

**REVISIONS as of MARCH 29, 2011
BASED ON COMMENTS RECEIVED**

Conflicts of Interest and Commitment Procedures, Applications, and Guidance

Introduction

Policy: The [Conflicts of Interest and Commitment Policy](#) provides key principles and a broad framework for understanding, disclosing and managing conflicts, as well as definitions of key terms.

Procedures, Applications, and Guidance: This supplemental resource provides procedures and guidance to assist the university community in complying with the Conflicts of Interest and Commitment Policy in a variety of circumstances. Because of the diversity of applicable federal and state laws and regulations, and funding agency policies, the precise mechanisms for disclosure and management vary depending on the type of conflict and the applicable laws, rules and policies.

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GENERAL APPLICATION OF THE CONFLICTS OF INTEREST AND COMMITMENT POLICY

Disclosures

Employees shall disclose electronically via [AccessPlus](#) at the beginning of employment and thereafter at least once per year, generally in the month of January, and whenever the employee's situation changes. Disclosures shall be made prior to initiation of an external activity as defined in the Conflicts of Interest and Commitment Policy. Disclosures also must be noted on any proposal data form ([GoldSheet](#)) for projects to which the conflict may be relevant.

Review of Disclosures

Disclosures on AccessPlus are reviewed by the—

- Employee's administrative supervisor (director, chair, dean or vice-president),
- Person(s) designated by the Vice President for Research and Economic Development, and
- The Director of Purchasing and/or his/her designee.

Access to the information is restricted to authorized personnel involved in the conflict of interest management process. The nature of the conflict dictates the personnel responsible for management of the disclosed conflicts.

Retention of Disclosures

Electronic disclosures will be maintained for 10 years in the AccessPlus system.

Supervisory Responsibility

The employee's administrative supervisor is responsible for:

- Assuring that employees are reminded of the need to submit electronic disclosures.
- Reviewing the disclosures. Review of the electronic disclosures does not imply the assent of the supervisor. However, supervisors are encouraged to ask employees to correct disclosures that may contain errors or are unclear. Supervisors may also add comments for the other reviewers.
- Developing management plans for their employees, whether formal (written) or informal (oral). Excepted are situations involving management roles or significant financial interests related to an employee's position responsibilities. In the latter case, the supervisor is a participant in an effort led by the COI Officer or other persons designated by the VPRED.
- Supervisors shall keep copies of any written Departmental Management Plans in the employee's personnel files for as long as the conflict exists.

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Professional Activity Leave

With prior approval, faculty and professional and scientific (P&S) employees *may be permitted* (not as an entitlement) up to nine (9) days of paid Professional Activity Leave per academic term (i.e., fall, spring, summer) when the following conditions are met:

- Conducting the activity will advance the skills and abilities of the employee, with resultant benefit to the employing unit;
- The employee has made adequate arrangements to cover ongoing university responsibilities;
- The activity does not interfere or compete with ongoing activities and responsibilities of the university; and
- The activity will not otherwise be detrimental to the employing unit or university.

To ensure the meeting of university obligations, supervisors/department chairs have discretion in approving and scheduling Professional Activity Leave. Providing nine (9) days per academic term in no way suggests any number of days may be used by the employee consecutively, nor may they be accumulated.

Professional Activity Leave is not required for uncompensated service to associations, scholarly societies and governmental agencies when they are part of the assigned responsibility of the employee.

Employees retained to provide expert witness services for compensation may not use Professional Activity Leave to provide such services, so as to avoid any appearance of impropriety. Employees may conduct such activity on other leave time, with the approval of their supervisor/department chair.

Use of Facilities

University facilities are provided for public purposes, and are not to be used for personal gain. Employees who wish to use university equipment or facilities for outside activity must pay appropriate fees established by the department chair or director responsible for the facility and/or equipment. Fees must be approved by the Vice President for Business and Finance. Fees should be reasonable and in line with those charged for use by companies not involving ISU employees. A record of amount of use shall be maintained.

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APPLICATION OF THE CONFLICT OF INTEREST AND COMMITMENT POLICY IN SPECIFIC SITUATIONS

Management Role and/or Significant Financial Interest

This section applies to persons who take on a management role or have a significant financial interest in a non-university entity, or who do consulting that involves a significant financial interest. [See the [Definitions](#) section in the [Conflicts of Interest and Commitment Policy](#).] Consulting that does not involve a significant financial interest is governed by the section on Consulting, below.

