
Conflict of Interest/Conflict of Commitment - Declaration & Disclosure Policy

Issue Date: May 1988; June 1997; revised June, 2009; revised October, 2019; September 2022.

Policy Applies to: All employees; the disclosure requirement applies to all faculty, exempt staff and those in a supervisory role.

OVERVIEW

Nova Southeastern University encourages faculty and staff to engage in outside activities and relationships that serve the mission of the University, facilitate professional and/or personal development, and promote education and shared knowledge. All faculty and staff members have an ethical duty to act with honesty, integrity, and in the best interest of the University when performing their duties, and to abide by the applicable standards of conduct in their research, scholarship, student service, fiscal, and other professional activities. Abiding by such standards ensures that an NSU employee's personal interests are not inconsistent or in conflict with the best interests of the University.

Outside employment, consulting, public service, pro bono work, or service as a board member, officer, or affiliate of another entity, with or without compensation, may result in actual or potential conflicts with an employee's primary obligation/commitment to the University. Review of such relationships by a senior executive, dean or vice president ensures that a proper balance of interests is maintained. Accordingly, disclosure is required where extramural activities of any type may potentially impact an employee's ability to fully perform and prioritize their NSU job duties or may be averse to the college, unit or university's interests or ethos. All employees must arrange their outside obligations, financial interests, and activities so as not to interfere with their primary obligation and overriding commitment to the University. Even in instances where extramural activities are uncompensated or do not involve a significant time commitment, an employee is obligated to disclose those activities and secure pre-approval from a senior executive, dean, or vice president prior to commencement. Failure to timely and fully disclose an actual or potential conflict of interest may result in disciplinary action up to and including termination.

POLICY STATEMENT

This policy identifies the type of conflicts and/or relationships that require disclosure, sets forth the procedures for reporting such conflicts, and the process for review, approval and/or management of conflicts – actual or potential – and remediation and corrective action when appropriate.

This policy applies to all employee classifications. Examples of conflicts used in this policy are illustrative only and not intended to be all-inclusive.

A potential **conflict of interest** exists whenever personal, professional, commercial, or financial interests or activities outside of the University have the possibility (either in actuality or in appearance) of (1) compromising a faculty or staff member's judgment in relation to their job responsibilities, such as influencing decisions or behavior with respect to teaching and student affairs, appointments and promotions, uses of University resources, interactions with human subjects, or other matters of interest to the University; (2) using or allowing the use of a faculty or staff member's name and employment or position with NSU as endorsement or support of an outside entity without express permission of the dean or vice president (this includes serving on board of directors or advisors with or without compensation); (2) biasing the nature or direction of scholarly research; (3) resulting in a personal or family member's gain or advancement at the expense of the University. For purposes of this policy, family members include, but are not limited to spouse, domestic partner, dependents, parents and siblings, or other close personal relationships.

This policy applies to the following:

- I. Actual or potential conflicts of interests;
- II. Improper payments, competition, and fair dealing; and
- III. Confidential and proprietary information.

I. Actual or Potential Conflicts of Interest

Employees should avoid any personal or business relationships, dealings or investments that create a personal interest that conflicts with the best interest of the University. A potential conflict situation can arise when an employee, officer, director, manager, administrator, or supervisor takes actions or has interests that may make it difficult to perform university work objectively and/or effectively.

It is not possible to foresee or define every situation which may constitute an actual or potential conflict of interest that should be disclosed. Conflicts may occur in, but not be limited to, situations where an individual (employee, officer, director, manager, administrator, supervisor, or a family member) engages in any of the examples below. All of the following situations must be disclosed so there is knowledge of and authorization by the appropriate Dean or Vice President:

- A. Individual has a direct financial interest in, or obligation to, a supplier, vendor, contractor, or customer of the University. Employees must disclose to their unit head significant control of, interests in, or consulting relationships with, any entity providing or seeking to provide goods or services to the University. Disclosure is not required by individuals with an ownership interest of less than 5%.
- B. Individual being a founder, investor, or having any other ownership stake in a non-publicly traded entity is considered a significant financial interest.
- C. Individual engages in a University business transaction with themselves or a family member.

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- D. Individual is employed, part-time or otherwise, by a supplier, vendor, contractor or customer of the University, sells products or services to University employees, or recruits University employees to sell or distribute products. Employees must also disclose if a family member is employed as a supervisor, manager, officer or director of any of the above-mentioned entities.
 - E. Individual serves on the board of directors or as an officer of, or acts as a consultant or advisor to, a supplier, contractor, vendor or customer of the University (other than at the request of the University).
 - F. Individual competes directly or indirectly with NSU in the provision, purchase or sale of any property, goods or services or in other activities in which NSU is or might reasonably and appropriately become engaged.
 - G. Individual uses University equipment, computer software and services, materials, supplies, content, data and other information and business relationships obtained in the course of employment with the University to advance personal financial interests.
 - H. Individual has a financial interest that reasonably could affect the design, conduct, or reporting of sponsored grant and/or contract-related projects. The policy regarding Financial Conflicts of Interest in Sponsored Programs can be accessed at:
https://www.nova.edu/portal/osp/policies/forms/compliance_conflict_interest.pdf

Anyone with knowledge of a conflict, potential conflict, or possible violation of this policy should immediately advise their Dean/Vice President or the Office of Human Resources. Questions should be directed to the Dean/Vice President or the Vice President of Human Resources.

