

**Policy Title:** Conflict of Interest Policy  
**Policy Summary:** Policy Requiring Disclosure of Actual and Potential Conflicts of Interest  
**Policy Category:** Human Resources  
**Policy Owner:** Human Resources

### Policy Summary

Policy requiring all members of the Drake community to disclose actual and potential conflicts of interest to appropriate University personnel.

### Purpose

Drake University is committed to fair and ethical principles, practices and conduct in all business and academic relationships. Members of the Drake community, including faculty, staff and trustees must be sensitive to situations that may pose a conflict of interest or the appearance of a conflict of interest so that they are perceived at all times as objective, ethical, free from bias or undue influence, professional and fair in performing their duties.

### Scope

This policy governs all University trustees, officers, faculty and staff and obligates all members of the Drake community to disclose both actual and potential conflicts of interest to appropriate University personnel.

### Definitions

**Conflict of Interest:** For purposes of this policy, a conflict of interest exists if financial interests or other opportunities for tangible personal benefit may exert a substantial and improper influence upon an employee's time or professional judgment in exercising any institutional responsibility. A conflict of interest exists where an outside activity of the employee competes with or diminishes the interest of the University or interferes with the employee's performance of duties on behalf of the University. A conflict of interest also occurs when the outcome of a decision that should be made in the best interest of the University conflicts with the personal or economic interest of the employee. Among such decisions that may present conflicts are those determining or recommending the use of suppliers or vendors, the use of University resources, or the use of one's own work time. To avoid a conflict of interest, employees must not be in a position of making or participating in the making of a decision as part of their University responsibilities if the personal or economic interest of themselves, members of their families or others with whom they have a personal or professional relationship (including outside organizations) may be directly affected by the outcome.

### Policy

Drake employees and others within the scope of this policy have an obligation to address both the *substance* and the *appearance* of conflicts of interest and, if they arise, to disclose them to the appropriate University representative and withdraw from the decision-making process where a conflict of interest exists or might arise.

To avoid a conflict of interest, employees and others within the scope of this policy, including family members employed by Drake, must not be in a position of making or participating in the making of a decision as part of their University responsibilities if the personal or economic interest of themselves, members of their families or others with whom they have a personal relationship (including outside organizations) may be directly affected by the outcome. An employee or others within the scope of this policy may not participate, directly or indirectly, in decisions involving a benefit (such as employment, promotion, compensation, work assignments, supervision, other working conditions, or purchasing or use of goods, services or equipment), joint investments, lending arrangements or grants (excluding grants/scholarships received as an employment fringe benefit) for those persons or entities in a personal relationship with the employee or others within the scope of this policy, including the following:

- family members, defined as being a spouse, domestic partner, a person with whom the employee has an intimate relationship, persons related by blood, adoption or marriage to the employee (including children, grandchildren, great-grandchildren, parents, grandparents, great-grandparents, siblings, aunts, uncles, cousins, nieces, nephews and their spouses), and persons residing in the same household,
- persons or entities with a business or professional relationship with the employee,
- any company or other entity in which the employee or a family member has an ownership interest of 5% equity or \$10,000, whichever is less (excluding such interests held through mutual funds for which the individual has no control over the investment decisions of the fund), or any entity for which the employee serves as an officer, partner, director, or employee, and
- a company or entity with which the employee has a consulting or other business relationship and that seeks to do business with Drake.

In order to avoid a conflict of interest or the appearance of a conflict, the concept of “relationship” as defined by this policy should be interpreted broadly. In considering whether a relationship falls within this policy, employees should disclose the facts in writing pursuant to this policy and seek guidance by contacting the Chief Administration Officer.

### **Disclosure of Potential Conflicts**

Disclosures should be made using the Drake University Conflict of Interest Disclosure Form and submitting it to the Chief Administration Officer before entering into any engagement or activity that might be construed as a conflict of interest. The form will be reviewed by the Chief Administration Officer or his or her designee, who will determine whether a conflict of interest exists. It will be determined whether conditions or restrictions, if any, should be imposed to manage, reduce or eliminate such conflict of interest.

### **Special Annual Disclosures**

The Drake University Board of Trustees and Senior level administrators are annually issued a conflict of interest disclosure survey, the results of which are provided to the appropriate body of the Board of Trustees, the University Secretary and the Chief Administration Officer for review. Senior administrators who have disclosed conflicts on the annual survey need not file a separate Conflict of Interest Disclosure Form.

In accordance with IRS and Federal tax code, certain conflicts of interest will be disclosed on the annual IRS Form 990, Return of Organization Exempt From Income Tax, filed by Drake.

Federal regulations and Drake University policies require that conflict of interest disclosure forms be on file for principal investigators of sponsored research and other project proposal submitted to external funding agencies. Sponsored Programs requires ad hoc and annual disclosures of all principal investigators of sponsored projects.

### **Duty to Consult Regarding Potential Conflict Issues**

This policy is meant to provide general guidance, but the existence of an actual or apparent conflict usually depends on the facts and circumstances of the particular situation. Employees who have concerns about a conflict or potential conflict or are uncertain as to the impact or appearance of their activities should always consult with the Chief Administration Officer. Other University policies that govern or provide guidance on various issues relating to conflicts of interest should also be consulted if applicable. Examples include:

- Sponsored Programs Policy on Financial Conflicts and Externally Funded Programs (in cases involving a financial conflict of interest involving sponsored programs, the Director, Sponsored Programs may be the appropriate party to consult regarding the potential conflict. See the Drake University Financial Conflict of Interest in Sponsored Programs Policy for additional information)
- Faculty Policy on Conflict of Interest for Faculty of Instruction (Classroom Enrollment)
- Drake University Policy on Other Professional and Scholarly Activities
- Staff Policy on the Employment of Relatives

**Last Review Date:** June 2020

**Effective Date:** December 2012

### **Resources and Related University Policies:**

[Conflict of Interest Disclosure Form](#)

[Sponsored Programs Policy on Financial Conflicts and Externally Funded Programs](#)

(Individuals seeking more information about this resource are encouraged to contact Drake's Human Resources Director.)

[Financial Conflict of Interest in Sponsored Programs Policy](#)

[Faculty Policy on Conflict of Interest for Faculty of Instruction \(Classroom Enrollment\)](#)

[Drake University Policy on Other Professional and Scholarly Activities](#)

[Staff Policy on the Employment of Relatives](#)

### **FOR INTERNAL USE ONLY:**

**Contact Name and Job Title:** Venessa Macro, Chief Administration Officer

**Review Period:** Two Years

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**Policy Homepage:**