Examples of management role:

- Board member for a for-profit entity
- Chief executive officer of a for-profit entity
- Chief business officer for a for-profit entity
- Chief technology officer for a for-profit entity
- Line officer or any other position in a for-profit entity with the ability to influence the entity's business decisions
- Any management role in a for-profit or not-for-profit entity that funds the employee's university scholarly activities

Examples of significant financial interest:

- Equity ownership or stock options that represent more than \$10,000 or five percent of the total company equity is considered to be an equity interest in that company. Excepted are equities held in retirement accounts or mutual funds. See [NIH Regulation 42CFR50](#), [NSF Grantee Standards](#).
- Sole proprietor, partner, owner or member of a partnership or limited liability for-profit entity. Sole proprietorships or other entities engaged solely in consulting are evaluated by the criteria for consulting (next two bullets). (A sole proprietorship is a form of business in which one person owns all the assets of the business and operates the business without a separate legally recognized entity such as a professional corporation.)
- Consulting related to patented or patentable intellectual property in which the employee has an interest.
- Consulting for an entity that has a financial interest in or sponsors the employee's university scholarly activities if the compensation for the consulting exceeds \$10,000 per year.
- Ownership of, or rights held in, intellectual property or research materials (which may include rights to receive royalties), the value of which may be affected by the outcome of the employee's university activities. Excepted are intellectual property and research materials held by the ISU Research Foundation (ISURF).
- Any of the above applicable to the employee's spouse and/or dependent children.
- For purposes of this policy, this term does not include the right to receive copyright royalties for writing an article book, textbook or other copyrightable work. However, use of an employee's book for instructional purposes is governed by the policy on Royalties for Instructional Materials (Faculty Handbook §8.3.6.6).

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Substantially related to university responsibilities

The Conflict of Interest Officer in the Office of the Vice President for Research and Economic Development (VPRED) reviews and typically manages these activities because of the significant risks involved.

Application

This section applies when:

- The employee has a management role and/or significant financial interest in a non-university entity; **and**
- The success of the non-university entity could be impacted by the decisions the employee makes in his/her university role.

Examples:

- Having a significant financial interest or management role in a company based on the employee's university research or scholarly activities or the success of which could depend on the outcome the employee's university research
- Serving on an advisory board of an entity whose success is dependent on the outcomes of the employee's university research
- Receiving more than \$10,000 in consulting fees per year from a company that funds the employee's university research
- Ownership of privately-held stocks amounting to \$10,000 or 5% or greater equity in a business, the success of which could be impacted by the outcome of the employee's university research or scholarly activities
- Consulting related to a patent in which the employee has an interest and the employee's research may affect the licensee
- Owning or managing a business, the success of which could be impacted by the decisions the employee makes in his or her university role

Process

Disclosure. Employees shall disclose electronically via AccessPlus at the beginning of employment and thereafter at least once per year, generally in the month of January, and whenever the employee's situation changes. Disclosures shall be made prior to initiation of an external activity as defined in the Conflicts of Interest and Commitment Policy. Disclosures also must be noted on any proposal data form (GoldSheet) for projects to which the conflict may be relevant.

Initial review. The employee's administrative supervisor shall review and acknowledge the disclosure. Next, the Conflict of Interest (COI) Officer designated by the Vice President for Research and Economic Development shall review the disclosure and make an initial determination whether the activity involves a management role or significant financial interest, and is substantially related to the employee's university responsibilities. If the activity is determined to be covered by another section of these procedures, applications, and guidance, or determined to be not covered by the COIC policy, the disclosure should be referred or managed accordingly. If the activity is determined to be not substantially related to the employee's university responsibilities, the disclosure shall be treated as provided below under "Not substantially related to university responsibilities."

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COI Committee. If the activity is determined to involve a management role or significant financial interest that is substantially related to the employee's university responsibilities, the COI Officer or designee shall constitute a Conflict of Interest Management Committee ("COI Committee"). The COI Committee would typically include the relevant department chair(s), research associate dean, Purchasing (if relevant), Office of Sponsored Programs Administration (OSPA), Office of Intellectual Property and Technology Transfer (OIPTT), a representative of the VPRED office, and others as relevant. The COI Committee shall review the disclosure, meet with the employee and determine whether the activity is impermissible, permissible without a management plan or permissible with a written Conflict of Interest Management Plan to manage, reduce or eliminate the conflicts.

