

POLICY CONCEPT FORM

Name and UO Title/Affiliation:	Cassandra Moseley, Sr. AVP Research and Innovation
Policy Title/# (if applicable):	Conflicts of Interest, Potential
Submitted on Behalf Of:	Provost
Responsible Executive Officer:	Senior Vice President and Provost

SELECT ONE: **New Policy** **Revision** **Repeal**

Click the box to select

HAS THE OFFICE OF GENERAL COUNSEL REVIEWED THIS CONCEPT: **Yes** **No**

If yes, which attorney(s): Jessica Price

GENERAL SUBJECT MATTER

Include the policy name and number of any existing policies associated with this concept.

The current name of this policy is "Conflicts of Interest, Potential."

<https://policies.uoregon.edu/policy/by/1/09-research/conflicts-interest-potential>

The proposed revised policy is "Conflict of Interest, Conflict of Commitment, and Outside Activities."

The purpose of this policy is to allow UO employees to conduct outside work consistent with state ethics laws, including outlining which activities should and should not be disclosed.

RELATED STATUTES, REGULATIONS, POLICIES, ETC.

List known statutes, regulations, policies (including unit level policies), or similar related to or impacted by the concept. Include hyperlinks where possible, excerpts when practical (e.g. a short statute), or attachments if necessary.

Examples: statute that negates the need for or requires updates to an existing policy; unit level policy(ies) proposed for University-wide enactment; or existing policies used in a new, merged and updated policy.

State law (ORS 352.232) requires a university policy to govern outside employment and activities, including actual and potential conflicts of interest, and procedures for reporting and managing conflicts of interest, if employees are to be permitted to engage in outside work. The University of prohibited from authorizing outside compensation that “does not comport with the mission of the public university or substantially interferes with an officer’s or employee’s duties to the university.”

https://www.oregonlegislature.gov/bills_laws/ors/ors352.html

The definition of actual and potential “conflicts of interest” comes from ORS 244.020(1), (13).

https://www.oregonlegislature.gov/bills_laws/ors/ors244.html

The policy is clear to exempt reimbursements for travel, gifts, and honoraria, which are outlined in ORS 244.025 and ORS 244.042 respectively.

<https://www.oregonlaws.org/ors/244.025>

<https://www.oregonlaws.org/ors/244.042>

Finally, disciplinary measures for failing to adhere to the policy has the force of law pursuant to ORS 352.087, which dictates the “powers and duties of governing board and public universities.”

https://www.oregonlegislature.gov/bills_laws/ors/ors352.html

Related University policies:

Academic Freedom

<https://policies.uoregon.edu/content/academic-freedom-0>

Employment of More than One Member of Household

<https://policies.uoregon.edu/employment-more-one-member-household>

Faculty: Overload Compensation

<https://policies.uoregon.edu/policy/by/1/0201-personnel/faculty-overload-compensation>

Family Relationships and Employment

<https://policies.uoregon.edu/family-relationships-and-employment>

Financial Conflict of Interest in Research

<https://policies.uoregon.edu/vol-2-academics-instruction-research/ch-6-research-general/research-financial-conflict-interest>

Financial Irregularities

<https://policies.uoregon.edu/financial-irregularities>

Freedom of Inquiry and Free Speech

<https://policies.uoregon.edu/policy/by/1/01-administration-and-governance/freedom-inquiry-and-free-speech>

Inventions, License Agreements, Educational & Professional Materials Development, Patents & Copyrights

<https://policies.uoregon.edu/vol-2-academics-instruction-research/ch-7-innovation-tech-transfer-economic-development/inventions>

Compensation (Formerly OUS Management Directive). 4.111. This OUS management directive

is duplicative of the UO policy and will need to be separately repealed.
<https://policies.uoregon.edu/compensation>

STATEMENT OF NEED

What does this concept accomplish and why is it necessary?

We are seeking to revise this policy because as currently written it is difficult to implement effectively, leaving employees vulnerable to ethics law violations. In addition, the difficulty in complying with this policy is causing delays in sponsored project awards, especially awards that involve partnerships with companies and spin-offs. Moreover, the current policy is confusing to employees, difficult to comply with, and no longer consistent with the State of Oregon ethics rules. The revisions seek to simplify the policy, make it easier to comply with, and clearly divide the spirit of the policy from the procedures of implementing the policy.

AFFECTED PARTIES

Who is impacted by this change, and how?

The revised policy explicitly affects all employees. The prior version of the policy was unclear in exactly who it covered, but appeared to only cover faculty and OA. The revised policy authorizes employees to conduct outside work under certain conditions. Absent a policy, employees may not conduct outside work.

CONSULTED STAKEHOLDERS

Which offices/departments have reviewed your concept and are they confirmed as supportive? (Please do not provide a list of every individual consulted. Remain focused on stakeholders (e.g. ASUO, Office of the Provost, Registrar, Title IX Coordinator, etc.).)

Review was conducted in three parts. First, during the month of April 2018, input was sought from a variety of groups via short engagement in meetings, as well as by providing a link to provide written comments. After this initial phase of outreach, the discussion draft was significantly revised. The list of meetings is listed below.

Second, a joint administration-senate *ad hoc* committee was formed to further consider and revise the draft. This committee met in September and October 2018 to further revise the policy.

Third, the revised policy, approved by the committee, was open for a public comment period in November 2018. Following that process, the committee met to incorporate public feedback. The recommended policy draft was submitted to UO President Schill and Senate President Harbaugh in December 2018.

Phase I: Initial Outreach

Name	Office	Date
Human Resource Council	Human Resources	4/3/2018
Department Heads	College of Education	4/4/2018
Executive Team	Office of the Provost	4/5/2018
Chiefs of Staff for VPs		4/5/2018
Dept. Heads/Associate Deans	College of Design	4/9/2018
Joint Labor Management Committee	United Academics/OtP/ELR	4/9/2018
Chris Sinclair & Bill Harbaugh	UO Senate	4/12/2018
Associate VPs, VPFA	VP Finance & Administration	4/13/2018
Faculty Advisory Council	Office of the Provost	4/16/2018
Senate Executive Committee	UO Senate	4/18/2018
Senior Staff	Office of the President	4/19/2018
OA Council		4/19/2018
Conflict of Interest in Research Committee (COIRC) – committee is primarily made up of faculty.	Office of the Vice President for Research and Innovation	4/19/2018
Research Compliance Services and Innovation Partnership Services – reviewed for alignment with Intellectual Property and Financial Conflict of Interest in Research policies.	Office Of The Vice President For Research And Innovation	Multiple reviews over the course of the process
Wise Heads	College of Arts & Sciences	4/24/2018
Deans Council	Office of the Provost	4/24/2018
Trisha Burnett	Office of Internal Audit	4/26/2018
Interested faculty	Lundquist College of Business	4/27/2018

Phase II: Joint Administration-Senate *ad hoc* committee members

This committee was appointment by UO President Schill and Senate President Harbaugh in June 2018.

This committee met six times from September 25 – October 30, 2018 to produce the draft public revised policy, which was posted for review in November 2018. Committee members were:

Co-Chairs:

Cassandra Moseley, Senior Associate Vice President for Research and Innovation
Elizabeth Skowron, Professor, Counseling Psychology and UO Senate Vice President

Members:

John Bonine, Professor, Law School
John Chalmers, Professor of Finance, Lundquist College of Business
Susan Gary, Professor, Law School
Darren Johnson, Professor, Chemistry and Biochemistry, College of Arts and Sciences
Terry McQuilkin, Access Services Specialist, UO Libraries, and Instructor of Composition, School of Music and Dance
Jessica Price, Associate General Counsel
Micah Sardell, Director of Enterprise Systems, Information Services and Co-Chair, OA Council
Philip Speranza, Assistant Professor, Architecture, College of Design
Chuck Williams, Associate Vice President for Innovation

Staff:

Chloe Tirabasso, Executive Assistant, Research and Innovation

Phase III: Public Comment Period

The revised policy, approved by the *ad hoc* committee, was posted for public review from November 1-21, 2018 on an internal UO website with an accompanying Qualtrics survey for gathering feedback. The policy was likewise discussed in the following venues:

11/5/18: Managers Meeting, Office of the Vice President for Research and Innovation
11/6/18: Deans Council Meeting
11/7/18: UO Senate Executive Meeting
11/8/18: Officers of Administration Council Meeting
11/9/18: Human Resources Council Meeting
11/14/18: UO Senate Meeting
11/15/18: Chiefs of Staff Meeting
11/16/18: COI Policy Open House
Note: This was open to all of campus and was advertised through *Around the O*, the UO website, and the Academic and Administrative Leadership, OA Council,

UO unions, HR Partners, UO Senate, Financial Conflict of Interest in Research, Chiefs of Staff, and Research and Innovation staff email lists.

The *ad hoc* committee then met twice more to incorporate the public feedback into the policy. They likewise finalized a recommended procedures document for use of the revised COI Procedures committee, which will be appointed by the President's office.

12/3/18: The final revised policy was sent to UO President Schill and Senate President Harbaugh.

Phase IV: Final Revisions

2/2019: The policy was further revised based on feedback and resubmitted to the UO President and the Senate President.

3/13/19: The Senate passed a resolution supporting the policy.

INCLUDED IN THIS PACKET:

1. CONCEPT FORM (THIS DOCUMENT)
2. SUMMARY OF CHANGES SPREADSHEET
3. PROPOSED NEW POLICY
4. CURRENT POLICY PROPOSED FOR REPEAL

