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Responsible University Office:
Chancellor's Office

Responsible University Administrator:
Sr. Advisor to the Chancellor
Chief Compliance Officer

Policy Contact:
Alex Straatmann
straatmanna2@unk.edu

Disclosure of Conflicts of Interest and Conflicts of Commitment

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Scope

This policy applies to all employees of the University of Nebraska at Kearney (UNK).

Policy Statement

The University of Nebraska not only permits but encourages employees to engage in outside professional activities with industry and other external constituencies. At the same time, the University is cognizant that an employee's relationship with outside enterprises can engender opportunities for personal gain or financial advantage that may be at odds with the obligations the individual assumes as an employee of the University. Conflicts of interest and/or conflicts of commitment must be disclosed, and in certain circumstances, may require a management plan. As noted in the Procedures, below, UNK employees required to complete the disclosure form must do so by **September 30** of each year.

Conflicts of interest are situations where an employee's direct or indirect personal financial interests may compromise, or have the appearance of compromising, the employee's professional judgment or behavior in carrying out the employee's obligations

to the University. This includes indirect personal financial interests of an employee that may be obtained through third parties such as an employee's immediate family, business relationships, fiduciary relationships, or investments.

Conflict of commitment occurs when the time devoted to external activities adversely affected, or has the appearance of adversely affecting, an employee's capacity to meet University responsibilities.

The general subject of conflicts of interest is addressed in Section 3.8 of the Bylaws of the Board of Regents as follows: "No employee of the University shall engage in any activity that in any way conflicts with duties and responsibilities at the University of Nebraska. The Board of Regents has adopted Regents Policy 3.2.8 and authorized the implementation of related policies and directives to properly avoid, disclose, and manage potential conflicts of interest."

Executive Memorandum No. 36 describes and clarifies procedures and standards for the disclosure of conflicts of interest and/or conflicts of commitment. In addition, Nebraska statutes relating to conflict of interest and nepotism apply to all employees of the University, including specifically the provisions of the Nebraska Political Accountability and Disclosure Act, Neb. Rev. Stat. §§ 49-1401 to 14-14,142. Furthermore, federal funding agencies require that the University establish safeguards to prevent employees or consultants from using their positions for purposes that are motivated by (or even give the appearance of) a drive for private financial gain.

Reason for Policy

The Bylaws of the Board of Regents and Regents' Policy 3.2.8 require the implementation of a policy that ensures that broad University-wide principles are followed.

Procedures

I. Disclosure

Prior to engaging in any activity that may result in an actual or perceived conflict of interest and/or conflict of commitment, all UNK employees shall disclose the activity to their supervisors via the online conflicts of interest and commitment disclosure form. These activities, whether compensated or not, must be disclosed regardless of when they occur (e.g., summer for nine-month faculty, weekends, evenings, etc.).

In addition to requesting administrative approval prior to participation in each outside professional activity, and disclosing potential or actual conflicts of interest and conflicts of commitment as they occur, the following individuals shall

complete, review, and update (even in the absence of an actual or perceived conflict of interest or conflict of commitment) the online conflict of interest and conflict of commitment disclosure form at least annually, *no later than September 30 of each year*:

- a. All full-time faculty, including those with nine-month appointments.
- b. Managerial/professional staff and administrators.
- c. Anyone who is responsible for the design, conduct, administration, or reporting of research including all investigators and anyone listed as key personnel on sponsored projects, human subjects research, or animal subjects research.
- d. Anyone with an outside professional activity involving a foreign government, quasi-government, institution, or other foreign entity (including businesses).
- e. All employees who have been issued a University purchasing card.
- f. All employees who have delegated signature authority.
- g. Anyone who is otherwise directed to complete the disclosure form.