COI Management Plan. If the COI Committee determines that a Conflict of Interest Management Plan is required, it shall confer with the employee to develop a plan. The Committee shall have the authority to set minimum requirements which, if not accepted by the employee, shall result in denial of permission to engage in the activity. At a minimum, this plan shall:

- Describe the nature and extent of the potential conflicts.
- Require that all university activities with the non-university entity be conducted under formal written agreements.
- Establish safeguards to protect the integrity of research or other scholarly activities conducted at ISU, whether funded by the university, the entity, or a third party.
- Establish controls to protect vulnerable populations, such as humans and animals as subjects of research, and university personnel under the employee's supervision who may be impacted by the external activity.
- Ensure special protection for graduate students. The plan must specify that any ISU faculty member involved in a non-university entity substantially related to his/her university scholarly activities may not serve as a major professor or co-major professor for any graduate student who works in the non-university entity or on a grant or contract from the non-university entity to the university.
- Establish controls to protect the rights of university employees and students to publish the results of their university scholarly activities in a timely manner.
- Establish controls to protect against the loss of university and non-university intellectual property and to protect the employee's right to continue to conduct his/her university scholarly activities.
- Clarify the employee's responsibilities to prevent inappropriate use of state and university resources (see the Use of Facilities section above), and misuse of the university name or trademark.
- Clarify the need to disclose the employee's relationship to the non-university entity whenever appropriate in scholarly publications and presentations.
- Clarify the extent of any external time and effort commitments and how the employee will assure that his/her university responsibilities are met.

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- Describe any arrangements for use of Professional Activity Leave. Professional Activity Leave (see section above) may be used for activity substantially related to a management role.
- If the employee has an ownership role in a non-university entity that does business with or wants to do business with a Regent's institution, clarify the need to obtain Conflict of Interest Vendor status.

Ongoing review. The COI Committee shall meet with the employee at least once annually to review whether changes are necessary to the plan. The Committee and employee also must meet whenever there is a significant change in activities of the employee that may require a change in the plan.

Reporting to external entities. The COI Officer shall work with the Office of Sponsored Programs Administration to report conflicts of interest related to sponsored funding as required by the sponsor.

Retention of documents. The COI Officer shall maintain copies of signed Management Plans for a minimum of ten years.

Not substantially related to university responsibilities

Employees must disclose management roles and significant financial interests on AccessPlus even when the activities of the entity are not substantially related to those of the employee's university responsibilities. Management is the responsibility of the appropriate department chair or director under the usual supervisory course.

Examples of external activities that could fit in this category include:

- Owning or managing a business, the success of which would not be expected to be impacted by the outcomes of the employee's university research or scholarly activities
- Owning or managing a business, the success of which would not be expected to be impacted by the decisions the employee makes in his or her university role
- Owning or managing a family farm, unless the farm is used for university activities

Disclosure

Initial Review. Departments may implement management plans as necessary to avoid conflicts of commitment or interest, and to assure appropriate use of university resources. Consideration must be given as to whether the activity relies upon usage of university students, employees or resources.

COI Management Plan. If the supervisor determines that a written Departmental Management Plan is needed, it shall, at a minimum:

- Describe the nature and extent of the potential conflicts.
- Clarify the extent of any external time and effort commitments and how the employee will assure that his/her university responsibilities are met. Professional Activity Leave may not be used. Employers and supervisors must agree on an acceptable schedule and leave arrangements in case the employee will use regular work hours.

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- Clarify the employee's responsibilities to prevent inappropriate use of state and university resources (see the Use of Facilities section above), misuse of university personnel or students, and misuse of the university name or trademark.

The need for continuing management should be reviewed annually at the employee's annual evaluation. Supervisors shall keep copies of any written Departmental Management Plans in the employee's personnel files for as long as the conflict exists.

Consulting

This section applies to persons engaged in consulting, as defined by the Conflicts of Interest and Commitment Policy, who are not covered by another section of these procedures, applications, and guidance. This consulting may include activity conducted through a sole proprietorship or other entity that is engaged solely in consulting. Consulting that involves a significant financial interest is covered above in "Management Role and/or Significant Financial Interest."

Professional services (other than employment; see Other Outside Employment below) to other educational institutions constitute consulting unless they are part of the employee's ISU position responsibilities.

