



Conflicts of Interest and Commitment	
Responsible Official: Chief Operating Officer	Responsible Office: Human Resources

Policy Purpose

This policy specifies how a Covered Employee should disclose Conflicts of Interest or Conflicts of Commitment and how a conflict is evaluated.

Policy Statement

Perceived or real Conflicts of Interest and Conflicts of Commitment are harmful to ETSU and ETSU's reputation. All Covered Employees must disclose any Conflicts of Interest or Conflicts of Commitment. When a Covered Employee believes a Conflict of Interest or Conflict of Commitment exists or may exist for any Covered Employee, including themselves, the Covered Employee must immediately submit a written disclosure of the facts and circumstances surrounding the Conflict of Interest or Conflict of Commitment to the Office of Human Resources through the Disclosure Form.

I. General Principles.

- A. A Covered Employee must take all reasonable precautions to ensure that a Covered Employee's Financial Interests do not place them in a Conflict of Interest or Conflict of Commitment when carrying out their Professional Obligations as employees of ETSU.

Generally, a Conflict of Interest exists when:

1. A Covered Employee allows their Financial Interest to interfere with or compromise the Covered Employee's judgment and objectivity, with respect to the Covered Employee's duties and responsibilities to ETSU.
2. A Covered Employee makes ETSU or ETSU-related decisions or uses ETSU resources in a manner that results in or is expected to result in:
 - a. Financial gain for the Covered Employee or financial gain for a Family Member; or,
 - b. An unfair advantage to or favored treatment for a third-party outside of ETSU.
3. A Covered Employee allows a Financial Interest to affect the design, conduct, or reporting of research. This type of conflict is addressed in the Institutional Financial Conflicts of Interest Policy.

B. Examples of Conflicts of Interest.

The following situations are examples of prohibited Conflicts of Interest. This is not an all-inclusive list of prohibited Conflicts of Interest.

1. A Covered Employee serving as a member of the board of directors of, serving as a consultant to, or holding an office or management position in an outside entity, and:
 - a. The Covered Employee procures or influences the procurement of goods or services from the outside entity for ETSU; or,
 - b. The Covered Employee uses their ETSU position to obtain favored treatment for that outside entity or to provide an unfair advantage to that outside entity.
2. A Covered Employee holding more than a five percent (5%) Financial Interest, inclusive of Financial Interests held by a Family Member, in an outside venture, and:
 - a. The Covered Employee procures or influences the procurement of goods or services from that outside venture for ETSU; or,
 - b. The Covered Employee uses their ETSU position to obtain favored treatment for that outside venture or to provide an unfair advantage to that outside venture.
3. A Covered Employee soliciting or accepting Gifts from a person or entity:
 - a. In return for influencing a Covered Employee in the discharge of their ETSU or ETSU-related Professional Obligations; or,
 - b. While in a position to obtain favored treatment for that person or entity or to provide an unfair advantage to that person or entity.
4. A Covered Employee selling any products or services to ETSU or another State of Tennessee agency while an employee of or within six (6) months after termination of active employment with ETSU.
 - a. This does not apply to the sale of textbooks, stage plays, and other copyright literary property for which the Covered Employee receives royalties from a distributor in which the Covered Employee does not own a controlling interest.
 - b. This does not apply to Sole-source Suppliers, unless the Covered Employee also procures or influences the procurement of the particular product or service for ETSU. However, the Covered Employee's interest in the Sole-source Supplier must be publicly acknowledged.
5. A Covered Employee using confidential or official ETSU information in any manner that results in or is expected to result in financial gain or an unfair advantage to the Covered Employee, a Family Member, or a third-party.

II. Enforcement.

Compliance with this policy is a condition of employment for all Covered Employees. A Covered Employee who fails to comply with this policy is subject to discipline, including termination.

Authority: FOCUS Act Tenn. Code Ann. § 49-8-203, et. seq.

Previous Policy: Tennessee Board of Regents Policy 1.02.03.10

Definitions

A defined term has a special meaning within the context of this policy.

Conflict of Commitment: The actual or perceived divergence of a Covered Employee's personal time, attention, and energy from the Covered Employee's Professional Obligations

Conflict of Interest: The actual or perceived divergence of a Covered Employee's personal interests, including, but not limited to, Financial Interests, from the Covered Employee's Professional Obligations.

Covered Employee: Any ETSU employee who is employed in any capacity except student workers, graduate assistants, medical residents, or volunteers

Family Member: Includes 1) spouse; 2) child, step-child; 3) parent, step-parent, foster parent, parent-in-law; 4) sibling(s); 5) grandparents and grandchildren and: 6) other members of the family who reside within the home.

Financial Interest: Any interest of monetary value, whether or not that value is readily ascertainable, including any interest of a Family Member

Gift: Any item gifted in excess of \$250, including but not limited to, any gratuity, service, favor, food, entertainment, lodging, transportation, loan, loan guarantee, or any other item of monetary or personal value.

Professional Obligations: The duties and responsibilities owed by a Covered Employee as part of their employment at ETSU, including to act in a manner that the Covered Employee reasonably believes to be in the best interests of ETSU.

Sole-source Supplier: The only supplier that can provide a particular good or product.

Policy History

Effective Date:

Revision Date:

Procedure

The procedures for disclosure of a Conflicts of Interest or Conflicts of Commitment and the review process are as follows:

I. Disclosure by Covered Employee.

A Covered Employee completes the Disclosure Form on the Human Resources website.

II. Review of Disclosures.

One representative from the Office of Human Resources, the Office of University Counsel, the Division and Finance, the Office of Internal Audit, and the department head for the Covered Employee's unit meets to evaluate the disclosure and determine what action is necessary. A Covered Employee involved in a potential or alleged Conflict of Interest or Conflict of Commitment is not permitted to participate in the evaluation of the matter.

Procedure History

Effective Date:

Revision Date:

Related Form(s)

Disclosure Form

Scope and Applicability

Primary: Human Resources

Secondary: