

# The University Senate of Michigan Technological University

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## CONFLICT OF INTEREST STATEMENT FOR THE BOARD OF TRUSTEES

([Proposal 4-96](#))

([Proposal 38-11](#))

### Senate Policy 201.1

#### [Coordinating Procedures 201.1.1](#)

##### Background

The federal government is in the process of updating its regulations related to conflict of interest policies and practices related to university sponsored program activities. These changes are expected to be significant, and will particularly impact public disclosure of conflicts and significant financial interests of individuals. The Vice President for Research and the Office of Research Integrity and Compliance have worked with the Senate Research Policy Committee to revise Board Policy 4.7 Conflict of Interest, and the Senate passed the amended policy as Senate Proposal 38-11 on April 6, 2011. The revision provides a policy that is consistent with both the current and anticipated regulations, and removes much of the procedural detail that was incorporated into the current policy. Once the final federal regulations are issued, the procedures will be modified for implementation.

### Chapter 3. Faculty Rights and Responsibilities

#### Section 3.1 General Policy

##### 3.1.1 Conflict of Interest/Effort

##### Preamble

Conflicts can be divided into two basic categories. The first covers what many people traditionally associate with the term conflict of interest--opportunities for inappropriate personal gain during the pursuit of official duties. These gains may be financial, but other forms of benefit (power, political advantage, etc.) might also be involved. Another form of conflict has been labeled conflict of commitment, and refers to the choices individuals make about their professional priorities, especially the allocation of their time to the different institutions and organizations they serve as professionals. Conflicts of commitment may emerge when outside professional activities take priority over other professional responsibilities of members of the Michigan Technological University community to the University.

With respect to paid members of the Michigan Technological University community, the term "conflict of interest" as used herein is intended to include "conflicts of commitment." With respect to volunteers such as members of the Board of Trustees, the Tech Fund and Alumni Boards, only those conflicts of a pecuniary nature are encompassed by the term "conflict of interest."

##### Statement of General Principles

Upon becoming a member of the Michigan Technological University community, which includes members of the Board of Trustees and other volunteer boards, every individual makes a commitment to the University. Those who accept full-time University appointments or employment are expected to accord the University their primary professional loyalty. Every paid member of the community is

expected to arrange their personal interests and activities so as not to conflict with their commitment to the University.

This does not mean that members of the Michigan Technological University community should avoid involvement in outside activities both public and private. To the contrary, such involvement often serves the University as a whole and the greater public interest. A state-funded, public university such as Michigan Tech is expected to be broadly engaged in meeting the needs of society for its improvement and enrichment, including the application of new knowledge and improved technologies. Therefore, Michigan Tech strongly encourages outside professional activity by faculty, staff, and administrators, for such efforts usually complement the other responsibilities of members of the Michigan Tech community. Nothing in this policy should be interpreted as discouraging such efforts.

Nonetheless, the efforts of members of the Michigan Technological University community to balance their commitments of time to the University and to outside professional interests must result in their primary professional commitment of time being made to the University. Similarly, avoidance of conflict of interest requires that individuals not realize gain, financial or otherwise, from the inappropriate use of University property, funds, equipment, or prestige. Also, individuals should not realize gain from outside professional interests that would improperly influence the conduct of their University duties.

## **Disclosure Required**

Conflicts of interest are inherent in the requirements and expectations placed on members of academic communities such as Michigan Technological University.

Because conflicts are unavoidable in many instances, this conflict of interest policy is designed to assist members of the Michigan Technological University community to recognize and deal with those real and perceived conflicts that arise. The most basic and important procedure for achieving both a balance of commitment and preventing or enabling the University to manage conflicts of interest with financial implications is full and open disclosure of significant interests and potential conflicts between an individual's public and official obligations and responsibilities on the one hand, and outside professional goals and interests on the other.

Recognizing and disclosing the existence of conflicts of interest and commitment must be, primarily, the responsibility of individual members of the Michigan Tech community. Individuals have to be guided by a sense of professional responsibility, which must include the recognition that they have a public trust as employees of a public university and must be sensitive to potential conflicts. A standard that should be applied in thinking about conflicts of interest is how matters will appear to an outside third party. In this respect, actions by individuals should protect the integrity of Michigan Tech. To that end, periodic and transactional disclosure of significant financial interests (as defined by federal regulations) by individual members of the Michigan Tech community allows the objective determination of whether a financial conflict of interest exists in any given situation.

Members of the University community engaged in research and scholarly activities have an additional need to maintain objectivity and to insure that inappropriate bias is not introduced into their scholarship. Agencies providing support for research and scholarly activities may have conflict of interest disclosure and training requirements, and it is the intent of the University to be in compliance with those external requirements.

Michigan Technological University has a responsibility to help individuals resolve, or at least minimize, conflicts of interest. Administrators have a special responsibility of creating both an environment and the conditions that encourage full disclosure and the mitigation of conflicts.

## **Mitigation of Conflicts**

No individual having a direct or indirect financial interest in the outcome of any decision to be made on behalf of the University, or having a close relative with a direct or indirect financial interest in the outcome of any decision to be made on behalf of the University will participate in making that decision, except to the extent the individual's advice or opinion is requested by others charged with the responsibility for making such a decision.

Efforts to resolve and ameliorate conflict of interest shall be handled at the lowest appropriate administrative level. In most instances, members of the Michigan Tech community will not need authorization or approval from their immediate supervisors before engaging in outside professional activities. Certain cases, however, may require detailed scrutiny and greater care in handling to protect the rights of all parties.

The University Provost shall designate a Conflict of Interest Coordinator. This individual shall act in accord with this conflict of interest policy as well as guidelines established by external granting agencies. Additionally, a University level review committee may be established on a case-by-case basis to examine the circumstances and provide direction aimed at insuring the amelioration of inappropriate conflicts of interest.

## **Violations of University Policy**

Michigan Tech has the authority to take action against individuals who violate conflict of interest policy. Sanctions, which may include termination, are to be graduated to reflect the seriousness of the violation. In enforcing this policy it should be recognized that conflicts are not always blatant; they are not always easily defined in terms of obvious or absolute rights and wrongs. Distinctions must be made between neglect, honest oversights, or ignorance of procedures on the one hand and willful violations on the other, especially deliberate failures to disclose interests or relationships that create conflicts of interest.

See [Appendix B](#) , "Conflict of Interest Procedures" for more information .

### **Proposal 4-96:**

**Adopted by Senate: September 13, 1995**

**Approved by President: November 1, 1995**

**Approved by Board of Control**

### **Proposal 38-11:**

**Introduced to Senate: 23 March 2011**

**Adopted by Senate: 06 April 2011**

**Approved by Administration with Friendly Amendments: 19 April 2011**

**Senate Approved Friendly Amendments: 20 April 2011**

**September 2015: Name Change from Board of Control to Board of Trustees**