Professional services to a non-university entity that are a part of the employee's position responsibilities are **not** considered consulting. Examples of services that are **not** considered consulting include:

- Reviewing and editing scholarly journals,
- Service on government advisory boards or editorial boards that involves limited use of university time and only incidental use of university resources or personnel,
- Service on grant review or accreditation panels, and
- Writing books or textbooks in the employee's disciplinary area, if such are a part of the employee's position responsibilities.

Such activities may, however, be covered under the section on [Service to Government and Associations](#).

Employees should be aware that Iowa Code §68B.6 forbids the providing of compensated services against the interest of the state in court and administrative proceedings.

Substantially related to university responsibilities

Consulting in the area of expertise within the employee's university responsibilities raises issues of conflict of commitment and interest. For this reason, all such activities must be disclosed, approved and, if needed, written management plans developed.

Examples of external activities that could fit in this category include:

- Using one's disciplinary expertise in one's university role to advise a company
- Providing services (such as teaching, technical skills, diagnostic skills, etc.) privately or for another institution that are normally a part of an employee's university responsibilities
- Supervising graduate students or directing research at other educational institutions

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Disclosures shall be submitted electronically on AccessPlus prior to initiation of the activity, annually, and whenever the situation changes.

If the supervisor determines that a written Departmental Management Plan is needed, it shall, at a minimum:

- Describe the nature and extent of the potential conflicts.
- Clarify the extent of any external time and effort commitments and how the employee will assure that his/her university responsibilities are met. The section on Professional Activity Leave applies.
- Clarify the employee's responsibilities to prevent inappropriate use of state and university resources (see the Use of Facilities section above), misuse of university personnel or students, misuse of the university name or trademark, loss of ISU intellectual property, and export control concerns, if any.

Consulting activity should be reviewed annually at the employee's annual evaluation. Supervisors shall keep copies of any written Departmental Management Plans in the employee's personnel files for as long as the conflict exists.

Extension. Because of the unique service-oriented nature of University Extension, special policies apply to persons on an Extension appointment. In some cases (i.e., consulting within the state) Extension policy is more stringent than that of the general university, and the University [Extension policy](#) supersedes university policy.

Not substantially related to university responsibilities

Employees who engage in consulting in areas of expertise not substantially related to their university responsibilities may do so as long as the activity is not on university time, does not use university resources and does not create conflicts in the employee's role.

Examples of external activities that could fit in this category include:

- Providing advice privately in areas that are not within the employee's areas of expertise at the university
- Providing services privately that are not services that the employee is expected to provide in their university role.

If the activity is to take place during regular working hours, or if the activity requires any more than insignificant use of university facilities, staff, or students, the employee must discuss with the supervisor to arrive at acceptable arrangements regarding:

- Taking leave. Vacation or leave without pay may be used for such activity. Professional Activity Leave may not be used.
- Reimbursement of costs, or restrictions on use of university resources (see the Use of Facilities section below).
- Avoidance of potential conflicts.

Any activity that impacts work performance or the work of the university should be discussed at the employee's annual evaluation. Supervisors shall keep copies of any written Departmental Management Plans in the employee's personnel files for as long as the conflict exists.

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Service to Government and Associations

ISU encourages or expects faculty and professional employees to be involved with non-university entities such as government advisory boards, professional associations, journals, academic societies and other non-profit associations whose purposes are to advance Iowa State University, government effectiveness, or the employee's disciplines and professions. Such service should be discussed during the annual review to assure appropriate level of effort.

Disclosure through Access Plus prior to entering into such service activities is required when:

- The employee assumes a board or other managerial role for the non-university entity. In such cases, it is important to disclose both the expected time commitment and the costs (such as travel reimbursement) and which entity will pay the costs.
- The employee is compensated by the non-university entity other than reimbursement of costs and tokens of appreciation or recognition for service.
- The service involves significant use of university resources, facilities or time of other employees.

In case significant university resources will be used, and especially where other university employees will be asked to devote substantial time to the non-university entity's work while on the ISU payroll, an agreement must be entered into with the non-university entity to assure that the resource commitment is reasonable and substantially related to university goals or that an understanding is reached regarding the costs to be reimbursed by the non-university entity. The agreement must be signed by the department chair, dean and the relevant Vice President or the President in the case of service by Vice Presidents and employees of areas reporting to the President. Any financial obligations of the non-university entity under such agreements must be handled through the university Accounts Receivable office.

