

Conflicts of Interest and Commitment

UA-17

About This Policy

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Responsible University Administrator:

Faculty University and Campus Academic Administrators Research Vice President for Research Staff Vice President for Human Resources Procurement Executive Vice President for Finance and Administration

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Scope

All Indiana University employees, including faculty and academic appointees; student academic appointees; and staff and part time employees; and all persons at the university who are "investigators" on university research projects or sponsored programs.

Any amendments to this policy must be made in accordance with the normal procedures for adopting or revising policies that pertain to the particular constituency affected by the amendment. For example, changes to this policy that affect academic appointees, unless required by state or federal law, must be approved by the University Faculty Council.

Policy Statement

- A. It is the policy of Indiana University that its academic appointees and employees conduct the affairs of the university in accordance with the highest legal, ethical, and moral standards. Indiana University academic appointees and employees are expected to:

1. Adhere to the [Principles of Ethical Conduct](#), including the stated principles governing conflicts of interest and commitment;
 2. Prevent individual or institutional conflicts of commitment in their assigned duties for the university;
 3. Disclose potential conflicts of interest and conflicts of commitment and adhere to any requirements created to manage or eliminate those conflicts;
 4. Ensure personal relationships do not interfere with objective judgment in decisions affecting university employment or the academic progress of a community member or a student;
 5. Ensure their assigned duties for the university receive their full effort, attention, and commitment;
 6. Use all university property, including equipment, finances, materials, electronic and other systems, information, and other university resources only for legitimate university purposes and in accordance with university policies.
- B. Nothing in this policy shall be construed to permit any activity that is prohibited by law, even if an actual or potential conflict of interest has been disclosed.

Reason For Policy

- A. Indiana University is an institution of public trust. Academic appointees and employees have an obligation to be objective and impartial in making decisions on behalf of the university.
- B. Disclosure of conflicts of interest and conflicts of commitment, along with open communication about them between all concerned parties, is the best method to protect academic appointees, employees, units, and Indiana University from negative consequences of these situations.
- C. This policy serves to promote objectivity in research by establishing standards that provide a reasonable expectation that the design, conduct, and reporting of research, including research funded under grants or cooperative agreements, will be free from bias resulting from investigator financial conflicts of interest.
- D. This policy serves to prevent unethical behavior in purchasing and other financial transactions. Examples of such behavior may include but are not limited to:
1. Contracts or transactions where an academic appointee or employee attempts to influence a purchasing decision because of an undisclosed relationship an academic appointee or employee has with a particular supplier;
 2. Sharing pricing provided by a supplier with a competitor;
 3. Personal gain from a university business transaction;
 4. Participation in the selection, award, or administration of a contract supported by a federal award if an academic appointee or employee has a real or apparent conflict of interest as defined in [§200.318 "General Procurement Standards"](#).
- E. This policy serves to prevent conflicts of commitment, including conflicts of commitment in the form of ghost employment as defined by [I.C. 35-44-2-4](#), from impeding the fulfillment of academic appointee's or employee's obligations to the university.

Procedure

A. Conflicts of Interest

1. Conflicts of interest occur when the private interests and university responsibilities of an academic appointee or an employee are at odds. Academic appointees and employees shall not use their university position to secure personal financial benefits for themselves or any member of their immediate family. Conflicts of interest should be avoided where possible, or otherwise disclosed and managed.
 - a. Faculty and Staff Disclosures
 1. All academic appointees and employees shall disclose to their unit head any situation in which the employee has a real or potential conflict of interest through the [annual Conflicts of Interest and Commitment online disclosure form](#).

2. The following individuals shall complete the [annual Conflicts of Interest and Commitment online disclosure form](#):
- Anyone who is responsible for the design, conduct, or reporting of research as well as anyone listed as key personnel on sponsored projects or human subjects research (all “investigators” as defined below);
 - Full-time faculty;
 - Staff employees in the following job classification career levels and/or functions within any job family:

Levels	Functions
Advanced	Development & Advancement
Expert	Finance
Operational	
Sr. Operational	
Strategic	
Executive	

- University employees with or who have been delegated IU signature authority;
 - All fiscal officers;
 - University personnel authorized to conduct purchasing activities and influence or affect the process or outcome of any expenditures;
 - Anyone that is otherwise directed by their department or school to complete a disclosure.
3. Academic appointees and employees who are required to complete the [annual Conflicts of Commitment and Commitment online disclosure form](#) shall update the form whenever there is a significant change as soon as the academic appointee or employee is aware of the change, and then annually thereafter.
4. Unit heads, or their designee(s), are required to review any disclosed non-research conflicts in their areas within 60 days and to contact the University Compliance and Policy Office for assistance in managing those conflicts.
5. If a unit head becomes aware of a conflict of interest or conflict of commitment that an academic appointee or employee has not disclosed, the unit head shall discuss the situation with the academic appointee or employee, and require that a written disclosure be made or updated as provided in this policy.

b. Disclosures for Specific Contracts or Purchases

- When an academic appointee, employee, unit head or unit head’s designee becomes aware of an instance where an academic appointee an employee or someone with whom the academic appointee or employee has a familial relationship has a financial interest, whether existing or proposed, related to a specific procurement transaction or set or transactions with which the academic appointee or employee has some involvement in their official capacity as an academic appointee or employee of Indiana University, the unit head (or designee) must consult with the Office of Procurement Services prior to any final action on the purchase or contract. The Office of Procurement Services will then, in consultation with the Chief Compliance and Policy Officer, review the situation, and Chief Compliance and Policy Officer shall facilitate the submission of a disclosure statement, if required by [Indiana state law](#) (35-44.1-1-4), to the Secretary of the Board of Trustees. Within 15 days following final action being

taken on the purchase or contract, the Secretary of the Board of Trustees must file the disclosure electronically with the State Board of Accounts.

2. No academic appointee or employee, or investigator on university research projects or sponsored program, or other officer or agent of the university, may participate in the selection, award, or administration of a contract (i.e., vendor transaction or subaward) supported by a federal award if that person has a real or apparent conflict of interest, and may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts.
3. All employees and academic appointees authorized to conduct purchasing activities and influence or affect the process or outcome of any expenditures shall adhere to the highest degree of ethical standards. No employee authorized to conduct purchasing activities shall engage in or permit any illegal or improper purchasing practice. Engaging in or permitting unethical or illegal conduct constitutes grounds for disciplinary action up to and including denied or restricted access to solicitation responses and other purchasing information, termination of employment, and/or criminal prosecution.
4. All professional purchasing employees, fiscal officers, and their delegates who are authorized to conduct purchasing activities shall adhere to the National Association of Educational Procurement (NAEP) Code of Ethics. However, adherence to the NAEP Code of Ethics, does not supersede the expectation and obligation that all university employees are to operate and make purchasing decisions based upon university procurement contracts that have been negotiated to provide for an enhanced overall value to the university and are enforced by University Procurement Services.
5. Any employee having knowledge of any questionable procurement practices shall immediately report this knowledge to the Associate Vice President of Procurement Services.

c. Gifts and Gratuities

The following guidelines are provided to assist academic appointees and employees and their supervisors in determining whether any gift, gratuity or benefit may be accepted in accordance with the [Principles of Ethical Conduct](#), and what steps to take if the proposed gift, gratuity or benefit may be perceived as unethical. These guidelines apply to the academic appointee's or employee's position at Indiana University and do not impinge on the ability to have outside consulting arrangements, where such arrangements are in accord with the [Conflicts of Commitment and Ghost Employment section](#) of the Conflicts of Interest and Commitment policy.

1. The acceptance of the following gifts, gratuities, or benefits are considered consistent with the [Principles of Ethical Conduct](#):
 - a. Items of de minimus annual aggregated value below \$100;
 - b. Conference registration waivers where Indiana University benefits from the academic appointee's or employee's attendance at the conference or where the academic appointee or employee is a speaker, moderator or other participant;
 - c. Meals, beverages, and entertainment as part of a business meeting or discussion or in conjunction with attendance at a conference, convention, or similar event;
 - d. Payments from government or not-for-profit entities for:
 - i. participation in conferences, seminars, lectures or other educational activities, or
 - ii. participation on boards, advisory committees or review panels.
2. The following steps should be taken if an academic appointee or employee is concerned that a gift, gratuity, or benefit may be perceived as unethical:
 - a. Consult with the supervisor, whether that be a department chair, dean, or unit head. It is the duty of supervisors to oversee and manage situations where even the perception of impropriety may occur.
 - b. In determining whether the proposed gift, gratuity, or benefit may be accepted consistent with the [Principles of Ethical Conduct](#), the supervisor should consider whether the gift, gratuity, or benefit:

