

Conflict of Interest Policy

From the Office of University Research Program's Guidebook 01.

Background:

The University is a non-profit educational corporation organized under the laws of the State of Indiana. As a non-profit institution, it is prohibited from engaging in any activity the primary purpose of which is to benefit financially any individual. Moreover, the tax exempt status of the University further prohibits any institutional income to be used for the personal benefit of any individual or group of individuals. In connection with the restrictions set forth above this policy has been prepared to offer broad guidance to the members of the University's faculty and administration.

The term "conflict of interest" cannot be defined, without being subject to interpretation. Certain situations or issues involving ethical judgment may not always be free from ambiguity. As a general rule, therefore, a person should not only consider the actual existence of a conflict of interest but also the impression a situation or issue may make on people who, for good reason, judge and interpret the situation or issue. In order to ensure appropriate conduct by all officers, faculty and staff of the University, the highest standards of honorable and ethical conduct must be observed at all times in dealings with or on behalf of the University.

Policy:

Employees are expected to remain free of interests or relationships which are, or appear to be, detrimental to the best interests and reputation of the University. Employees must avoid circumstances which cast doubt on their ability to act objectively and fairly regarding the University's business and interests. Should any such situation occur, the employee must discuss it with his/her immediate supervisor. The supervisor will be expected to exercise good judgment in deciding whether the case should be forwarded to the appropriate group, dean or cabinet member and advise the employee on the proper course of action. The decision of the Cabinet as to the existence of any conflict or potential conflict of interest shall be final. Failure to follow the Cabinet's directives with respect to the elimination of a conflict of interest will result in disciplinary action, including termination of employment.

Examples:

A potential conflict of interest situation could exist when, without prior approval by the University:

- An outside activity absorbs time, attention or energy which reduces the employee's job
- The employee is an owner of an enterprise which does business with the University, and
 - able to control or influence a decision by the University regarding business with that enterprise, or
 - is in an advantageous position with respect to the University doing business with that enterprise.
- The employee is associated with a competitor organization, either as an employee or a consultant, or as a member of a governing body

- The employee is an employee of any other organization
- The employee's relationship with an outside organization or activity reflects adversely on his/her integrity or the reputation of the University
- The employee uses the University's confidential information, equipment, or other resources for personal benefit or for the benefit of friends or relatives of the employee

The above examples are not inclusive.

General Guidelines for the Avoidance of Conflicts:

Employees of the University are charged with fidelity in the performance of their duties and functions and should conduct themselves in such regard solely for the purpose, benefit and interest of the University.

All employees should be aware that their positions with the University should not be used to gain favorable treatment or self-enhancement unless such occurs as an incidental, secondary result of actions the primary purpose of which is intended to benefit the University, its students, and the public in general.

For ethical as well as legal reasons, employees should only have direct dealings with vendors of the University in accordance with the University's purchasing policies.

Information known to be confidential or privileged acquired by an individual in the course of employment at the University should be used only for University purposes.

Officers, faculty and staff should remain cognizant that they are expected to devote their best efforts to the furtherance of the University's mission during the course of their employment.

Outside employment or personal commitments, if such activities would tend to impair an individual's effective fulfillment of his/her regular responsibilities to the University, are not appropriate and should be avoided.

The University, as an academic institution, encourages employee participation in various extramural organizations, government programs or professional associations that are of service to the general public, the University or the employee's professional or personal development. However, if the nature of the association is such that the University's name may be identified with the outside organization, the employee must exercise caution and sensitivity to avoid any participation or affiliation which could be detrimental to the University, its mission or interests. Employees are expected to seek advice from their immediate supervisor before making commitments that may be potentially compromising to the University, its mission or interests.