Common, though far from inclusive, examples of disclosures include:

- Activity involving use of University resources for which personal remuneration is received.
- Outside professional activities that may reduce the time available for the employee to carry out the primary obligations of the employee's University appointment.
- Personal financial remuneration/compensation received as a result of outside activities provided by an employee to a non-University entity.
- Engagement in or changes in an existing unremunerated service role or position (e.g., serving on a Board of Directors of a nonprofit corporation).
- Creation of a startup company.
- Reimbursement for Sponsored Travel (NOTE: Public Health Service (PHS) rules require increased transparency for reimbursement of travel expenses. Investigators now must disclose reimbursed or sponsored travel related to the investigator's institutional responsibilities. Sponsored travel includes travel expenses reimbursed, or expenses paid, on behalf of the University traveler and not reimbursed to the traveler so that the exact monetary value may not be readily available. **Travel that is reimbursed or sponsored by federal, state, or local government agencies, U.S. institutions of higher education, academic teaching hospitals, medical centers, or research institutions affiliated with an institution of higher education does not have to be disclosed.**)
- Financial interests or other compensation from a foreign entity or participation in a foreign talent program (government, university, nonprofit, for-profit, etc.).

All outside professional activities must be pre-approved in accordance with this policy. Any changes to information submitted via the online conflicts of interest and commitment disclosure form must be made within 30 days of discovering a

new financial interest or outside professional activity that must be disclosed under this policy.

If a supervisor becomes aware of a conflict of interest or conflict of commitment that an employee has not disclosed, the supervisor shall discuss the situation with the employee and require that an online disclosure be made or updated as provided in this policy.

All reporting of potential or actual conflicts of interest and commitment should be undertaken with the goal of full disclosure. If there is doubt about the existence of an actual or apparent conflict of interest or commitment, or uncertainty as to the relation of an outside professional activity or financial interest to one's institutional responsibilities, the employee must err on the side of disclosing it for review and approval.

II. Review

The supervisor initially evaluates each disclosure and either (a) approves or (b) forwards any real or perceived conflicts to the UNK Chief Compliance Officer. The UNK Chief Compliance Officer will flag any disclosure that may require review/management by the UNK Conflict of Interest Committee (CIC). If CIC review is deemed unnecessary, the supervisor will be notified and the disclosure will be approved.

III. Management

The CIC is a standing committee appointed by the Chancellor and is responsible for reviewing potential conflicts and approving/monitoring plans to manage institutional and individual conflicts of interest and conflicts of commitment. Committee membership includes: Chief Compliance Officer (chair), Assistant Vice Chancellor for Academic Affairs, Associate Vice Chancellor for Business & Finance, Director of Human Resources, three faculty members, one from each college, holding the rank of Professor selected from nominees solicited from the academic deans, and one member of the Staff Senate selected from nominees solicited from the Staff Senate.

- a. The disclosing employee and/or the employee's supervisor(s) may be invited to meet with the CIC to review a disclosure.
- b. If deemed necessary, the CIC will draft a management plan to mitigate the effects of any type of conflict of interest. An appointed member of the CIC will meet with the disclosing individual, and as appropriate with their immediate and/or unit supervisor(s), to review and implement the management plan.

c. Appeal Process: A decision by the CIC may be appealed to the Sr. Vice Chancellor for Academic and Student Affairs within thirty (30) days of the date the employee was notified of the need for a management plan by the CIC. The appeal must be made in writing and should detail the reason for the appeal. The Sr. Vice Chancellor, in collaboration with the Sr. Advisor to the Chancellor, will determine whether the CIC's determination will stand or whether the management plan or subsequent decisions should be sent back to the CIC for revision. The Sr. Vice Chancellor must provide written notification to the chair of the CIC and the appellant of his/her decision within sixty (60) days of receiving the appeal.

IV. Board Approval

Certain requests to participate in outside professional activities, even after receiving a critical review and campus-based administrative approvals, must also be pre-approved by the Board of Regents, and include:

- Section 3.4.5(a) of the Bylaws requires Board approval for “professional services outside the University provided to an individual, person, client, company, firm, or governmental agency over a time period lasting more than two years.”
- Section 3.4.5(b) of the Bylaws requires Board approval for “professional employment requiring more than an average of two days per month during the period of his or her full-time University employment.” The Board has interpreted this language to mean an average of two days per month during the employee's assigned work week.

Assigned work week means every Monday through Friday, and time on any Saturday, Sunday, or evening when an employee is scheduled to work, but does not include any University holiday, period during which an employee has no University assignment (i.e., summer for nine-month employees who do not have summer term teaching responsibilities), or day that the employee takes a vacation day.