- i. Serves a legitimate university business purpose and provides a net benefit to the university;
 - ii. Meets customary industry practices and conventions;
 - iii. Puts the academic appointee or employee in a questionable ethical position; and
 - iv. Its acceptance is otherwise allowed by this policy and in compliance with all other university policies, including the [Conflicts of Commitment and Ghost Employment section](#) of the Conflicts of Interest and Commitment policy.
 - c. Questions about individual situations may be directed to the [University Compliance and Policy Office](#).
3. Any gift, gratuity, or benefit received by an academic appointee or employee as a result of the appointee's or employee's work for the university should be reportable in the academic appointee's or employee's annual [Conflicts of Interest and Commitment Disclosure](#).
4. Individual units may create internal policies that are more restrictive than this policy, but not less restrictive. (See, e.g., the Indiana University School of Medicine's [Industry Relations Policy for Medicine](#); [FIN-PURCH-09 \(Purchasing Ethics\)](#)).

d. Nepotism

1. Employment situations that constitute nepotism are prohibited. Nepotism is the supervision or influence over an academic appointee or employee by another university academic appointee or employee with whom they have a familial or personal relationship, as defined in this policy. Influence in the employment situation may concern issues such as hiring, promotion, supervision, evaluation, determination of salary, or working conditions.
2. Academic appointees or employees with familial or personal relationships should not be appointed or transferred to a position that creates a potential situation of nepotism without an approved management plan to avoid instances of supervision or influence. Potential nepotism situations must be reported prior to appointment or transfer, according to the procedures below.
3. Situations of nepotism that arise in existing employment situations due to a change in relationship, must be reported promptly and addressed by an approved management plan.
4. Cases Involving State or Federal Grants or Contracts
 - a. In cases involving State or Federal grants or contracts, compensation for individuals with a familial or personal relationship with the PI or Co-PI can not be allocated to the sponsored funding except under the following circumstances:
 - i. Cases involving relationships between two tenured or tenure track faculty who are acting as Co-Principal Investigators, or
 - ii. Cases that meet all of the requirements below:
 1. The department chair approves in advance the proposed compensation and reviews and agrees that the lower-ranked individual
 - a. Possesses the requisite skills, experience, and education to fulfill the role, and
 - b. The proposed compensation is equivalent to that paid to other, similarly situated individuals.
 2. All cases in this subsection must have the following in place prior to any compensation being paid to the lower-ranked individual:
 - a. An approved, signed management plan, arranged through the Chief Compliance and Policy Officer, and
 - b. Written disclosure of the situation to the funding agency from the Principal Investigator that outlines the justification for the hire and includes the management plan, with a copy provided to the Chief Compliance and Policy Officer.

- b. Situations described by this subsection that are already in existence must be brought to the attention of the Chief Compliance and Policy Officer prior to October 14, 2020 unless a management plan approved by the University Compliance and Policy Office is already in place. Thereafter, these situations will only be approved if addressed in advance of any compensation being paid to the lower-ranked individual.
 - c. Any exceptions to this prohibition require the prior written approval of the Chief Compliance and Policy Officer.
5. Existing situations of nepotism must be reported and addressed unless a management plan approved by the University Compliance and Policy Office is already in place. Other management plans in existence prior to the effective date of this policy should be provided to the University Compliance and Policy Office for review.
6. Members of the Board of Trustees should not recommend for employment at Indiana University persons with whom they have a familial relationship.
7. Procedures:
 - a. Whenever a person recommending, or considering the acceptance of, an appointment to a staff, faculty, or other position has reason to believe that a familial or personal relationship as described in this policy exists or may exist in the potential employment situation, they must report the facts to the relevant academic dean (faculty) or unit director (staff) so that a determination may be made prior to the actual appointment.
 - b. When a prohibited instance of nepotism is created during the course of existing employment, the academic appointee(s) or employee(s) and/or supervisor must promptly notify the relevant dean or director. Currently existing situations of nepotism must be reported in a timely manner.
 - c. In all situations, the dean/director must inform the University Compliance and Policy Office for assistance in developing an approved nepotism management plan. The University Compliance and Policy Office will consult with the Office of the Vice President and General Counsel, as well as with the campus offices of human resources and/or academic affairs, as appropriate.
 - d. Management plans must be reviewed and signed by the involved parties, the relevant dean/director, the campus Vice Chancellor/Provost of Academic Affairs (if faculty or academic employees are involved), and the campus HR director (if staff are involved). Final copies of all approved management plans must be forwarded to the University Compliance and Policy Office which will retain copies.
 - e. The University Compliance and Policy Office, in cooperation with the relevant unit, will review all approved management plans periodically for effectiveness, but no less than every three years, or as conditions change. Any changes to approved management plans should be forwarded to the University Compliance and Policy Office. Instances of nepotism, as well as the existence of approved management plans to avoid nepotism, must be reported on the university's annual conflict of interest forms, as revised in 2016.