Because uncompensated work for associations is normally considered part of the employee's university duties, the employee need not account for the time as Professional Activity Leave. However, if the employee's work is compensated, the Professional Activity Leave section applies. To the extent the activity requires more than the 9 days per academic term, arrangements for reduction in full time equivalent (FTE) or other leave must be arranged.

Multiple Interests or Roles

An individual employee may simultaneously become involved in consulting relationships, have equity holdings, and serve as an officer in one or more companies. Each of these relationships may well be independent of all the others and no conflict among them may exist. However, the cumulative effect of taking on multiple roles may significantly affect the employee's performance. Supervisors may implement a Departmental Management Plan to address conflicts of commitment, interest and appropriate use of university resources. The cumulative impact of multiple interests or roles should be discussed annually at the employee's annual evaluation.

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Other Outside Employment

Full time employees are expected to disclose [through Access Plus] and secure approval of their supervisor for any significant ongoing outside employment.

Part time employees generally should be allowed outside employment up to the full-time complement of their university employment. No disclosure and approval is required unless:

- The schedule interferes with accomplishing university duties; or
- The activity is inconsistent with or conflicts with university responsibilities or otherwise hinders the employee's accomplishment of university work.

If disclosure and approval are required, the outside employment is subject to review by the supervisor prior to the time of accepting outside employment and whenever a conflict with university obligations occurs. Outside employment that is required to be disclosed and approved should be discussed annually at the employee's annual evaluation. Supervisors may implement a Departmental Management Plan to address conflicts of commitment, interest and appropriate use of university resources.

When an employee has dual employment, it is important that the employee disclose the relationships with both employers. It may be necessary for both employers to arrange for ownership and management of intellectual property.

Ames Laboratory. Ames Laboratory faculty and staff paid solely by ISU are not considered to have dual employment, for purposes of this policy.

Special Conditions in Sponsored Funding Agreements

Sponsored funding agreements may place special conditions on the non-university activities of employees who receive sponsored funding. Such agreements may restrict non-university activities because of the special nature of the sponsor, the nature of the sponsored activity or because of intellectual property and proprietary terms. In such cases, employees must abide by the requirements of the sponsored funding agreement. Department of Energy policy and regulations apply to Ames Laboratory faculty and staff as required by the Ames Laboratory Contract.

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Other Relevant Policies

[Conflicts in Procurement and Public Contracts](#) (Regents Policy Manual 7.08, section I)

No university employee or immediate family member shall sell, either directly or indirectly, any goods or services to any regent institution or board of regent office, except as specifically authorized by law and outlined by Regent and university policies and approval procedures. When the university engages in activities with university-employee-owned companies, a potential conflict is possible. Board of Regents policy requires prior approval from the Board before the university can make purchases from a company owned by an employee or an employee's immediate family (See Conflicts of Interest and Commitment Policy for definition of "immediate family members."). Oversight of research relationships with such companies also requires special considerations.

[Gifts Policy](#)

Employees of the university and the immediate family members shall not, directly or indirectly, solicit, accept, or receive gifts as defined in the Gifts Policy. Gifts may come in a variety of forms, so familiarity with the Gifts Policy is important for all university employees.

[Employment or Supervision of Immediate Family Members](#) (Regents Policy Manual 4.11)

No employee of the university may participate in the decision to hire, supervise, retain, promote, grant tenure to or determine the salary of an immediate family member. (See Conflicts of Interest and Commitment Policy for definition of "immediate family members.")

[ISU Extension Conflict of Interest Policy](#)

The Iowa State University Extension Conflict of Interest Policy adheres to all of the policies of Iowa State University, including the policy on Conflicts of Interest and Commitment. However, there are some instances where the Extension Conflict of Interest Policy differs from the university Conflicts of Interest and Commitment Policy because of the nature of ISU Extension work.

[Reporting Responsibility Policy](#)

The purpose of the Reporting Responsibility Policy is to explain the responsibility to report potential or suspected violations of policies, regulations, and laws.

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Conflicts of Interest and Commitment

Effective: **DRAFT**

Contact: [Vice President for Research and Economic Development](#)

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Introduction

Iowa State University encourages active participation of university personnel in external activities that promote the university's mission, enhance professional skills, expand knowledge, and/or contribute to public service. At the same time, the university expects all employees to have an allegiance to the university and to conscientiously guard against possible adverse effects of their activities on the performance of their university duties and the reputation of the university.

