

Florida A&M University Regulation



10.122 Conflicts of Interest and Commitment

1) Policy Statement and Purpose

Florida A&M University has an obligation to monitor and address conflicts of interest that have an actual or perceived adverse impact on University interests or operations. **A conflict of interest occurs when an individual has a personal or outside interest that conflicts with the best interests of the University, or when an individual's personal interests conflict or interfere with a University interest. A personal interest could be a financial interest in a vendor or in a transaction, a personal relationship with someone or any interest or relationship that could inappropriately affect an individual's judgment or decision-making** in one's role at the University. Per the University's obligation, individuals must annually report outside employment/activities which involve the knowledge, skills, and abilities that they provide to the University.

2) Scope

This Policy applies to University employees (Faculty, A&P, USPS, and OPS). Members of the Board of Trustees will comply with standards outlined in the Board of Trustees' Operating Procedure.

3) Definitions

- a. **Outside Activities:** Any employment or activities entered into in addition to an individual's employment at the University, that utilize the knowledge, skills, abilities or expertise the individual uses to carry out their University duties. Such employment or activities include private practice, private consulting, teaching, research, business (including managerial interests or positions), or other activities. This definition includes compensated or uncompensated activities which are not part of an individual's assigned duties and for which the University provides no compensation. Outside activities generally do not include participation in religious, social, fraternal, recreational or personal educational activities.
- b. **Conflict of Interest:** Occurs when an individual has a financial, political, time, or social interest that could in some way impair their fairness and impartiality to the University.
- c. **Conflict of Commitment:** Occurs when the devotion of one's time to outside activities adversely affects their capacity to meet their primary University responsibilities.
- d. **University Personnel:** Florida A&M University faculty, staff, students, and affiliates engaged in domestic and foreign research/academic activities, per Board of Trustees

(BOT) Policy 2005-14.

e. **Immediate Family:** Refers to an individual's spouse and children.

4) **Compliance with Laws and University Rules and Policies**

Individuals covered under this Policy must observe, in all official acts, the highest standards of ethics consistent with the Code of Ethics of the State of Florida, Chapter 112, Part III, Florida Statutes (F.S.), the advisory opinions rendered with respect thereto, and the rules of the University. Faculty and staff of the University owe their primary professional allegiance to the University and its mission to engage in education, scholarship and research. Members of the Board of Trustees must maintain their fiduciary relationship to the University. Outside employment, activities, or financial interests which interfere with one's obligation to the University are prohibited. Individuals should avoid actual or apparent conflicts of interest between their University obligations and their outside employment, activities, or financial interests. If an outside interest is substantial enough to impact one's professional judgment or in any way interferes with their duty to act in the best interest of the University, there is a conflict. If the potential conflict cannot be mitigated, engaging in the outside activity is prohibited.

5) **Prohibited Activities**

Examples of related activities prohibited per Section 112.313, F.S., as well as University Regulations 1.019 and 6.002 include:

a. **Bribery**

- i. Individuals covered under this Policy shall not solicit or accept anything of value that is based on an understanding that their official action or judgment would be influenced thereby.

Covered individuals, their spouse, or their children shall not accept any compensation, payment or anything of value, when the individual, their spouse, or their child, know or with the exercise of reasonable care, should know that it is given to influence their vote or other official action.

b. **Procurement Conflicts**

- i. When acting in an official capacity, covered individuals are prohibited from directly or indirectly purchasing, renting, or leasing any realty, goods, or services for the University from a business entity in which the individual, their spouse, or their children serve as an officer, partner, director, or proprietor, or own more than a material interest.
- ii. When acting in one's private capacity, covered individuals are also prohibited from renting, leasing, or selling any realty, goods, or services to the University.

c. Misuse of Public Position

- i. Individuals covered under this Policy may not use or attempt to use their official position or any property or resource that is within their trust to obtain a special privilege, benefit, or exemption for themselves or others.

d. Continuing or Frequently Recurring Conflicts

- i. Individuals covered under this Policy shall not have an employment or contractual relationship or engage in a business or personal activity that will create a continuing or frequently recurring conflict between their private interest and the performance of their official duties.

e. Use of University Resources

- i. Covered individuals shall not use the facilities, equipment, or services of the University in conjunction with outside activities without appropriate prior approval.

6) Reporting

- a. Individuals covered under this Policy must annually disclose outside activities by completing the Annual Disclosure Form for Conflicts of Interest, Commitment, and Significant Financial Interest by July 1.
- b. Individuals must submit an amended disclosure within 14 days of any new or anticipated activity, interest, or commitment.

7) Disclosure Review

- a. An individual's immediate supervisor will perform the initial review to determine whether the proposed outside activity(ies) constitutes a conflict of interest, commitment, or other interference with the employee's duties. The Office of Human Resources provides a secondary review. The Division of Research will provide a secondary review of disclosures subject to BOT 2005-14. Mitigation plans are subject to additional University review and approvals, as appropriate.
- b. If it is determined that the proposed outside activity appears to constitute a conflict of interest, commitment, or interference, the individual will be notified that they may not engage in the proposed activity while being employed by the University.
- c. Financial and Other Conflicts of Interest and Commitment Governing Research
 - i. Pursuant to BOT 2005-14, University Personnel responsible for the design, conduct, or reporting of a sponsored project implemented by funds awarded to the University must also annually disclose significant financial interests for review through the Annual Disclosure Form for Conflicts of Interest, Commitment, and Significant Financial Interest.

8) Mitigation

If reviewers identify a potential conflict of interest or commitment, the University shall undertake such actions as it deems necessary to manage the conflict of interest or prohibit the activity, as appropriate. Examples of mitigation efforts include:

- a. Reimbursement: Individuals covered under this Policy complete the application to use University equipment, facilities and services in conjunction with outside activities. Approval of such a request will warrant that reimbursement be made for any additional costs to the University incurred.
- b. Donate Proceeds: An individual receiving royalties for authoring a textbook used by University students is asked to donate the proceeds to a University scholarship fund or another non-profit organization.
- c. Take Reasonable Precautions: Individuals engaging in an outside activity are required to take reasonable precautions to ensure that the outside employer or other recipient of services understands that the individual is engaging in such outside activity as a private citizen and not as an employee, agent, or spokesperson of the University.

9) Enforcement

Failure to report outside activities and relevant interests, engaging in the activities or holding the interests without the University's approval, and/or failing to follow any conditions imposed pursuant to the University's approval of such activities are grounds for disciplinary action, subject to any collective bargaining agreements, up to and including termination, disallowance or limiting outside activities, changes in assignment, limitations on research activities, and fines. Moreover, a violation of the Florida Code of Ethics or other applicable laws may be grounds for various penalties imposed under law. An employee engaged in the design, conduct, or reporting of research who has failed to disclose any outside activity or financial interest and receive a determination that the outside activity or financial interest does not affect the integrity of the University, shall be suspended without pay pending the outcome of an investigation which shall not exceed 60 days (or as otherwise required by law), and which may result in the termination of the employee (see BOT 2005-14).

Specific Authority: Sections 112.313 and 112-3185, F.S., University Regulation 1.019 and 6.002, BOT Policy 2005-14. History—New 12-1-05 (formerly Rules 6C3-10.134 and 6C3-10.137), Amended 7-23-22.