e. Research Conflicts of Interest

1. The university is required to promote objectivity in research by establishing standards that provide a reasonable expectation that the design, conduct, and reporting of research, including research funded under Public Health Service grants or cooperative agreements will be free from bias resulting from investigator financial conflicts of interest. Investigators are required to annually disclose significant financial interests for evaluation by the University's Conflict of Interest Program, and to update this disclosure as interests change to comply with federal regulations designed to protect the objectivity of federally funded research and sponsored programs. The University Conflict of Interest Committee and Conflict of Interest Program shall be responsible for identifying conflicts of interest and determining appropriate steps to reduce, manage, or eliminate the financial conflict of interest; to ensure, to the extent possible, that the design, conduct, and reporting of research will be free from bias; and to ensure that, to the extent required by federal law and regulation, the Conflict of Interest Program fulfills federal

public disclosure requirements of managed conflicts of interest and provides training to investigators (see, Responsibility of Applicants for Promoting Objectivity in Research for which PHS Funding is Sought (42 C.F.R. Part 50, Subpart F)).

2. The Office of Research Compliance will develop procedures that are consistent with this policy. That office's current procedures and information related to the review process may be found at Compliance Services: Conflict of Interest on the [website of the Office of Research Compliance](#).

B. Conflicts of Commitment and Ghost Employment

1. Conflicts of commitment occur when the time or effort that an academic appointee or employee devotes to external activities interferes with the academic appointee's or employee's fulfillment of assigned university responsibilities, or when an academic appointee or employee makes unauthorized use of university resources in the course of an external activity. Conflicts of commitment are not allowed for either academic appointees or employees, but there are important distinctions between faculty and staff positions regarding the activities that fall under this prohibition.

a. Faculty

1. This policy section shall apply to all academic appointees, both full-time and part-time. The potential for conflicts of commitment is likely to rise in proportion to the particular commitment that exists between an individual academic appointee and the university. For example, the kinds of external activities likely to compete with a full-time appointee's primary duties may not apply to part-time appointees. Accordingly, this section defines in a consistent manner the types of situations that could pose conflicts and that should be reported. The evaluation of potential conflicts will take into account the particular facts of individual situations, including the nature of the relationship that the university and the academic appointee have with each other.

2. Indiana's law on ghost employment (I.C. 35-44-2-4) prohibits the hiring by any public institution of any person who is not assigned duties or is assigned duties not related to the operation of such institution when such person is paid by public funds. No person is knowingly to receive public funds in compensation with no duties or for duties not related to the operation of the public employer. Penalties are provided by law which may fall both on the employee and upon the authority who appoints such an employee or permits such payment for duties not related to the public employer.

Any situation which seems to be proscribed by the law, as stated above, should be brought to the attention of the Office of the Vice President and General Counsel so that a determination may be made and appropriate action may be recommended.

3. All academic appointees are required to fully meet the professional obligations of their appointments. Full-time academic appointees are expected to devote their primary professional time and energy to carrying out teaching, research, and service responsibilities on behalf of Indiana University. Academic appointees should avoid conflicts of commitment which arise either when an appointee undertakes outside professional activities that interfere with fulfilling the obligations of the individual's academic appointment, or when an appointee undertakes, on behalf of another organization, activities that would ordinarily be performed on behalf of Indiana University.

4. Academic appointees may engage in outside professional activities, provided that these activities do not constitute a conflict of commitment and comply with all other applicable university policies.

5. Full-time tenure-track academic appointees shall be permitted to spend, on average, one non-weekend day each week, not including official university holidays, during the period of appointment on outside professional activities.

6. Academic appointees shall not use university resources in the performance of outside professional activities without the written permission of their unit head and without compensating the university. Where resource usage is de minimis and the cost difficult or impossible to calculate, such use of university resources shall not require reimbursement.

7. Examples of possible conflicts of commitment that must be disclosed include:

- a. An outside professional activity that may substantially reduce the time available for the appointee to carry out the primary obligations of the individual's appointment;
- b. Teaching for another educational institution, including online teaching;
- c. Undertaking externally funded research activities where the financial sponsorship is managed entirely outside Indiana University;
- d. Undertaking activities that compete, or have the potential to compete, with Indiana University in areas that are part of the appointee's university responsibilities.

8. All academic appointees at Indiana University must annually disclose to their unit head, activities that may represent a conflict of commitment.

