

The Senate of Michigan Technological University

PROPOSAL 1-67

CONFLICT OF INTEREST POLICY

Statement of Policy.

External activities such as consulting, research, testing, or other professional work within the area of specialization of the individual university staff member shall, in general, be deemed advantageous to the University. However, external activities shall be prohibited which could expose the staff member to either actual or apparent conflicts of interest arising out of (a) multiple concurrent financial, recommendational, or occupational arrangements or obligations in relation to institutionally sponsored programs, or (b) excessive or disproportionate competing demands on the time, energies, or intellectual effort of the staff member.

This policy should not be interpreted in such a manner as to prevent or inhibit ad hoc professional activities of a cursory nature, unsponsored professional investigations and writings, or similar activities cognate to the primary obligation of the staff member to the University and obviously not within the intent of the policy.

It shall be both the collective responsibility of each academic department or research component, and the individual professional responsibility of each staff member to assure conformance to this policy.

Procedural Responsibility.

1. The University shall take steps to assure understanding on the part of all departmental administrators and staff members, of the possible conflict of interest problems that may develop.
2. Each staff member shall inform his department chairman on a continuing basis concerning the nature and scope of all substantial external activities in which he is engaged.
3. A standing committee shall be appointed in each academic department and research component to assist the staff members in planning the endeavor and to advise the staff members and department chairman or component directors on matters relating to staff members' contractual obligations to the University.
4. The University shall establish and administer uniform procedures sufficient to document compliance with this conflict of interest policy by those staff members who participate directly in research contracts between the University and any other person, organization or agency.
5. A committee composed of the Assistant to the President, the Director of Research, and the Vice-President of Academic Affairs shall serve as a review board in determining whether any staff member's activities constitute conflict of interest when questions are referred to them either by an administrator or staff member.

Conflict Situations Defined

1. Favoring of Outside Interests. A University staff member who participates in sponsored research must avoid conflicts of interest which might arise through his having a significant

interest in a private business concern, or a consulting relationship with such. Conflict of interest may arise in or from the following situations, among others:

- a. Orientation of a sponsored research project to serve the needs of a private firm (other than the sponsor) without disclosing this to the University or the sponsor.
- b. Purchase of major equipment, instruments, or materials from a private firm in which the staff member has an interest, without disclosure of such interest.
- c. Transmission of results, materials, records or other information from a sponsored research project to a private firm (other than the sponsor) in which the staff member has an interest. This refers to results, materials, records, or information not made generally available.
- d. Unauthorized divulgence of privileged information for personal gain. Privileged information here includes any information or records which are not generally available to others.
- e. Influencing negotiation of contracts between the University and a private organization in which the staff member has a consulting or other significant interest.
- f. Acceptance of gratuities or special favors from organizations with which the University may conduct business or extension of gratuities or special favors to employees of such organizations, under circumstances which might reasonably be interpreted as an attempt to influence the recipient's conduct of their duties.
- g. Giving advice which may be of questionable objectivity because of its possible bearing on other interests. Conflict of interest could arise, for example, when a staff member is called upon by the University or other third party for an evaluation of some technical aspect of the work of an organization in which he has a consulting or employment relationship or financial interest.

2. Distribution of Effort. Each staff member participating in sponsored research must assure that the amount of effort he devotes to his research project and other duties is in proportion to the agreed-upon division of his time (for example among research, teaching, committee assignments, outside consulting). This does not imply a precise accounting of time, because the inherent character of a faculty member's work generally precludes such detailed classification.

Proposal Adopted by Senate: 11 October 1967