SUMMARY OF CHANGES

Topic	Original Policy	Revised Policy
Reason for Policy	"To set forth the University's policy on interactions between University employees and organizations external to the University of Oregon."	Clarifies that state law requires the University to have a policy to govern outside activities that could include conflicts of interest or commitment.
Responsible Office	Unclear (many)	Office of the President or office designated by the President.
Scope	Not specified; mentions employees, directed toward teaching faculty and funded researchers.	Employees, officials and agents.
Overview	Preamble with full ORS law stated. Citation to former state law. Five paragraphs of policy overview, including paragraph dedicated to "employee loyalty."	Summary of current ORS law and policy intent, including clarification of conflicts of interest and commitment, written in the context of outside activities.
Definitions	Potential conflict of interest is defined in the preamble by reference to an outdated, former statutory section.	Definitions of 8 terms commonly found in policy, including conflict of interest by reference to the current statutory sections.
Encouragement of Outside Activities	Approved activities encouraged as part of University mission.	No change.
Private, commercial use of University resources	Approved with permission only. University stationary not allowed for consulting work.	No change, though no specific mention of stationary.
Use of non-public information for financial gain	Not specified.	Prohibited.
Time commitment of outside activities	Full-time faculty: 1 day in each 7-day week. Prorated for part-time faculty. Reasonable amount of time averaged over term allowed. Permission required from supervisor for outside activities requiring time away from work for all other employee classifications.	The 1 day in 7 rule applies to 9-month faculty and does not apply during the summer. Averaging time over term remains allowed. Clarifies that employees are allowed to engage in outside activities when on paid leave or sabbatical or if they are part-time and the outside activity occurs when employee is not working at the University.
Outside activities unrelated to university employment	Not subject to these policies unless they create a potential conflict of interest, in which case such activities must be disclosed.	No change.
Reimbursement for travel	Not required to disclose.	No change.
Professional affiliations/engagements	Not required to disclose. Described as serving on advisory bodies or public commissions, travel for conferences for the purpose of presenting lectures, leading seminars or workshops, or visiting the laboratories of colleagues, related to academic or professional work.	Not required to disclose. Described as appearances, performances, exhibits, publications, and uncompensated activities for not-for-profit organizations, related to University employment.
Outside activities of student or graduate employees	Not specified.	Not required to disclose.
Consulting	Not required to disclose, but defined as "limited" consulting, where it revisits other rules from the policy such as 1 day in 7. Specifies consulting is allowed as part of official duties on matters of mutual interest or of public benefit.	Not required to disclose when perform consulting as an individual or sole proprietor.
Compliance with IP Policy	Not specified. General statement that care must be taken to protect intellectual property.	Employees must ensure that they comply with the IP Policy.
Employment or ownership of equity in an entity	Requires disclosure of acceptance of compensation from an enterprise that carries on activities closely related to the University employee's area of work.	Requires disclosure of employment by or ownership of equity in an "entity," including a consulting entity, when the activity is closely related to the employee's area of work or to their field of expertise. Clarifies that this excludes publicly-traded equity absent majority ownership.
Outside activities that involve research and development and/or creation of technology and software.	Not specified.	Require disclosure.
Management or participation in daily operations of entity	Requires disclosure if "service in a line management position" or "service in a key, continuing role."	Requires disclosure (omits specifications).
Employment of UO students	Does not specifically require disclosure, but lists "possible effects of students" as a "possible area of concern."	Requires disclosure, specifically for student whom the employee currently teaches, directly supervises, or formally advises.
Disclosures of PIs	Information included in policy, some overlap with FCOIR.	Information omitted (covered in FCOIR policy).
Outside activity disclosure	Employees required to submit written disclosure to immediate supervisor. Significant process/procedural information included. Possible actions taken and examples included. Significant detail of how to write the disclosure is included.	Employees required to submit written disclosure each calendar year. President/designee will make sure a reminder is sent (at least) annually. Outside activities engaged in mid-year will require a disclosure mid-year. Further details (how to disclose, response for disclosure, etc.) are not included in policy and will be written out in the procedures.

SUMMARY OF CHANGES

Review and approval	Requires submission to immediate supervisor, followed by supervisor forwarding a recommendation to the appropriate vice president, with copies to the dean or director and the Vice President for Research. Additional process described for principal investigators submitting proposals through the Office of Research Services. Approval standards and options not specified.	Noted that President/designee will create procedures, while noting that outside activity that creates an actual or potential conflict of interest is subject to a management plan and/or decision that it is not authorized. Noted that the President/designee is responsible for determining if there is a conflict of interest and notifying the employee of that determination.
Reporting concerns about another employee	Not specified.	Employees with concerns about another employee may discuss those concerns with the supervisor or President's designee. Reports can also be made to the Office of the Internal Audit. Noted that more procedures would be made.
Appeals process	Appeals may be made in writing to the President and the President shall respond within 30 days. No further appeal available after the President's decision.	No change, except the procedural items (e.g. 30 days) are not included and will be created by the President/designee in the procedures.
Accountability	Outcome of noncompliance is discussed in terms of "sanctions" and "cause," with employee termination an option. Extensive ORS law quoted.	Failure to comply may result in termination of employee. ORS law not quoted.
Confidentiality	Employee's written disclosures and requests for approval are confidential.	Not specified.
Related Resources	None.	Related policies listed.
Special areas of concerns	Research activities undertaken in collaboration with the private sector must be appropriate to the University. Collaboration with external organizations must not interfere with the intellectual environment of the University. Relations between senior and junior faculty should not be influenced adversely by interactions with private sector. The possible effects on students of interactions between faculty and external organizations should be carefully assessed.	With the exception of the student segment, not specified.
Reporting	Units are required to provide reports to the appropriate dean or vice president and annually the Vice President for Research will submit a report to the President.	Not specified.
Policy re-review	Policy should be reviewed every two years.	Not specified.

Reason for Policy

If *employees* are to be permitted to engage in *outside activities* that may or will include *conflicts of interest* or *conflicts of commitment*, state law requires a university policy to govern such *outside activities*.

Entities Affected by this Policy

This policy applies to all University of Oregon *employees*, officials, and agents. It does not in any way alter the requirements contained in the [Financial Conflict of Interest in Research Policy](#) (II.06.01) or the [Inventions, License Agreements, Educational & Professional Materials Development, Patents & Copyrights Policy](#) (II.07.02).

Web Site Address for this Policy

[To be updated once approved and posted]

Responsible Office

Office of the President or other office designated by the President: 541-346-3036,
pres@uoregon.edu

Enactment & Revision History

2/8/2010	Policy number revised from 3.095 to 09.00.05
2001	Edited and approval recommended by President’s Staff
10/1/1995	Revisions to be effective
5/1995	Revised and approval recommended by President’s Staff
11/13/1991	Reissued by President Brand
8/7/1991	Reviewed and approval recommended by President’s Staff
12/21/1991	Original effective date

Policy

I. OVERVIEW

Teaching, research, administration, and public service are essential to the mission of the University of Oregon. The function of the University is enhanced by ethical relationships

between *employees* and outside *entities*. The University encourages *employees* to engage in *outside activities* that advance the mission of the University with the expectation that those activities be proactively disclosed, when required by this policy, if they would or could present a *conflict of interest* (defined below) so they can be managed in a manner that protects integrity, ensures legal compliance, and promotes good stewardship of public resources.

This policy should be read as protecting the academic and personal freedoms of those choosing to engage in *outside activities*. This policy recognizes the importance of those activities and the value of the application of knowledge outside the institution by authorizing *employees' outside activities*.