All disclosure statements are to be submitted through the [online reporting portal](#) to the appropriate unit head. The unit head (or designee) will review submitted disclosure statements within 60 days and will work with the academic appointee to determine if a conflict of commitment exists and if so, what steps must be taken to eliminate or properly manage that conflict. Administrative decisions will be documented in writing. If the unit head and academic appointee disagree, they may seek additional advice regarding the proposed activity from the campus Vice Provost for Faculty and Academic Affairs/Vice Chancellor for Academic Affairs. Appeals from administrative decisions concerning conflicts of commitment are subject to applicable university policies and procedures.

9. Instances of deliberate breach of this policy, including failure to file or knowingly filing an incomplete, erroneous, or misleading disclosure, or failure to comply with prescribed procedures for managing an identified conflict of commitment, will be adjudicated in accordance with the Code of Academic Ethics and applicable misconduct policies and procedures at the appropriate campus of Indiana University.

10. Each campus will establish its own implementation procedures that are consistent with the provisions of this university policy.

11. Academic Appointees who perform work related to the operation of Indiana University during work hours that interferes with their fulfillment of assigned university responsibilities for the benefit of:

- a. another governmental entity; or
- b. an organization that is exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code

may do so with the written approval of their Dean or Vice President for their work area that specifies the total amount of time allowable for the performance of that work during the calendar or academic year.

b. Staff and Part Time Workers

External activities can lead to conflicts of commitment with regard to an employee's university responsibilities, along with the misuse of university resources. As such, this policy is intended to serve as a guide for recognizing and managing employee conflicts of commitment, and whenever possible, to prevent even the appearance of conflicts of commitment.

The participation of employees in external activities that enhance their professional skills or constitute public service can be beneficial to Indiana University as well as the individual employee. External activities provide an opportunity to discover and pass on new knowledge, with the formation of alliances that enhance the university's academic and research missions.

Employees are encouraged to participate and provide leadership in professional organizations, panels, committees, and other broadly defined public and professional service opportunities. These interactions can enhance relationships with a wide variety of governmental, business and not-for-profit entities that enhance the university's academic and research missions.

Note that the external activities of academic appointees are governed by Section B.1.a. above.

1. University employees are expected to devote their university work activities to official functions of the university, and to use university resources only in the interest of the university. An employee may not commit university resources to activities not in the interest of the university. Employees may engage in external activities provided that such activities do not detract from the performance of their university duties and responsibilities; for nonexempt employees, this also means that external activities must be performed outside of the employee's work time. With supervisory approval and in accordance with university policies, employees may take paid time off or a leave without pay to engage in external activities.

2. Indiana's law on ghost employment ([IC 35-44.1-1-3](#)), makes it a criminal offense to assign non-university work to another employee or for a university employee to accept compensation for the performance of non-university work. It also is a criminal offense not to assign an employee any duties for any period of work time. Examples of when ghost employment occurs under state law:

- a. A supervisor fails to assign an employee duties or assigns to an employee any duties not related to the operation of the university;
- b. An employee knows that no duties have been assigned or that assigned duties are not related to the operation of the university and accepts compensation or property from the university;
- c. Any person who permits the payment of compensation or property in violation of this law is jointly liable.

3. A vice president or campus chancellor, provost, or dean can designate a campus-, school-, or unit-sponsored volunteer event during which Staff employees may receive paid leave to volunteer and provide community service for the designated non-profit organization(s). Staff employees who voluntarily perform services during the sponsored volunteer event are considered to be performing their university duties and responsibilities.

- a. The sponsored volunteer event must meet the criteria in Indiana Code ([IC 35-44.1-1-3](#)) and service must be to a non-profit organization outside of Indiana University. Service to the university, including university-sponsored events, does not qualify for paid volunteer leave.
- b. The campus, school or unit must notify IU HR through askHR@iu.edu prior to the sponsored volunteer event.
- c. The volunteer paid leave is limited to one workday, up to 8 hours, each calendar year.
 - i. For multi-day events, or additional sponsored volunteer events during the year, Staff employees may use vacation, income protection time or PTO.
 - ii. Staff employees must receive approval from their supervisor prior to participating in a sponsored volunteer event.
- d. The volunteer paid leave applies only to the time the Staff employee is voluntarily performing services during the sponsored volunteer event.
- e. Staff employees may be required to submit a written verification of service from the non-profit organization.