II. Improper Payments, Competition and Fair Dealing

All funds expended for business entertainment and gifts must be fully and accurately documented and reflected in the books and records of the University, pursuant to the University's *Travel Policy* (<https://www.nova.edu/portal/hr/policies/travel.html>). Fees, commissions, and expenses paid to any outside consultant, attorney, accountant, contractor, vendor, or agent of any kind should be based upon proper billings and reasonable standards for services rendered.

The University does not permit or allow any illegal or improper payments, transfers, or receipts. Employees should not offer, give, solicit, or accept any money, or anything else of value for the purpose of obtaining or bestowing business or preferential treatment. Nor should employees provide to or accept from any person or entity doing business with the University, discounts, cash, cash equivalents (such as gift certificates), business entertainment and/or gifts that exceed a value of \$100. Employees should never solicit such discounts, entertainment or gifts.

Disclosure is required when an individual receives, within a calendar year, a single gift or multiple gifts with a cumulative value in excess of \$100 from a current or prospective vendor, service provider or student. Any personal gift(s) valued at \$100 or more (including but not limited to business or personal trips, business meals, entertainment, tickets to sporting and other events) to an employee, or any member of an employee's immediate family, from any University contractor, customer or supplier, or from anyone with whom that employee does business on behalf of the University must be disclosed. Gifts of less than a cumulative amount of \$100, which are not otherwise to be disclosed under the terms of this policy, may be accepted without disclosure provided they would not influence nor reasonably appear to influence the employee's business judgment.

III. Confidential and Proprietary Information

All employees must safeguard confidential and/or proprietary information entrusted to them by the University, except when disclosure is authorized by the University's legal counsel or required by laws or regulations. Employees are not permitted to use confidential information to advance their own financial or personal interest or the financial or personal interests of any other person.

Confidential information includes all non-public information that might be detrimental to the University or its users, if disclosed. It also includes information that employees, suppliers, customers, and students have entrusted to us to remain confidential. Note that disclosure of confidential information, whether intentional or inadvertent, is a violation of University policy (see *Corrective Action Policy* at <https://www.nova.edu/portal/hr/policies/corrective-action.html>) and may also violate federal and state laws and regulations.

Proprietary information includes intellectual property such as trade secrets, patents, trademarks and copyrights, as well as business, marketing and service plans, databases, records, salary, or personal information and any unpublished financial data and reports. Unauthorized use or distribution of this information is considered a violation under this policy.

This policy is not intended to alter or amend the *University's Copyright and Patent Policy* <https://www.nova.edu/portal/hr/policies/copyright-patent.html>. Or {include academic freedom policy title and reference}

Conflict of Commitment

A **conflict of commitment** occurs when the time or effort that an employee devotes to extramural activities/relationships has the possibility (either in actuality or in appearance) of interfering with the employee's fulfillment of assigned university responsibilities, or when an employee makes unauthorized use of university resources in the course of an external activity.

Attempts to balance University responsibilities with outside activities – such as consulting, serving as a board member or officer of another entity, even without compensation, government service, extramural

activities, public service, or pro bono work – can result in conflicts regarding the distribution of time and energy as well as an employee’s ability to fully perform and prioritize their NSU job duties. NSU employees are responsible for ensuring that their assigned duties for NSU receive their complete dedication and focus. Conflicts of Commitment usually involve issues of effort or time allocation. Even in instances where your pro-bono work does not involve a significant time commitment from you, you are obligated to disclose those activities and secure pre-approval from your Dean or Vice President prior to participating. NSU expects that an employee’s outside activities and interests will not interfere with his or her teaching, scholarly research, or other obligations to the University.

This policy applies to the following:

- I. External activities/relationships;
- II. Faculty and outside teaching commitments; and
- III. Use of university resources.

I. External Activities/Relationships

- A. Generally, employees are prohibited from earning additional compensation from any external source for work performed during their regular working hours. Faculty members, however, may conduct research and scholarship or write in their areas of expertise or interest for purposes of promoting knowledge in their respective fields, even if the effort results in a commercially published work.

II. Faculty and outside teaching commitments:

- A. Full-time faculty teaching for another institution is prohibited without the express consent of the Dean, including one-time engagements such as a seminar and/or colloquium.
- B. The threshold for acceptable consulting and teaching outside the school in which faculty are primarily employed will vary by School, Center, and Division, and must be assessed on a case-by-case basis.
- C. Faculty with a dual appointment outside the University must adhere to the terms of their respective Memorandum of Understanding (MOU) or Intergovernmental Personnel Agreement (IPA), and must have the express consent of the Dean, Provost and President.
- D. Honorariums, for one-time engagements (e.g., guest speaker, conference presentation), are not permissible under this policy, without the express consent of the Dean.