The average of two days per week during the assigned work week, and the determination as to whether or not Board approval is required, will be considered by evaluating the request on a calendar year basis. More specifically, any request to engage in an outside professional activity that exceeds twenty-four (24) assigned work week days for twelve-month employees, or exceeds eighteen (18) assigned work week days for nine-month employees in a calendar year will require Board approval prior to the employee's engagement in the activity.

Although approval requirements may vary based on the amount of time involved, disclosure is still required in all instances of an employee's engagement in outside professional activities regardless of duration to allow review for conflicts of interest or commitment.

V. Training

The UNK Chief Compliance Officer, in coordination with other University offices as appropriate, is responsible for developing training and providing guidance to all individuals relative to conflict of interest and conflict of commitment policy and procedures.

VI. Records Retention

As it is critical to guard the privacy of all disclosures, the University will ensure all information disclosed pursuant to this policy is kept with restricted access in accordance with Board of Regents' personnel policies. Information will be retained in accordance with the University of Nebraska records retention schedules.

VII. Institutional Conflicts of Interest

Institutional Conflicts of Interest arise when the University's own financial interests or those of its senior officials pose risks of undue influence on decisions involving the University's primary interests. A goal of this policy is to protect the credibility and integrity of the University through the identification, review, and management, of actual or potential institutional conflicts of interest. Left unaddressed, institutional conflicts of interest could undermine public trust and support of the University and its missions.

The University will strive to manage or eliminate each institutional conflict of interest identified before any contract, sponsored or non-sponsored project, dedicated gift, or transaction is executed; any contractual relationship is initiated; or any action is taken that might be adversely affected or appear to be adversely affected by the institutional conflict of interest.

All actual or perceived institutional conflicts of interest shall be directed to the UNK Chief Compliance Officer as soon as they are discovered. The UNK Chief Compliance Officer will convene a meeting with the CIC; the CIC shall review and evaluate actual or perceived institutional conflicts of interest; and shall create, in collaboration with the appropriate University officials or offices, management plans to manage, reduce, or eliminate institutional conflicts of interest that are identified. Proposed institutional conflict of interest management plans developed by the CIC shall be directed to the appropriate University of Nebraska Board of Regents' Committee for review.

VIII. Enforcement

Instances of non-compliance with or violation or breach of this policy, including knowingly filing incomplete, erroneous, or misleading disclosure, or failing to comply with prescribed procedures for managing an identified conflict of interest or commitment, may constitute a violation of the Bylaws and Policies of the Board of Regents of the University of Nebraska. Enforcement action will be taken in accordance with the Bylaws and Policies of the Board of Regents, and could result in disciplinary action up to and including termination of employment. The

University may be obligated to report non-compliance, violation, or breach of this policy to other entities.

Definitions

- Conflict of Commitment – when the time devoted to external activities adversely affects an employee’s capacity to meet University responsibilities.
- Conflict of Interest – situations where an employee’s direct or indirect personal financial interests may compromise, or have the appearance of compromising, the employee’s professional judgment or behavior in carrying out the employee’s obligations to the University of Nebraska. This includes indirect personal financial interests of an employee that may be obtained through third parties such as an employee’s immediate family, business relationships fiduciary relationships, or investments.
- Financial Interest – anything of monetary value, whether or not the value is readily ascertainable.
- Immediate Family – an individual who is the employee’s spouse, child, parent, brother, sister, grandchild, or grandparent by blood, marriage, or adoption.
- Institutional Conflict of Interest – when the University’s own financial interests or those of its senior officials pose risks of undue influence on decisions involving the University’s primary interests.
- Outside Professional Activities – services to a non-University of Nebraska entity, whether compensated or not, which are reasonably related to the employee’s research, professional expertise, or the practice of their profession and are not a part of the employee’s institutional responsibilities.
- Remuneration – salary and any payment for services not otherwise identified as salary (e.g., consulting fees, honoraria, paid authorship); equity interest including any stock, stock option, or other ownership interest, as determined through reference to public prices, access to equipment or buildings, or other reasonable measures of fair market value.

Forms

[Conflict of Interest and Conflict of Commitment Disclosure Form](#)

Related Information

Neb.Rev.Stat. §§ 49-1401 to 14-14,142
Bylaws of the Board of Regents Section 3.8
Board of Regents Policy 3.2.8
Executive Memorandum No. 36

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