4. External activities not related to university responsibilities shall take place outside of the employee's designated work activities or during periods of authorized leave. External activities for which paid or unpaid leave should be used include, but are not limited to:

- a. Providing non-university related services to another entity, including a corporation, business, association, government agency or not-for-profit organization, as an officer, director, owner, agent, consultant, or employee;
- b. Providing services as a voluntary or paid expert witness in any civil or criminal case;

- c. Providing private lessons in art, music or any field of study;
 - d. Providing private counseling for financial aid, career development, and academic considerations;
 - e. Providing services as an editor or reviewer for professional journals, unless authorized by the employee's supervisor.
5. Employees shall not accept any compensation from another agency or entity or individual for work performed in the course of their employment at the university, except under very limited circumstances such as payments from government or not-for-profit entities for participation on advisory committees or review panels.
6. Employees shall not use any resource (facilities, supplies, equipment or other resources) for external activities that has a material cost to the university.
7. Except as approved in advance by Office of Sponsorships, Licensing and Trademarks, employees shall not use the university's name or trademark in such a manner to suggest institutional endorsement or support of an external activity or non-university product or service, nor use university business cards or stationery in such a manner to suggest institutional endorsement or support of an external activity or non-university product or service.
8. When engaging in external activities, employees shall make clear that they are acting and speaking in their individual capacity and not as representatives or agents of the university.
9. Employees shall report any known or suspected violation of this policy to the unit head. Unit heads and supervisors shall establish and maintain a work environment that encourages employees to ask questions about real or potential conflicts of commitment.
10. If there is any question whatsoever about an external activity representing a conflict of commitment or interfering with the fulfillment of university responsibilities, then the employee should consult with that individual's supervisor for direction. If the employee's supervisor is not available within a reasonable period of time, then the employee should contact the associated unit head for directions.
11. Unit heads and supervisors shall ensure that all new employees are informed of this policy, and that all current employees are reminded of this policy on a periodic basis, but no less frequently than every two years.
12. Unit heads and supervisors shall ensure there is appropriate monitoring and oversight to ensure that an employee's university responsibilities are fulfilled and that university resources are used in a manner consistent with this policy.
13. Supervisors shall monitor employee work activities for compliance with this policy and related Indiana state laws; unit heads shall ensure that this supervisory responsibility is an expectation assigned to supervisors.
14. Unit heads and supervisors with questions about an external activity representing a conflict of commitment or interfering with the fulfillment of university responsibilities should consult with IU Human Resources.
15. Employees who perform work related to the operation of Indiana University during work hours that interferes with their fulfillment of assigned university responsibilities for the benefit of:
- a. another governmental entity; or
 - b. an organization that is exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code
- may do so with the written approval of their Dean or Vice President for their work area that specifies the total amount of time allowable for the performance of that work during the calendar or academic year.

Definitions

Definitions

Academic Appointee refers to any person who has either a full- or part-time academic appointment in the university.

Approved Management Plan is a plan approved by University Compliance and Policy Office to mitigate the effects of any type of conflict of interest. Such plan must be reviewed and signed by the involved parties, the relevant unit head, the campus Vice Chancellor/Provost of Academic Affairs (if faculty or academic employees are involved), and the campus HR director (if staff or temporary workers are involved). Final copies of all Approved Management Plans must be forwarded to the University Compliance and Policy Office for retention.

Conflicts of Commitment occur when the time or effort that an academic appointee or employee devotes to external activities interferes with the academic appointee's or employee's fulfillment of assigned university responsibilities, or when an academic appointee or employee makes unauthorized use of university resources in the course of an external activity.

Conflict of Interest occurs when an academic appointee's or employee's private interests and university responsibilities are at odds. This means an academic appointee or employee should not be in a position to gain personally as a result of procuring goods or services on behalf of the university, or exerting any influence over financial decisions. Academic appointees and employees engaged in any aspect of the purchasing process are expected to be free of interests or relationships which are actually or potentially detrimental to the best interests of Indiana University. For instance, academic appointees and employees should not conduct university business with a company that individual owns or with businesses owned by persons with whom the academic appointee or employee has a familial relationship until a state conflict of interest disclosure is approved by the Trustees and the requirements of other university conflict of interest policies have been met.

Conflict of Interest Program means the University Research Conflict of Interest Committee and the Office of Research Compliance staff supporting the administration of this policy.

Employees means staff or temporary workers.

External Activity means involvement with any person, trust, organization, enterprise, government agency, or other entity that is not an entity associated with or under the control of Indiana University. (Associated entities include the IU Foundation, and physician practice plans.) University appointment or assignment of an academic appointee or employee to an external board or committee does not constitute an "external activity" for that individual. External activity for the purpose of this policy also does not mean to reference authorized professional development activities.

