

# University of Arkansas at Little Rock

**Policy Name:** Conflict of Interest

**Policy Number:** 330.1

**Effective Date:** August 23, 2011

Appendix 1 - [Conflict of Interest Statement](#)

Appendix 2 - [Conflict of Interest Disclosure Statement](#)

## **Policy:**

### **General Provisions**

#### **Purpose**

This document shall be referred to as the “UALR Conflict of Interest Policy,” or the “COI Policy.” The purpose of the COI Policy is to define and provide guidelines for the management of potential conflicts of interest on the part of employees at the University of Arkansas at Little Rock (“UALR”). The term “employees” includes all faculty and staff.

Section IV of University of Arkansas Board of Trustees Policy 330.1 provides that “each campus of the University [shall] . . . establish conflict of interest policies applicable to employees at the campus.” The COI Policy was created in accordance with this directive.

This COI Policy governs only conflicts of interest. It is not intended to regulate conflicts of commitment.

While the COI Policy is intended to manage conflicts of interest at UALR, it should be noted that rules and regulations outside this document also govern conflicts of interest, including, but not limited to, [University of Arkansas Board of Trustees Policies 330.1](#) (“Employee and Contractor Conflict of Interest”) and 450.1 (“Outside Employment of Faculty and Administrative Staff Members for Compensation”). When considering whether any activity constitutes a conflict of interest, employees should be aware of such rules and regulations.

#### **Conflicts of Interest - Generally**

Conflicts of interest are situations in which University employees may have the opportunity to influence University administrative, business, or academic decisions in ways that could lead to personal gain, give improper advantage to self or others, or interfere with the preservation, generation, or public dissemination of knowledge.

Conflicts of interest are not necessarily unwarranted, unethical, or illegal. Furthermore, conflicts of interest are not always avoidable. The failure to disclose situations that have the potential for or involve actual conflicts of interest, however, may be unethical and/or illegal.

## **General Duty and Policy: Disclosure**

Because the complexity and diversity of personal relationships is extensive, and the perception of conflict of interest may vary from one individual to another, the most effective means to address conflicts of interest is to establish a system under which employees disclose and obtain evaluation of potential conflicts. Thus, University employees shall disclose any potential conflict that is or may be material.

### **Definitions**

- **Immediate Family** is defined to include an employee's (a) spouse or domestic partner, and (b) dependent children.
- A **conflict of interest** is "material" if there is a substantial likelihood that a reasonable person would believe that the conflict has the potential to compromise the objectivity of the employee.

## **What May Constitute a Conflict of Interest**

### **Examples of Activities that May Constitute a Conflict of Interest**

The following list provides some examples of the type of situations that may involve conflicts of interest and, hence, should be disclosed. The list of situations is not exhaustive. Other situations or activities may exist that have the appearance of, potential for, or involve actual conflicts. Situations, whether listed below or not, that have the appearance of, potential for, or involve actual conflicts of interest should be disclosed.

Because a particular situation appears on the list does not necessarily mean that a conflict of interest exists. Even if a conflict exists, the situation may be unavoidable or in the University's best interest and, hence, allowed to continue after disclosure.

1. Employee or immediate family member ownership, management, or other business ties with a private or public organization that has dealings with the University.
2. Teaching credit or noncredit courses, seminars, or workshops not for the University.
3. Requiring material for use by students for which the instructor derives direct or indirect financial benefit.
4. Fees provided for professional service including consulting or expert testimony.
5. Continuing role in the scientific and technical efforts of a commercial enterprise.
6. Revenues from patents or licensed technology.
7. Service or financial interest in an entity that provides research grants or contracts.
8. Direct commercial or financial interests of immediate family members in employee's research.
9. Transfer of technology to an organization in which the employee or immediate family members have an interest.
10. Employee or immediate family member having a financial interest in University decisions.
11. Use of University facilities, employees, or students in personal or commercial activities.
12. Appointment, promotion, supervision, or management of an immediate family member.

13. Acceptance of gifts from suppliers, research sponsors, organizations, corporations, or persons who have dealings with UALR. For the operative definition of the term “gift,” see the [Arkansas Ethics Commission’s Rules on Gifts](#).
14. Private remuneration for University research provided by an individual or organization.
15. Use of University credit, purchasing power, or facilities for Non-University activities.
16. Advertising endorsements based upon University position.
17. Outside activities influencing decisions or behavior with respect to preservation, generation, and dissemination of knowledge (e.g., delaying dissemination of research information, diverting to external organizations research opportunities that the University would have a normal expectation to obtain).
18. Side agreements to any contracts or business dealings between UALR suppliers, research sponsors, corporations, or other entities or persons.
19. Participation in UALR committee, purchasing or contracting decisions that are related in any way to a business enterprise in which the employee has a significant financial interest.
20. Use of the name of UALR, the University of Arkansas, a college, a center or a department in a manner to produce personal financial benefit.
21. Memberships on board of directors, committees, advisory groups (or similar bodies) of governmental, for profit or not for profit entity.