According to Oregon Statute, in order for *employees* to be able to receive outside compensation, the University must authorize *employees* to receive outside compensation ([ORS 352.232](#)). Further, the University is prohibited from authorizing outside compensation that “does not comport with the mission of the public university or substantially interferes with an officer’s or employee’s duties to the university.” ([ORS 352.232\(2\)](#))

This policy does not ban *outside activities*. Rather, it provides a path to authorizing such activities while also complying with applicable state laws. This policy also provides an appeal process and a process for reporting concerns regarding potential *conflicts of interest* of *employees*.

II. DEFINITIONS

Conflict of commitment: A situation where an individual engages in *outside activities*, either paid or unpaid, that substantially interfere with the individual’s *duties* to the University of Oregon.

Conflict of interest: Any action, decision, or recommendation by a person acting in their capacity as a University *employee* that would (for actual conflicts) or could (for potential conflicts) have a private financial impact on the person or their relative, or any business with which either is associated. [ORS 244.020\(1\), \(13\)](#).

Consulting: Providing expert knowledge or advice to an *entity* or person. It does not include conducting research and development or the creation of technological improvements, inventions, or software.

Consulting entity: Any business, company, or other organization, including (but not limited to) any partnership, corporation, limited liability corporation, or other institution whether public, for-profit, or not-for-profit that provides expert knowledge or advice to an *entity* or person.

Employee: Any employee, official, or agent as defined by state law.

Entity: Any business, company, or other organization, including (but not limited to) any partnership, corporation, limited liability corporation, foreign government or agent, or other institution whether public, for-profit, or not-for-profit.

Duties: Responsibilities expected and performed on behalf of the University for which people are employed by the University, as described in a position description, unit-level workload policy, assigned by a supervisor, or otherwise required of an *employee* by the University.

Outside activities: Things that an *employee* does which are not *duties* and are not performed on behalf of the University.

III. GENERAL GUIDELINES

A. *Employees* are encouraged to engage in *outside activities* that comport with the mission of the University, including but not limited to dissemination, translation, application, and commercialization of research, scholarship, and creative activity beyond the University.

B. *Employees* generally may not:

1. Make private, commercial use, without permission, of University supplies, facilities, equipment, *employees*, records, intellectual property, or any other University resources.
2. Use non-public information accessed as a University *employee* to obtain a private financial benefit for the *employee*.
3. Engage in activities that substantially interfere with the *employee's duties* to the University (*conflict of commitment*). The following are examples of instances in which *outside activities* are presumed not to substantially interfere with an *employee's duties*:
 - a. For all *employees*, time commitments while *employees* are on leave and during University holidays are presumed not to substantially interfere with the *employee's duties* to the University.
 - b. For all hourly and part-time *employees*, *outside activities* that are performed outside of that employment are presumed not to substantially interfere with the *employee's duties* to the University.
 - c. For full-time 9-month faculty, time commitments that do not exceed one day in each seven-day week, generally averaged over a quarter, are presumed not to substantially interfere with the *employee's duties* to the University. For part-time 9-month faculty, the same principle applies but is prorated by FTE.
 - d. For both full- and part-time 9-month faculty, any time commitments during the summer months are presumed not to substantially interfere with the *employee's duties* to the University unless they have a paid appointment during the summer, in which case the one-day-in-seven principle in 3.c applies during the period of their appointment.
 - e. For all sabbatical-eligible faculty, *outside activities* conducted during a sabbatical are presumed not to substantially interfere with an *employee's duties*

to the University if they are included as part of sabbatical plan approved by the Provost.

IV. OUTSIDE ACTIVITIES

Some *outside activities* can be conducted without prior approval, while other *outside activities* require approval before an *employee* can engage in the *outside activity* because of the risk that the *outside activity* might present a *conflict of interest* and may need to be actively managed. The President or designee(s) is charged with deciding whether *outside activities* constitute a *conflict of interest* and need to be actively managed.

A. Exempt *Outside Activities* for Which Disclosure and Approval Are Not Required

Prior approval is generally not required for *outside activities* identified below. However, if any of these *outside activities* create an actual or potential *conflict of interest* or *conflict of commitment*, the *employee* must disclose the *outside activity*.

1. Exempt *Outside Activities* Unrelated to University Employment

As long as they follow the general guidelines (Section III), *employees* are generally not expected to disclose *outside activities* unrelated to their University employment. If there is any doubt whether the *outside activity* may interfere with the *employee's* duties to the University, or may be related to the *employee's* University employment, the *employee* must disclose the *outside activity* pursuant to this policy.

2. Exempt *Outside Activities* Related to University Employment

As long as they follow the general guidelines (Section III), *employees* are not expected to disclose:

- a. Reimbursement for travel. Such activity remains subject to [ORS 244.025](#) regarding gifts and [ORS 244.042](#) regarding honoraria.
- b. Appearances, performances, exhibits, or publications.
- c. *Outside activities* of "student employees" or "graduate employees."
- d. *Consulting* as an individual or sole proprietor.
- e. Uncompensated outside activities.
- f. Employment that does not fall under IV.B below.

Employees must ensure that when they are engaging in *outside activities* that do not require prior approval, they comply with other University policies, including but not limited to the [Policy on Inventions, License Agreements, Educational & Professional Materials Development, Patents & Copyrights](#) (II.07.02).

B. *Outside Activities* for Which Prior Disclosure and Approval are Required

An *employee* must seek prior approval pursuant to Section V for all *outside activities* that may give rise to actual or potential *conflicts of interest*. Even when the general guidelines (Section III) are followed, *employees* must seek prior approval for the following (unless exempt under section IV.A.):

1. Ownership of equity in an *entity*, including a *consulting entity*, that carries on activities closely related to the University *employee's duties* and/or field of expertise. This excludes consulting as an individual or sole proprietor.
2. *Outside activities* performed in exchange for equity in an *entity* that carries on activities closely related to the University *employee's duties* and/or field of expertise. This excludes publicly-traded equity unless the *employee* has a majority ownership in that *entity*.
3. *Outside activities* closely related to the University *employee's duties* and/or field of expertise that involve research and development and/or the creation of technological improvements, inventions, or software.
4. Managing or significant participation in the day-to-day operations of an *entity* that carries on activity closely related to the *employee's* University *duties* and/or field of expertise.
5. Employment of University of Oregon students whom the *employee* currently teaches, directly supervises, or formally advises in the execution of *outside activities*.

V. OUTSIDE ACTIVITY DISCLOSURE AND APPROVAL PROCESS

A. *Outside Activity Disclosure*

1. If they have something to disclose, *employees* must submit a written disclosure each calendar year. When completing the disclosure, *employees* should err on the side of caution and provide advance disclosure when they are unsure whether an *outside activity* is exempt or requires prior approval.
2. *Employees* are not expected to disclose exempt activities.
3. In addition, if an *employee* would like to engage in an *outside activity* that requires prior approval during the year (such as those outlined in Section IV.B), the *employee* must amend their written disclosure and seek approval prior to engaging in the *outside activity*.
4. The President or designee(s) will ensure a reminder is sent at least annually to all *employees*.

B. Review and Approval

1. The President or designee(s) will create procedures for the review of disclosures, decisions about whether an *outside activity* is approved, and for the review and approval of management plans.
2. *Outside activity* that creates an actual or potential *conflict of interest* is subject to a management plan and/or a decision that the *outside activity* may not be authorized.
3. In approving or denying requests, the President or designee(s) will:
 - a. Determine whether the *outside activity* constitutes a *conflict of interest* (actual or potential) or *conflict of commitment*;
 - b. Notify the *employee* of the determination; and
 - c. If warranted, develop a management plan, in consultation with the *employee* and their supervisor, to mitigate the actual or potential conflict(s).
4. Approval may occur for individual or categories of activities.

VI. REPORTING CONCERNS ABOUT ANOTHER EMPLOYEE

Any University *employee* who has concerns about the permissibility of an activity on the part of another *employee* should discuss those concerns with their supervisor or the President's designee(s). Reports can also be made to the Office of Internal Audit using its [Fraud & Ethics Hotline](#). The President or designee(s) will create procedures for addressing concerns regarding the permissibility of any activity under this policy.

VII. APPEALS

Decisions under this policy may be appealed in writing to the President or designee(s). The President or designee(s) will create procedures and timelines associated with appeals.

VIII. ACCOUNTABILITY

This policy has the force of law pursuant to [ORS 352.087](#). Failure of a University *employee* to comply with this policy and its associated procedures will subject the *employee* to discipline up to and including termination. Discipline will be imposed consistent with applicable University policies and/or applicable collective bargaining agreements.

Related Resources

Policies related to this policy:

- Academic Freedom
- Employment of More than One Member of Household
- Faculty: Overload Compensation
- Family Relationships and Employment
- Financial Conflict of Interest in Research
- Financial Irregularities
- Freedom of Inquiry and Free Speech
- Inventions, License Agreements, Educational & Professional Materials Development, Patents & Copyrights

POLICY FOR REPEAL

Reason for Policy

To set forth the University's policy on interactions between University employees and organizations external to the University of Oregon.

Entities Affected by this Policy

All UO employees.

Web Site Address for this Policy

<http://policies.uoregon.edu/policy/by/1/09-research/conflicts-interest-potential>

Responsible Office

Office of the Vice President of Finance and Administration: 541-346-3003, vpfa@uoregon.edu

Enactment & Revision History

02/08/2010 Policy number revised from 3.095 to 09.00.05
2001 Edited and Approval Recommended by President's Staff
10/01/1995 Revisions enacted
12/21/1991 Original effective date

Policy

Preamble: Oregon Revised Statutes (ORS) 244.020(8) defines 'potential conflict of interest' as follows: "Any action or any decision or recommendation by a person acting in a capacity as a public official, the effect of which would be to the private pecuniary benefit or detriment of the person or a member of the person's household, or a business with which the person or a member of the person's household is associated, unless the pecuniary benefit or detriment arises out of the following: a) An interest or membership in a particular business, industry, occupation, or other class required by law as a prerequisite to the holding by the person of the office or position. b) Any action in the person's official capacity which would affect to the same

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degree a class consisting of all inhabitants of the state, or a smaller class consisting of an industry, occupation, or other group including one of which or in which the person or a member of the person's household or business with which the person is associated, is a member or is engaged."

The University of Oregon's policy on potential conflicts of interest uses the definition set forth above. It also implements and incorporates by reference, Internal Management Directives (IMD's) 4.005 and 4.010, adopted by the State Board of Higher Education on April 20, 1990 and as amended September 27, 1991.

I. INTRODUCTION

Teaching and research are the primary functions of the University and are nourished by efficient and imaginative administration. Service to the community and nation is an inherent obligation. These four--teaching, research, administration, and public service -- are essential features of academic life at the University of Oregon.

The contributions of University employees, and faculty members in particular, are not, however, measured solely by activities directly related to University programs. The objectives of the University are served and its programs enriched by the active participation of its employees in outside activities that contribute to the advancement of the employee's profession or provide an opportunity for professional growth through interaction with industry, business, government, and other institutions of our society.

