

BOARD OF REGENTS

EASTERN MICHIGAN UNIVERSITY

SECTION: 23

DATE:

October 7, 2014

RECOMMENDATION CONFLICT OF INTEREST: UNIVERSITY EMPLOYEES

ACTION REQUESTED

It is recommended that the Board of Regents amend the Board of Regents Policy 3.1.7, Conflict of Interest: University Employees

STAFF SUMMARY

The current conflict of interest policy covers approximately 150 senior administrative staff. The recommendation is to broaden the conflict of interest policy to cover all non-bargained-for staff (NBFs). There are currently approximately 300 NBF's.

In addition, the University's Internal Auditors are currently directly responsible for developing appropriate procedures for implementing the provisions of the Conflict of Interest policy. In order to maximize the limited hours available of the University's Internal Auditors, management has decided to return this responsibility in-house. The University's Human Resource department will proceed with its implementation.

FISCAL IMPLICATIONS

None

ADMINISTRATIVE RECOMMENDATION

The proposed Board action has been reviewed and is recommended for Board approval.

University Executive Officer

Date

Policies, Rules and Regulations

Chapter Name: Employment and Affirmative Action

Chapter No. 3.1.7

Issue: Conflict of Interest: University Employees

Effective Date: 6-19-1974

Revision Date: 6-17-2003

UNIVERSITY POLICY STATEMENT

No University employee shall have a direct or indirect interest, financial or otherwise, in a contract with the University or incur any obligation of any nature, when such contract or obligation is in substantial conflict or provides a potential substantial conflict with the discharge of his or her duties in the public interest.

Furthermore, no University employee shall accept any payment, remuneration, gratuity or other money or property of any kind from a corporation, individual or entity which is engaged in one or more business transactions with the University where there is any relationship, direct or indirect, between the payment to the individual and the transaction with the University.

(NOTE: A substantial conflict or potential substantial conflict of interest exists when a University employee: (1) engages in a business transaction as a representative/agent of the University with a business entity in which he/she holds a title of executive officer, (e.g. President, Vice President, Secretary, Treasurer), or owns or controls directly or indirectly more than one percent of that entity; or (2) accepts other employment or engages in a business or professional activity which will require him/her to disclose confidential information acquired while carrying out his/her official responsibilities.)

UNIVERSITY PRACTICE

University practices for implementing this policy include:

1. ~~Senior administrative staff~~Nonbargained- for staff (~~employees within the Management and Administrative Compensation Bands~~) shall complete a disclosure statement annually reporting any financial conflict of interest or potential conflict of interest, financial or otherwise, to the University.

(NOTE: Conflict of interest or potential conflict is defined as the ownership or control of more than one percent of any firm or institution providing goods or services to Eastern Michigan University by such individuals as noted above or by a member of their immediate family.)

2. A disclosure statement for ~~senior administrators~~ Nonbargained-for staff is available for compliance with this policy.

3. ~~Senior administrative~~Nonbargained-for staff shall be required to promptly complete and file an amended disclosure statement upon the occurrence of any change in circumstances or discovery of any new information that would alter the previous statement.

RESPONSIBILITY FOR IMPLEMENTATION

It is the individual responsibility of each University employee to disclose conflicts of interest or potential conflicts of interest to the University. The University's ~~Internal Auditor~~ is directly responsible for developing appropriate procedures for implementing the provisions of this policy.

SCOPE OF POLICY COVERAGE

This policy affects all Eastern Michigan University employees; however, the President is responsible for conforming with the Conflict of Interest policy set forth for Board members and the President.

Authority for Creation or Revision:

Meeting of the Board of Regents: June 19, 1974, para. .1384M.

Meeting of the Board of Regents: December 2, 1987, para. .3634M.

Meeting of the Board of Regents: December 6, 1989, para. .4134M.

Meeting of the Board of Regents: June 17, 2003, para. .6132M.

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UNIVERSITY PRACTICE

University practices for implementing this policy include:

1. Nonbargained- for staff shall complete a disclosure statement annually reporting any financial conflict of interest or potential conflict of interest, financial or otherwise, to the University.

(NOTE: Conflict of interest or potential conflict is defined as the ownership or control of more than one percent of any firm or institution providing goods or services to Eastern Michigan University by such individuals as noted above or by a member of their immediate family.)

2. A disclosure statement for Nonbargained-for staff is available for compliance with this policy.

3. Nonbargained-for staff shall be required to promptly complete and file an amended disclosure statement upon the occurrence of any change in circumstances or discovery of any new information that would alter the previous statement.

RESPONSIBILITY FOR IMPLEMENTATION

It is the individual responsibility of each University employee to disclose conflicts of interest or potential conflicts of interest to the University. The University is directly responsible for developing appropriate procedures for implementing the provisions of this policy.

SCOPE OF POLICY COVERAGE

This policy affects all Eastern Michigan University employees; however, the President is responsible for conforming with the Conflict of Interest policy set forth for Board members and the President.

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