**Safe Harbor - Activities that are Normally Allowable and Need Not Be Disclosed**

The following activities do not constitute conflicts of interest:

- Salary, royalties, or other remuneration received from UALR, including equity ownership.
- Receipt of royalties for published scholarly works and other writings.
- Acceptance of honoraria for papers, occasional lectures, and seminars as long as the honoraria are not excessive.
- Occasional income from service on advisory committees or review panels for public or nonprofit entities that does not impact performance of UALR responsibilities.
- Significant interests in business enterprises or entities on the part of an investigator and the investigator’s spouse and dependent children, which are not in any way related to the investigator’s professional role and obligations.
- Any “arms length” financial interests which occur through participation in mutual funds or employers’ retirement plans.
- Participation in clinical or other research sponsored by companies in which the employee holds no financial interest or in which financial interest has been divested, provided the research has been reviewed by the appropriate administrative channels.

**Special Exemptions**

Arkansas state law provides certain exemptions from prohibitions on activities of state employees that encourage facilitation of commercialization of university-generated technology or discovery. These exemptions from the state ethics law do not necessarily exempt an individual from any restrictions imposed by UALR policy. In particular, UALR policy requires full

disclosure through the mechanism as outlined in the section titles Resolving Conflicts of Interest and Conflicts.

**Business Incubators.** Faculty or staff of state-supported institutions of higher education may participate in business incubators within the state. This exemption includes companies in which employee may have an ownership interest.

**University Intellectual Property.** State Law also provides that it is not a conflict of interest, or a breach of ethical standards for an institution of higher learning to contract with a person or firm in which an employee or former employee has a financial interest if such contract, subcontract or proposal involves patents, copyrights, or other proprietary information in which the institution and the employee have rights or interests. There are restrictions on such activities: the contract or agreement must be approved by the University of Arkansas Board of Trustees in an open meeting.

**Blind Trusts.** Where an employee or any member of the employee's immediate family holds a financial interest in a blind trust, the employee shall not be deemed to have a conflict of interest with regard to matters pertaining to that financial interest if disclosure of the blind trust has been made to the Conflict of Interest Committee.

#### **Attendance at Vendor Sponsored Events**

Employees of the University shall not attend any event, function, conference or other activity for which their expenses or costs (including items such as transportation, lodging, and food) are paid or provided, in whole or in part, by a vendor doing business with the University, or actively seeking business with the University, under circumstances whereby it would be a conflict of interest, or create an appearance of impropriety, for the employee to attend the event, function, conference, or other activity. In determining the propriety of attending any event, function, conference, or other activity under this policy, the following factors shall be considered:

- the identity of the employee and the nature of that person's responsibility for dealing with the vendor, including whether the he or she has primary responsibility for the selection of the vendor and supervision of the vendor's activities on behalf of the University;
- the nature and value of the benefits that are to be provided by the vendor;
- whether the vendor is currently seeking, or will in the near future be seeking, an initial contractual relationship or a renewal of its contractual relationship with the University;
- whether an issue currently exists with regard to a vendor's services to the University where it might be perceived that the vendor's actions are an attempt to influence a determination on that issue.

The prohibitions set forth in this policy shall also apply to members of the employee's family or other individuals receiving such benefit from a vendor due to their relationship with the employee.

Individual employees receiving an invitation from a University vendor or from a vendor actively seeking to do business with the University for any benefit described in this policy shall review the circumstances of the invitation with their supervisor prior to acceptance of any invitation.

It is not the intent of this policy to prohibit the receipt of gifts of nominal value or occasional meals paid for by a vendor. It is also not the intent of this policy to prohibit the receipt of benefits from a vendor when the acceptance of such benefits would not create a conflict of interest or an appearance of impropriety. It is the purpose of this policy to avoid accepting anything offered with the appearance, intent, or effect of influencing the exercise of an employee's professional judgment or would cause the relationship with a vendor to appear to be other than "arms length." Any organization or individual desiring to make a gift to the University should be asked to contact the Office of Development.

### **Part-Time Employees**

Part-time employees are subject to conflict of interest requirements, especially if they participate in sponsored activities. These instances should be discussed with individual department or unit heads.

### **Students**

Special care should be exercised in the involvement of students, including fellows at the post-doctoral level, in the evaluation of commercial products or research supported by industrial sponsors, and such activities should be evaluated with attention to avoidance of detrimental effects on the student's academic program.

## **Resolving Conflicts of Interest and Conflicts**

### **General Disclosure Procedures**

As noted in the preamble, not all conflicts of interest are inappropriate. Accordingly, the primary method for resolving conflicts of interest is via disclosure.

Every UALR employee shall read, sign, and retain a copy of the [University of Arkansas at Little Rock Conflict of Interest Statement](#).