Familial Relationship means a relationship between two individuals by blood, adoption, marriage or domestic partnership to the following degrees: parent, child, brother, sister, uncle, aunt, niece, nephew, first cousin, grandparent or grandchild, spouse, domestic partner, step-parent, step-child, step-brother, step-sister, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law or the equivalent for individuals in a domestic partnership. Note: this list of relationships is not to be considered an exhaustive list; other close, personal relationships between two individuals could be considered on a case-by-case basis to be subject to this policy.

Financial Interest is defined as anything of monetary value, whether or not the value is readily ascertainable, including, but not limited to, salary, commissions, consulting fees, honoraria, equity interests, interests in real or personal property, dividends, royalties, rent, capital gains, intellectual property rights, and forgiveness of debt, other than:

- compensation from Indiana University;
- income from seminars, lectures, or other educational activities sponsored by one of the following types of US government entities or educational institutions, provided that it is located in the US: federal, state, or local government agency, a institution of higher education as defined at 20 U.S.C. 1001(a), a academic teaching hospital, a medical center, or research institute that is affiliated with an Institution of higher education;

- income from service on advisory committees, or review panels for one of the following types of US government entities or educational institutions, provided that it is located in the US: a public federal, state, or local government agency, an Institution of higher education as defined at 20 U.S.C. 1001(a), an academic teaching hospital, a medical center, or a research institute that is affiliated with an institution of higher education; or
- an interest arising solely by means of investment in a mutual, pension, or other institutional investment fund where.

Gift, Gratuity, or Benefit: Any payment, gift, invitation to entertainment venues, travel, room or housing, meals, transportation, and any other such item of value whereby the academic appointee or employee, or individuals with whom the academic appointee or employee has a [familial relationship](#), sustains personal gain from its acceptance.

Ghost Employment: As defined in [Indiana Code \(IC 35-44.1-1-3\)](#):

- a. A public servant who knowingly or intentionally:
 1. hires an employee for the governmental entity that the public servant serves; and
 2. fails to assign to the employee any duties, or assigns to the employee any duties not related to the operation of the governmental entity.
- b. A public servant who knowingly or intentionally assigns to an employee under the public servant's supervision any duties not related to the operation of the governmental entity that the public servant serves commits ghost employment.
- c. A person employed by a governmental entity who, knowing that the person has not been assigned any duties to perform for the entity, accepts property from the entity.
- d. A person employed by a governmental entity who knowingly or intentionally accepts property from the entity for the performance of duties not related to the operation of the entity.

Immediate Family includes the academic appointee's or employee's spouse, domestic partner, and dependent children and stepchildren.

Investigator means university faculty, students, and staff who have responsibility for designing research, collecting research data, performing other substantive research activities, or reporting research. Investigator also includes the project director or principal investigator and any other person, regardless of title or position, who is responsible for the design, conduct, or reporting of research funded by the PHS or other federal agencies, or proposed for such funding which may include, for example, collaborators or consultants.

Investigator's Dependent is defined as any person who receives more than one-half of that individual's annual support from an investigator, whether or not related to that investigator.

Manage and Managing means an affirmative action by supervisors and managers to monitor and direct an academic appointee or employee with regards to specific expectations.

Material Cost means a calculable cash equivalent for an asset belonging to the university.

Nepotism means the supervision or influence over an academic appointee or employee by another university academic appointee or employee with whom they have a familial or personal relationship. Influence in the employment situation may concern issues such as hiring, promotion, supervision, evaluation, determination of salary, or working conditions.

Outside Professional Activities refers to external activities within the scope of an academic appointee's professional qualifications that are not undertaken in fulfillment of the university responsibilities of an academic appointee, but which enhance the performance of those responsibilities.

Personal Gain anything received and accepted, regardless of value, which is provided to an academic appointee or employee or an individual with whom the academic appointee or employee has a familial relationship, by a supplier or potential supplier to Indiana University.

Personal Relationship means a romantic/intimate relationship.

Reciprocity: An act whereby something is offered to a person or entity with the understanding that there will be a quid pro quo action that will benefit both parties, e.g., where an exchange of goods or services is contingent upon the other, such as a favor for a favor. Reciprocity can be viewed as a reward, mutual dependence or an action of influence.

Research means a systematic investigation designed to develop or contribute to generalizable knowledge. The term encompasses basic and applied research and product development and any activity for which research funding is available from a PHS Awarding Component.

Research Conflict of Interest means a significant financial interest that could directly and significantly affect the design, conduct, or reporting of research or a sponsored program.