Possible adverse effects of these activities include, but are not limited to:

- Failure to make decisions objectively and in the best interests of the university
- Inappropriate use of university or state resources
- Insufficient time and attention dedicated to university duties to perform them satisfactorily

Activities or financial interests with the potential to lead to such adverse effects are termed "conflicts."

This policy provides a broad framework for understanding, disclosing and managing conflicts. Details of procedures for disclosing and managing specific types of conflicts are provided in the guidelines and policies linked at the end of this document. Included are guidelines related to:

- Financial conflicts of interest (financial interests in, management roles in and consulting for external entities, as well as ownership of patents, patent applications and royalty rights)
- Professional Activity Leave
- Service to government and professional associations

The Resources below include related policies dealing with conflicts of interest in procurement (conflict of interest vendors), nepotism, and consenting relationships.

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The failure to perform university duties in a satisfactory manner, whether or not substantially related to an external activity or financial interest, is expected to be handled as a performance issue by the employee's supervisor. In the case of performance issues arising from activities covered by a conflict policy or guideline, performance management measures may be invoked in addition to any management required or recommended by the policies and guidelines.

This policy complies with federal and state law and Board of Regent policies and rules regarding all forms of conflicts. All university employees are required to comply with Iowa Code Chapters 68B and 71, Iowa Administrative Code Section 681, and the policies of the Board of Regents, State of Iowa. University employees receiving sponsored funds must also comply with the policies of their sponsoring agencies. The university must comply with federal circular OMB A110 which specifies that universities receiving federal funding must maintain a written and enforced policy on conflict of interest.

See the Resources section below for related laws, policies, and rules.

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Policy Statement

Iowa State University requires the disclosure, review/approval, and management of external activities or financial interests with the potential to interfere with one or more of the following:

- **Performance of Duties:** University employees are expected to devote sufficient time and attention to their university duties to perform them conscientiously. An external activity with the potential to interfere with the employee's university duties is known as a conflict of commitment.
- **Objectivity:** University employees are expected to be objective in the decisions they make while performing their university responsibilities. Financial or other personal considerations with the potential to compromise an employee's objectivity are known as conflicts of interest.
- **Appropriate Use of State Resources:** State law prohibits the use of state resources, including the university name and trademarks, for personal benefit when such use is detrimental to the state or university.

All university employees are required to comply with this policy and the *Procedures, Applications, and Guidance* (see Resources below) established for disclosure, approval, and management of conflicts of interest and commitment.

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Definitions

- **Conflict of Commitment:** An external activity with the potential to reduce the time and attention an employee can devote to his/her university responsibilities, and thus negatively impact his/her performance of assigned university duties, constitutes a "conflict of commitment."
- **Conflict of Interest:** Any external activity, significant financial interest or management role that has the potential to negatively impact objectivity in the execution of university duties is a "conflict of interest."
- **Consulting:** The term "consulting" refers to professional services to a non-university entity that are not a part of the employee's position responsibilities.
- **External Activities:** For the purposes of this policy, "external activities" means service and/or organized activities/employment which requires a substantial and regular commitment of time, whether compensated or not, for a non-university entity. This term excludes scholarly activities undertaken as a part of the employee's position responsibilities.

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- **Immediate Family Members:** For purposes of this policy, an “immediate family member” refers to spouse and dependent children. Domestic partners shall be treated as spouses for purposes of this policy. The definition is different in policies related to nepotism and purchasing.
- **Management Role:** Management role refers to a position in a non-university entity with oversight over or responsibility for the entity’s strategies and/or operations. Examples include director, scientific director, board member, line officer, etc.
- **Non-University Entity:** The term “non-university entity” includes for-profit or not-for-profit entities outside of the university, such as corporations, companies, partnerships, sole proprietorships, associations and governmental entities (federal, state or local). The term excludes affiliated entities which act for the benefit of the university (such as the Board of Regents, Alumni Association, ISU Research Foundation, ISU Foundation or the like).
- **Professional Activity Leave:** Supervisor-approved leave granted to faculty and P&S staff for external activity such as consulting.
- **Significant Financial Interest:** A "significant financial interest" is any financial interest that has the potential to compromise an individual’s objectivity. The dollar value that is considered “significant” for the purposes of this policy is determined by the relevant federal or state law, or agency policy. See the *Procedures, Applications, and Guidance* for dollar values specific to each situation.