Situations that have the appearance of, potential for or involve actual conflicts of interest must be reported, in writing, to the employee's immediate supervisor. Employee's written disclosure, as entered on the [Conflict of Interest Disclosure Statement](#) form, should be made prior to any arrangements, whether verbal or written, are agreed upon concerning the potential conflict. Modification to existing arrangements should be reported as they occur. In addition, continuing arrangements should be reported on an annual basis as previously specified. In disclosing these situations, the disclosing person shall indicate all steps that will be taken to avoid or minimize any conflict of interest.

After consulting with the employee concerning whether an actual or potential conflict of interest exists, the supervisor shall provide the employee with a written decision and any remedial action that must be taken within five (5) working days after such consultation. Employees may appeal the decision to the next level supervisor or to the Conflict of Interest Committee.

Conflicts that are determined to be of a serious nature due to their potential for adverse impact on UALR shall be reported by the supervisor or superior to the Chancellor or the Chancellor's designated official. The Chancellor or designee will refer such serious conflicts to the UALR Conflict of Interest Committee to review the situation and make recommendations within twenty working days.

The decision of the Chancellor or Chancellor's official designee as to the resolution of any conflict shall be final.

#### **Conflict of Interest Committee**

A Conflict of Interest Committee shall be appointed by the Chancellor and shall be a standing committee of UALR. The Chair shall be appointed by the Chancellor, and the Committee shall meet as needed in order to act in a timely fashion. The Conflict of Interest Committee shall review disclosures for possible conflict that are referred to the Committee by the Chancellor or the Chancellor's designee or brought before the Committee pursuant to an appeal, and shall advise appropriate officials as to an appropriate resolution. The Committee shall be charged with policy review and revisions.

#### **Administrative Sanctions**

Failure to disclose conflicts of interest in an appropriate and timely manner, or failure to comply with procedures to resolve conflicts of interest as recommended by the Conflict of Interest Committee, may result in administrative sanctions as determined by the appropriate Vice Chancellor with advice from the appropriate Dean or other administrative officials and the Conflict of Interest Committee. Administrative action may include oral admonishment, written reprimand, reassignment, disqualification from submitting proposals for research support to Federal Agencies or other sponsors, demotion, suspension, or separation. Any sanctions may be appealed to the Chancellor or Chancellor's designee, whose determination shall be final.

#### **Maintenance of Records**

All conflict disclosures and records of actions taken by UALR with respect to each conflict shall be maintained for at least three (3) years from the date the disclosure form is filed or the date of any document resolving the conflict, whichever is later. The file will be maintained in the UALR Department of Human Resources.

**APPENDIX 1**  
**University of Arkansas at Little Rock**  
**CONFLICT OF INTEREST STATEMENT**

NAME: \_\_\_\_\_ TITLE: \_\_\_\_\_  
(Please Print) (Please Print)

University ID#: \_\_\_\_\_ Department \_\_\_\_\_  
(Please Print) (Please Print)

I have read the University of Arkansas at Little Rock (UALR) Conflict of Interest Policy and recognize that as an employee of UALR I occupy a position of trust with respect to the institution and have an obligation to discharge my duties with good faith, diligence, fidelity and loyalty - including the duty to disclose any actual or potential conflict of interest.

As required by UALR, I hereby attest that, to my knowledge, there does not now exist any conflict between my own interests and those of UALR, that I shall report to the University any instance of a conflict or apparent conflict that may arise between my own interests and those of the University, and that I will never knowingly harm the interests of UALR given my good faith understanding of those interests.

\_\_\_ {Check if applicable.} I have attached a Disclosure Statement in which I am providing information regarding an existing or potential conflict of interest not previously disclosed to my supervisor in a Disclosure Statement.

I will notify the University of Arkansas at Little Rock in writing of any changes in or additions to the information disclosed above.

Further, I HEREBY CERTIFY that I have read the University's Conflict of Interest Policy and understand my obligations to comply with it.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Title \_\_\_\_\_

**APPENDIX 2**

**University of Arkansas at Little Rock**

**CONFLICT OF INTEREST DISCLOSURE STATEMENT**

NAME: \_\_\_\_\_ TITLE: \_\_\_\_\_  
(Please Print) (Please Print)

University ID#: \_\_\_\_\_ Department \_\_\_\_\_  
(Please Print) (Please Print)

I have read the University's Conflict of Interest Policy and recognize that as an Employee of the University of Arkansas at Little Rock (UALR) I occupy a position of trust with respect to the institution and have an obligation to discharge my duties with good faith, diligence, fidelity and loyalty.

In accordance with that Policy, I wish to disclose the following situation which may constitute an actual or potential conflict of interest not previously disclosed to my supervisor in a Disclosure Statement {state all relevant information}:

I have attached any materials related to this situation that I think will assist in the evaluation of whether or not it does present a conflict of interest.

Date: \_\_\_\_\_ Signature: \_\_\_\_\_

**Reviewed by:**

Supervisor  
Name: \_\_\_\_\_  
(Please Print)

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**Approved by:**

Vice Chancellor Name: \_\_\_\_\_  
(Please Print)

Signature: \_\_\_\_\_ Date: \_\_\_\_\_