The University recognizes the contributions and achievements its faculty by appropriate promotion and salary advancement and permits them substantial freedom in arranging their academic lives. This freedom is, however, subject to the principle that the primary professional loyalty of a full-time member of the faculty is to the University. The potential magnitude of outside professional activity is such that orderly procedures must be followed to avoid ethical and legal conflicts of interest and to ensure that such activities do not conflict with the proper discharge of University responsibilities.

This document provides general guidance as to the distinction between outside professional activities that can be engaged in freely, and others that require consideration of possible incompatibility with University obligations. The goal is not to limit creative interaction between University employees and the outside community, but to provide an ethical framework within which such interaction can flourish. Thus, the outside activities that are subject to special consideration include many that are strongly encouraged by the University. Approval of such activities is an official acknowledgment that they enhance the quality and prestige of the University.

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This document is not intended to provide specific rules covering all possible situations, but rather to establish the spirit in which professionally related interactions with external organizations should be undertaken. It picks out for special emphasis those areas in which particularly difficult situations could arise, but, in general, it recognizes that personal responsibility, integrity, and high ethical standards are the principal deterrents of conflicts of interest. The safeguards against abuse are the standards required by professional colleagues and the rigorous process by which the University evaluates and selects individuals for appointment and promotion.

II. TIME COMMITMENT TO OUTSIDE ACTIVITIES

In general, a full-time faculty member may engage in outside activities related to his or her University responsibilities one day in each seven-day week during periods of full-time employment. A part-time faculty member is allowed to devote to such outside activities a proportionate amount of the faculty member's FTE. A reasonable amount of averaging the time allowance over the quarters or semesters of an academic year is permissible, provided that it does not unduly interfere with the faculty member's primary responsibilities to the University. If outside activities are covered by the exemptions in Section III below, no prior review or approval is required. Prior approval is required for any outside activities that exceed this standard of time.

For other University employees, any outside activities requiring time away from work may be undertaken only with the permission of the employee's immediate supervisor.

III. ACTIVITIES NOT REQUIRING PRIOR APPROVAL

The following describe types of outside activities in which University employees may engage without prior review and approval by the University.

A. Professional Affiliations

Consistent with meeting obligations to the University, University employees are encouraged to participate in scholarly, professional, and philanthropic activities outside the University. It is thus appropriate for University employees to accept invitations to serve on advisory bodies or public commissions related to their academic or professional work, as well as to travel to other institutions or conferences for the purpose of presenting lectures, leading seminars or workshops, or visiting the laboratories of colleagues.

Such affiliations, if uncompensated except for expenses and nominal honoraria, are not subject to the "one day in seven" time limitation that is applicable to faculty members.

B. Limited Consulting

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University employees are allowed to engage in limited outside consulting work without prior approval. To assure the University that the ability of the individual to discharge in full his or her obligations to the University is not impaired when undertaking outside consulting activities, however, the following principles shall apply:

- (1) University employees shall not engage in outside consulting work to the detriment of their University obligations.
- (2) The time devoted to consulting work shall not exceed the one-day-in-seven standard as defined in Part II, above.
- (3) No engagement that involves a conflict of interest as defined by applicable state law or University policies shall be accepted without review and prior approval.
- (4) To aid the state in the development of its resources, industries and quality of life, the University's employees, as part of their official duties, may consult and cooperate with public officials on matters of mutual interest or of public benefit, especially on problems that require the research facilities of the University.
- (5) Official University stationery shall not be used in private outside work. A University employee may, however, use personal stationery or other letterheads carrying his or her University title and may sign reports and letters pertaining to outside work over an official title, so long as it is clear that the University title is used for identification only.

C. Outside Activities

Outside activities unrelated to university responsibilities and undertaken by faculty on personal time, regardless of whether compensated, are not subject to these Board of Higher Education and institution policies. However, if the faculty member, while on personal time, engages in outside activities which create a potential conflict of interest, the faculty member must provide written disclosure thereof in accordance with IV and V below.

IV. ACTIVITIES REQUIRING PRIOR APPROVAL

A. Definition of Activities Requiring Approval

Activities requiring approval do not include those described in Section III, above. The following describe types of outside activities in which University employees may engage if the University has granted approval.

- (1) Acceptance of compensation from, or ownership of substantial equity in, an enterprise that carries on activities closely related to the University employee's area of work;

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(2) Service in a line management position in such a commercial enterprise or participation in the day-to-day operations of such a commercial enterprise;

(3) Service in a key, continuing role in a private or outside public entity.

(4) Principal investigators and other key personnel (those directly involved in the conduct and reporting of results) must declare the following in proposals submitted on behalf of the University of Oregon:

(a) Any 'significant financial interest', anything of monetary value including but not limited to salaries, payments (e.g. consulting fees or honoraria), equity (e.g. shares of ownership) or intellectual property rights (e.g. receipt of royalties from patents and licenses) exceeding \$10,000 a year in income or, represent more than a 5% stake from or in an enterprise where that interest may compromise, or have the appearance of compromising, an investigators' professional judgment in conducting or reporting research. Included are the financial interests of researchers' spouses and dependent children.

(b) Any 'significant personal interest' anything of monetary value including but not limited to gifts, favors, consulting relationships or other personal considerations exceeding \$10,000 a year where that interest may compromise, or have the appearance of compromising, an investigators' professional judgment in conducting or reporting research. Also included are personal interests of researchers' spouses and dependent children.

B. Procedure for Approval

A University employee wanting to engage in an activity requiring approval shall submit to his or her immediate supervisor (e.g., department or unit head, dean, or director) a written disclosure and request for approval of the activity.

