators on federally funded projects for the institution concerning all relationships and business affiliations that reasonably could give rise to a conflict of interest involving the institution.

This disclosure shall be continuously reported and kept current, as set forth below. For the purpose of this policy, affiliation is understood to prevail if the board member, administrative officer, key employee, highly compensated employee, investigator on federally funded projects, or member of the family:

1. Is an officer, director, board member, partner, employee, or agent of such organizations; or
2. Is either the actual or beneficial owner of more than five percent of the voting stock or controlling interest of such an organization; or

Policy 1005 B – Conflict of Interest

Established: 08/13/1992

Revision History: 08/18/2012, 02/06/2006



3. Has any other direct or indirect dealing with such organization from which he or she knowingly is materially benefited.
4. Investigators on federally funded projects must also disclose conflicts of interest as outlined in the governing U.S. Office of Management and Budget (OMB) circulars and as outlined by federal agencies including the National Institutes of Health (NIH). Such disclosures are required when an investigator or a family member of an investigator:
 - a. Receives aggregate remuneration from a publicly traded entity in the preceding 12 months valued at more than \$5,000 including remuneration of salaries, consulting fees, equity interest or the like; or
 - b. Holds any equity interest in a non-publicly traded entity; or
 - c. Receives remuneration in the form of salary or payment for services from a non-publicly traded entity in the preceding 12 months valued at more than \$5,000.

An investigator on a federally funded project or a family member of an investigator on a federally funded project may be subject to further disclosure requirements as identified in the OMB circulars or by the federal funding agency. Upon appointment, all university board members shall sign a Conflict of Interest Statement to be kept on file by the board secretary. There shall be an annual disclosure to the full board by each board member, the CEO, the CFO, and every senior administrator of a rank of dean and higher, key employee highly compensated employee and investigator on federally funded projects that shall include but is not limited to all affiliations and pecuniary interest except common or publicly traded stocks.

Restraint on Participation

Board members, administrative officers, key employees, highly compensated employees and investigators on federally funded projects who have declared or been found to have conflict of interest in any matter before the administration or the board shall refrain from participating in consideration of the proposed transaction, unless for special reasons the board or administration requests information or interpretation from the person or persons involved. The person or persons involved should not vote on such matters and should not be present at the time of the vote.

Any board member who is uncertain about possible conflict of interest in any matter may request the board to determine whether a possible conflict prevails. The board shall resolve the question by majority vote. When possible, the question of potential conflict of interest should be referred to counsel for an opinion prior to the board's vote.

Related Policies: UWS Bylaws, Article I, Section 6

Other: [UWS Employee Handbook](#)

Keywords: administration, affiliation, board, conflict of interest, interest, key employee

Policy 1005 B – Conflict of Interest

Established: 08/13/1992

Revision History: 08/18/2012, 02/06/2006