III. Use of University Resources

- A. Employees may not use University property or facilities for any business or professional purpose not related to their position at the University, without the written approval of the President, the Provost or the Executive Vice President & Chief Operating Officer.

Annual Conflict of Interest Compliance Program

Annually, all regular full-time and part-time faculty and staff at the level of Director and above are required to complete NSU's Conflict of Interest (COI) Compliance Program, which includes a review of the Conflict of Interest Policy, completing and submitting a conflict of interest disclosure questionnaire and biennial training.

NSU employees must not create a conflict of interest or conflict of commitment and employees have an ongoing responsibility to report and fully disclose any personal, professional, or financial interest, relationship or activity that may create or imply an actual or apparent conflict of interest with respect to the employee's duties with NSU. Where a conflict of interest has been identified, a covered person must disclose the conflict of interest, where relevant and cooperate with any plan adopted by NSU to manage, reduce, or eliminate the conflict of interest.

Disclosing Conflicts of Interest/ Conflicts of Commitment

Effective implementation of this policy requires full disclosure of individual interests that might conflict with the best interests of NSU. As such, using the Convercent online portal, employees have an ethical duty and responsibility to make known on an ongoing basis any current, proposed, or unsettled affairs that may represent a Conflict of Interest, including but not limited to a proposed related party transaction.

The Disclosure Process

1. The conflict of interest/commitment disclosure process begins with an individual completing a disclosure questionnaire online.
2. The electronic system then forwards the disclosure to the respective Dean/Vice President.
3. If necessary, the Dean/Vice President may contact the employee making a disclosure to request additional information. Then the Dean/Vice President may create a management plan to address any conflicts.
4. The management plan is then forwarded to the Office of Human Resources for review.
5. The Office of Human Resources may require special safeguards and oversight to manage the actual, potential or perceived conflict of interest/commitment.

Employees should disclose the essential facts relating to any Conflict of Interest/Commitment as soon as the presence of a possible Conflict is recognized; and in all events, must disclose the essential facts relating to any transaction prior to entering into the transaction. Situations occasionally take place where an employee is not aware of a Conflict of Interest/Commitment timely; however, where an employee becomes aware that they have not disclosed a Conflict of Interest timely, the employee has an ongoing duty to disclose it as soon as possible. Disclosures should be made in full, including the precise nature of the person's interest and/or involvement. If an employee is uncertain whether to disclose a particular business or financial relationship, the employees' Dean and/or Vice President should be consulted. For previously reported conflicts, an amended disclosure form must be filed promptly in the event of a material change in circumstances.

Circumstances that involve violations of this policy, including failure to file or knowingly filing an incomplete, erroneous, or misleading disclosure, or failure to comply with any requirements set forth in the management plan provided by your Dean/Vice President may result in corrective action, up to and including termination.

Management Plan

If a potential or perceived Conflict of Interest/Conflict of Commitment is identified, the Dean or Vice President is responsible for developing and monitoring a *Management Plan* to address and/or eliminate the Conflict of Interest/Conflict of Commitment. The management plan would be required for activities that may be permissible following full disclosure and that can be managed in accordance with appropriate University policies, to ensure institutional integrity, academic standards, and intellectual value.

Some common strategies for eliminating, mitigating, or managing conflicts include:

- Public disclosure of significant financial interests
- Training on conflicts of interest and commitment for all involved personnel
- Independent monitoring and oversight of the activity
- Modification of the research activity to remove the conflicted faculty member from participation in all or a portion of the research
- Divestiture of significant financial interests
- Required resignation from outside appointment giving rise to the conflict

RESPONSIBILITIES

- All faculty and staff members are to act with honesty, integrity, and in the best interest of the University when performing their duties, and to abide by the highest standards of research, educational, professional, and fiscal conduct.
- All full-time and part-time faculty members (excluding adjuncts) and staff members at the level of Director and above must complete a *Conflict of Interest/Conflict of Commitment Declaration & Disclosure Statement*, identifying any actual or potential conflicts, upon hire and then annually on or about October 15th.
- The burden is on the employee to disclose and resolve all questions before engaging in any activity that represents or has the potential to represent a conflict of interest or commitment.
- Employees are charged with the responsibility of providing immediate disclosure to their Dean or Department Head prior to: (1) a change in status of an existing actual, perceived, or potential conflict of interest/conflict of commitment; and/or (2) the identification of a new actual, perceived, or potential conflict of interest/conflict of commitment.
- Failure to disclose an actual or potential conflict of interest and/or conflict of commitment may result in disciplinary action, up to and including termination.
- Questions regarding scope and policy application should be referred to the Dean, Vice President or Office of Human Resources. Specifically, Deans and Vice Presidents are charged with the following:
 - Review Conflict of Interest/Conflict of Commitment disclosures or assign review to designee.

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- Advise employees with respect to existing and proposed relationships and activities so that they may seek to avoid an actual Conflict of Interest or Conflict of Commitment.
 - Effectively address questions and/or circumstances which have the appearance or potential to create a Conflict of Interest/Conflict of Commitment by creating and enforcing a Management Plan.
 - Consult with the Office of Human Resources (OHR) whenever it is necessary to implement a Management Plan.