The immediate supervisor shall recommend approval or disapproval of the request, and within 10 days of the submission, forward his or her recommendation to the appropriate vice president, along with a written rationale for the recommendation. At the same time, the recommending supervisor shall also send copies of the package to the dean of the school or college or the director of the unit, if that officer is not the approving supervisor, and to the Vice President for Research, if that officer is not the appropriate vice president. The appropriate vice president to consider a University employee's request for approval is the vice president with administrative responsibility for the activities of the University employee's home department or organizational unit.

For those Activities Requiring Prior Approval described in Section IV (4) above:

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All principal investigators submitting proposals through the Office of Research Services and Administration will be required to declare (at proposal submission) whether activities defined in that proposal implicate a significant financial or personal interest on the part of principal investigators or key personnel.

Those declaring a significant financial or personal interest will be required to file a disclosure to the Vice-President for Research and Graduate Studies.

The Vice-President for Research and Graduate Studies in consultation with faculty and administrative officers of the University (as appropriate) will determine whether the significant financial or personal interest represents a potential conflict.

Where a potential conflict of interest is determined, the Vice-President for Research and Graduate Studies will recommend one of the following:

- (1) that no action be taken when disclosed interests are determined to implicate no risk to the research;
- (2) that the research be monitored by independent reviewers or research plans be modified when disclosed interests are determined to implicate manageable risk to the research;
- (3) that no proposal be submitted unless affected principal investigators and key personnel withdraw from proposal or elect to divest themselves of interests in potential conflict when those interests are determined to implicate unmanageable risk to the research.

Examples:

Example 1. A faculty member in the Chemistry Department who is also a member of the Institute of Molecular Biology, applies for a recommendation for approval of an outside activity from the head of the Chemistry Department. Courtesy suggests consultation with the head of the Institute, as well.

The Chemistry Department head sends information copies of his/her recommendation to the Vice President for Research and to the Dean of the College of Arts and Sciences, and forwards a copy to the Vice President for Academic Affairs for decision.

Example 2. An employee in the Center on Human Development applies for a recommendation for approval from the Associate Dean of Special Education and Rehabilitation. The Associate Dean sends information copies of his/her recommendation to the Vice President for Research and to the Dean of the College of Education, and forwards a copy to the Vice President for Academic Affairs for decision.

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Example 3. A counselor in the University's Counseling Center applies for a recommendation for approval from the Director of the Counseling Center. The Director of the Counseling Center sends information copies of his/her recommendation to the Vice Provost for Academic Support and Student Services and the Vice President for Research and forwards a copy to the Vice President for Academic Affairs for decision.

Example 4. The Office Manager in the Materials Science Institute applies for a recommendation for approval from the Director of the Institute. The Director forwards a copy to the Vice President for Research for decision. No other information copies are required.

Upon receipt of their information copies, the Vice President for Research and the dean or director should share any concerns they may have about the supervisor's recommendation, with the appropriate vice president. Such advice should be in writing.

Within 10 days of receiving a written disclosure and request for approval, the vice president must communicate his or her decision on the request in writing to both the faculty member and the Vice President for Research.

C. Requirements for Written Disclosure and Request for Approval

The University employee's written disclosure and request for approval of an activity requiring approval shall fully describe the:

- (1) Type of work or consulting to be provided;
- (2) Nature of the relationship;
- (3) Potential conflicts of interest;
- (4) Short- or long-term commitment of time and effort including the amount of time, if any, in excess of the one-day-in-seven standard as defined in Part II, above.
- (5) Expected benefits to the outside entity, University employee, and University;
- (6) Use of University facilities and support personnel, if any, and the method of reimbursing the University for both direct and indirect costs, if the University approves such use; and
- (7) Nature of any financial arrangements pertaining to compensation, including equity ownership and other forms of economic value provided to the University employee or any immediate member of the University employee's family.

(8) Measures proposed to manage potential conflicts and reduce their risk to the research, sponsor and University.

D. Criteria for Reviewing Requests for Approval

The outside activity must be appropriate to the mission of the University; that is, it must promise significant contributions to scholarship and knowledge and, when possible, provide appropriate opportunities for students. In judging the

appropriateness of a contemplated outside activity, the supervisor should be satisfied that the activity meets the specific criteria listed below. The written disclosure provided under Section C, above, shall be the basis of this determination.

(1) The facts and circumstances indicate that the University employee's financial involvement with the sponsoring organization will not affect the conduct of research in accordance with University policies and the highest professional standards.

(2) The University's interests will be maintained despite any interest of the University employee in the sponsor.

(3) The outside activity will lead to the advancement of knowledge and is not of a routine nature or solely of benefit to the sponsor.

(4) The outside activity will contribute to the University's mission of teaching, research, and public service.

(5) If commercial privileges are to be granted to a particular sponsor, it is clear that the best interests of the University and the public will in fact be served by this arrangement.

(6) A faculty member's total average time commitment to outside activities should not exceed the limit of one day per seven-day week, unless the supervisor determines that the activity will provide extraordinary benefit to both the University and the University employee. The supervisor shall document in writing the rationale for approving any request to exceed the one-day-in-seven standard.

(7) There must be no anticipated distortion of academic programs. Involvement with external enterprises must in no way undermine the morale or academic integrity of the University.

(8) Care must be taken to insure the intellectual freedom and intellectual property rights of any member of the University community. To this end, consistent with prudent and diligent steps to protect intellectual property through the patent or copyright process, there must be free access

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to the results of all research conducted at the University. Moreover, the intellectual property of students must be protected.

(9) There must be no excessive or inappropriate use of University facilities or support personnel, and the University employee must provide written assurance that the full cost of any approved use of such facilities or personnel will be reimbursed to the University.

(10) Except under extraordinary circumstances, holding of a line management position or participation in day-to-day operations within an external enterprise should not be approved for full-time employees. Usually, the only condition under which the employee might remain at the University while carrying out such activities is if his or her appointment is reduced by a fraction consistent with the level of activities. However, this restriction should not discourage the early, exploratory phases of entrepreneurial activity. For instance, management of a fledgling commercial enterprise might be judged consistent with full-time University employment.