Significant financial interest includes, but is not limited to:

- Equity ownership or stock options. Excepted are equities held in retirement accounts or mutual funds.
 - Sole proprietor, partner, owner or member of a partnership or limited liability for-profit entity (includes remuneration from private consulting activities).
 - Consulting substantially related to patented or patentable intellectual property in which the employee has an interest.
 - Consulting for an entity that has a financial interest in or sponsors the employee’s university scholarly activities.
 - Ownership of, or rights held in, intellectual property or research materials (which may include rights to receive royalties), the value of which may be affected by the outcome of the employee’s university activities. Excepted are intellectual property and research materials held by ISURF.
 - Any of the above applicable to the employee’s spouse and/or dependent children.
- **University Employee:** University employees for the purposes of this policy include all full-time and part-time faculty, professional and scientific staff, merit staff, contract employees, graduate assistants, and post doctoral scholars. For the purposes of this policy those persons designated as emeritus faculty who receive sponsored funding through the university and those persons with uncompensated faculty rank, such as affiliates, collaborators, and visiting faculty are considered university employees; casual hourly employees are not considered university employees. The definition of employee is different for conflict of interest vendor and nepotism policies. See Resources below.

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Disclosure of Conflicts

It is the responsibility of every university employee covered by this policy to fully disclose the nature and degree of conflicts of interest and conflicts of commitment, as defined above. The disclosures must be made prior to initiating the activity, annually, and whenever the employee's situation changes. The appropriate method of disclosure varies with the type of activity as described in the *Procedures, Applications, and Guidance*.

Management Plans

Management plans are required for external activities, significant financial interests and/or management roles with the potential to impair an employee's ability to perform his/her university duties responsibly and with integrity. The form and content of management plans vary depending on the nature of the financial interest or management role and the presumed risks. For some activities, disclosure and approval by the supervisor may be sufficient. Other activities require a written plan that describes the conflict; specifies the actions to be taken to manage, reduce, or eliminate the conflict; and defines the effective period of the plan.

Specific guidelines for when and how to develop management plans are described in the *Procedures, Applications, and Guidance*. All written plans must be reviewed and updated no less than annually for as long as the conflict exists.

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Disciplinary Actions

Failure to comply with this policy may result in sanctions or disciplinary actions in accordance with the Iowa State University misconduct policies and procedures.

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Procedures, Applications, and Guidance

The principles underlying disclosure and management, as described in this policy, are similar for a wide variety of types of conflict. However, because of the diversity of applicable federal and state laws and rules and funding agency policies, the precise mechanisms for disclosure and management vary depending on the type of conflict and the applicable laws, rules and policies.

For guidelines on the application of this Conflicts of Interest and Commitment policy to various types of conflict, see the online *Procedures, Applications, and Guidance* (see Resources below). Included are:

General Application of the Conflict of Interest and Commitment Policy

- Disclosures
- Review of Disclosures
- Retention of Documents
- Professional Activity Leave
- Use of Facilities
- Other Relevant Policies

Application of the Conflict of Interest and Commitment Policy in Specific Situations

- Management Role and/or Significant Financial Interest
- Consulting
- Service to Government and Associations
- Multiple Interests or Roles
- Other Outside Employment
- Special Conditions in Sponsored Agreements

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March 28, 2011

* *NOTE: The EVPP's current COI website will be revised to be consistent with the new policy.*

Resources

- [Conflict of Interest Policy – Duty of Loyalty \(§4.40, Regents Policy Manual\)](#)
- [Conflicts of Interest - Purchasing Department Guidelines](#)
- [Conflicts of Interest, Vendors/Employees \(ISU Policy\)](#)
- [Consenting Relationships \(ISU Policy\)](#)
- [Employment & Supervision of Immediate Family Members/Nepotism \(§4.40, Regents Policy Manual\)](#)
- [Executive Vice President and Provost](#)
- [Extension Conflict of Interest Policy](#)
- [Prohibited interest in public contracts \(Iowa Administrative Code §681--8.9\)](#)
- [Government Ethics and Lobbying Act \(Iowa Code Chapter 68B\)](#)
- [Nepotism \(Iowa Code Chapter 71\)](#)
- [Office for Responsible Research](#)
- [Procedures, Applications, and Guidance - Conflict of Interest and Commitment*](#)
- [Vice President for Business and Finance](#)

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