E. Appeal by University Employee

A University employee dissatisfied with the decision of the vice president regarding her or his own request for approval of an outside activity may appeal that decision by writing to the President of the University. The President may reverse, affirm, or modify the decision. Within 30 days of receiving the written appeal, the President shall communicate his or her decision to the appealing University employee, to the appropriate vice president, and to the Vice President for Research. The decision of the President shall be in writing and shall include an explanation of the President's reasons for the decision. No further appeal is available.

F. Confidentiality

Within the constraints imposed by State Law, a University employee's request for approval and the written disposition of that request shall be made a part of the University employee's confidential personnel record.

V. AREAS OF SPECIAL CONCERN

A. Research Activities Undertaken in Collaboration with the Private Sector Must be Appropriate to the University

If collaborative research is undertaken with the private sector, it must be appropriate to the mission of the University. That is, the research must promise significant contributions to scholarship and knowledge and, when possible, provide educational opportunities for students. An appropriate research project is one that exhibits the following qualities:

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(1) The principal investigator's financial involvement with the sponsoring organization will not affect the conduct of research in accordance with University policies and the highest professional standards. Section IV (A) (4) and Section IV (B) above describe additional definitions, reporting and approval procedures pertinent to research proposals.

(2) The University's interests will be maintained despite any interest of the principal investigator in the sponsor.

(3) The research project will lead to the advancement of knowledge rather than to routine testing that is of primary benefit to the sponsor.

(4) The research project will contribute to the University's mission of teaching, research, and public service.

(5) If commercial privileges are to be granted to a particular sponsor, it is clear that the best interests of the University and the public will in fact be served by this arrangement.

B. Collaboration with External Organizations Must Not Interfere with the Intellectual Environment at the University

The University environment should promote the free exchange of ideas, information, and materials among students and faculty in all of their forums--classrooms, laboratories, and at meetings,

anywhere within the University. In addition, consistent with prudent and diligent steps to protect intellectual property through the patent or copyright process, the formal dissemination of information through publication should proceed efficiently.

C. Relations Between Senior and Junior Faculty Should Not Be Influenced Adversely by Interactions with the Private Sector

The involvement of junior members of the faculty with external organizations may or may not be important to their professional development. Senior faculty may be able to assist junior faculty in developing such activities by offering potential opportunities to them and by giving them advice with respect to both technical and ethical issues. It is essential, however, that participation in external ventures not lead to loss of the senior faculty's objectivity in judging junior faculty in issues of promotion and tenure. Objectivity could be compromised by collaboration between junior and senior faculty in external enterprises or by expectations that junior faculty should or should not participate in such activities.

D. The Possible Effects on Students of Interactions Between Faculty and External Organizations Should be Carefully Assessed

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Part-time involvement of graduate or undergraduate students in the external activities of faculty may, under certain conditions, offer the potential for substantial benefits to the education of the student. In each case of such involvement, however, approval should be given explicitly by the department head/chair or immediate supervisor after thorough discussion with the University employee and student.

In considering such arrangements, University employees should be guided by the need to avoid conflicts of interest and to avoid infringement of the student's academic duties and rights. For example, if the outside work is related to the student's thesis, special care always must be taken to avoid conflicts that might hinder the student's progress, delay acceptance of his/her thesis, or lead to altered examination standards.

VI. REPORTING REQUIREMENTS

It is important to record specific instances of professional involvement in external organizations in order to monitor the extent of such interactions and to assess their impact on the primary functions of the University. Because the nature of faculty participation in the private sector differs greatly among disciplines and departments, the details of the most appropriate reporting method must be developed and maintained by each unit individually. At a minimum, each unit shall submit to the appropriate dean or vice president (see IV (B), above):

A. Copies of all disclosure statements and requests for approval of activities required by IV (B) and (C), above, and

B. Copies of written statements of approval or disapproval of all such requests by University employees for approval of outside activities requiring approval, including in each statement the reasons for approval or disapproval.

Some centralization is necessary to ensure that information for the entire University is gathered, and that its format allows ready interpretation outside the unit where it originated. Therefore, by the end of each Fall term, the Vice President for Research and Graduate Studies will forward to the Office of the President a summary of the previous academic year's approvals and disapprovals of faculty requests to conduct outside activities requiring approval as well as any changes to the policy for use by the President in making the required report to the Chancellor's Office.

VII. REPORT TO THE CHANCELLOR

The University President shall report to the Chancellor's Office by August 31 of each year any change in University policy on outside activities and evidence of procedures followed in monitoring faculty and family acceptance of compensation and equity for outside activities of the University employee.

VIII. SANCTIONS

Failure of a University employee to comply with these University policies and procedures concerning outside activities shall be considered "cause" as defined in Oregon Administrative Rule (OAR) 580-21-325(1)(c), or under any applicable collective bargaining agreement, or other administrative rule. In accordance with OAR 580-21-320, sanctions for cause include oral or written warning or reprimand, removal from an assigned post and reassignment, suspension for a period not to exceed one year, and termination. Sanctions more severe than oral or written warning or reprimand shall be imposed in accordance with the procedure in OAR 580-21-325 through 580-21-385. Sanctions for non-academic employees are determined through progressive discipline and under any applicable collective bargaining agreement.

IX. REVIEW OF RULES AND GUIDELINES

The President and the Vice President for Academic Affairs, in consultation with an appropriate faculty committee, shall review these Rules and Guidelines in light of the practice under them and with a view toward their possible revision, no later than two years following their adoption and implementation.

Related Resources

NA