Significant Financial Interest means one or more of the following financial interests of the investigator (and those with whom the investigator has a familial relationship) that reasonably appear to be related to the investigator's university responsibilities:

- With regard to any publicly traded entity, it is the value of any remuneration received from the entity in the twelve months preceding the disclosure and the value of any equity interest in the entity as of the date of disclosure, when aggregated, the value of which exceeds \$5,000 from one enterprise or entity;
- With regard to any non-publicly traded entity, it is the value of remuneration received from the entity in the twelve months preceding the disclosure, when aggregated, exceeds \$5,000, or when the investigator holds any equity interest;
- Intellectual property rights and interests, upon receipt of income related to such rights and interests subject to the de minimis thresholds set forth by the federal regulations and guidance;
- Salary, remuneration, or similar payments which exceed, or are expected to exceed, \$5,000 within any one-year period, when aggregated for the investigator and individuals with whom the investigator has a familial relationship; or,
- Any reimbursed or sponsored travel, related to an investigator's university responsibilities subject to the de minimis thresholds set by the federal regulations and guidance; provided, however, that investigators need not disclose travel that is reimbursed or sponsored by a federal, state, or local government agency, an institution of higher education as defined at 20 U.S.C 1001(a), an academic teaching hospital, a medical center, or a research institution that is affiliated with an institution of higher education.

Sponsored Program means projects or activities, other than research, undertaken within the university pursuant to funding from an external source.

Sponsored Volunteer Event: a campus, school, or unit may work with an eligible non-profit organization to set up a specific event where Staff employees may choose to volunteer (e.g. a Habitat for Humanity build), or designate a day when Staff employees may volunteer for eligible non-profit organizations that are selected and approved in advance by a vice president, or the campus chancellor, provost, or dean or that individual's designee. This service must be to a non-profit organization outside of Indiana University. Service to the university, including university-sponsored events, does not qualify for paid volunteer leave.

Supplier: any individual, company, corporation or other entity that provides goods or services to the university.

Unit Head means the applicable dean, vice chancellor, chancellor, provost, associate or assistant vice president, vice president, or president, who has executive management responsibilities for supervising the academic appointee or employee.

University means Indiana University.

University Activities refers to activities related to the research, teaching, and service mission of the university. Service activities include service to an academic appointee's profession and service to the community that is related to the academic appointees' professional qualifications.

University Conflict of Interest Committee consists of university faculty and administrators, appointed by the Vice President for Research in consultation with the Co-chairs of the University Faculty Council, who are responsible for evaluating disclosures from investigators.

University Community consists of the members of the Board of Trustees, any employee of the university, including administrators, faculty, staff, temporary, and student employees, any individual using the university's resources or facilities or receiving funds administered by the university, and volunteers and other representatives when speaking or acting on behalf of the university.

University Funds means funding from any sources including sponsored funds or donations that are held or disbursed through Indiana University accounts.

University Research Official is the Vice President for Research who provides oversight in the solicitation and review of disclosures of significant financial interests from investigators and is the institutional official for purposes of administering the duties outlined in applicable federal regulations.

University Responsibilities are defined as the responsibilities of an academic appointee, employee, or investigator to perform university activities as defined by university or unit policy, contract, or labor agreement and, are defined as activities that are undertaken directly to perform university activities.

Sanctions

Violations of this policy will be addressed in accordance with applicable university policies and procedures, which may include disciplinary actions up to and including termination from the university and/or criminal prosecution.

History

This policy is a consolidation of the following policies:

Academic

Appropriate Duties of Academic Employees (ACA-42)	<ul style="list-style-type: none"> • Conforms to state statute, I.C. 35-44-2-4.
Conflicts of Commitment Involving Outside Professional Activities for Academic Appointees (ACA-29)	<ul style="list-style-type: none"> • University Faculty Council, November 29, 2005; March 28, 2006; Board of Trustees, April 7, 2006.

Research

Financial Conflicts of Interest in Research (ACA-74)	<ul style="list-style-type: none"> • This policy was updated in October 2012 to comply with federal regulations and guidance regarding "significant financial interest" (see Definitions). These changes were approved by the University Faculty Council on October 30, 2012 and went into effect, by approval of the Board of Trustees, on December 6, 2012. • University Faculty Council previously approved this policy on the following dates: September 12, 2000; March 9, 2004; April 24, 2004; November 24, 2009; April 24, 2012. • The Board of Trustees previously approved this policy on the following dates: September 15, 2000; March 3, 2006; May 4th, 2012; August 17, 2012.
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Human Resources

Conflicts of Commitment (HR-07-30)	
Conflicts of Interest (HR-07-40)	
Nepotism (UA-10)	<ul style="list-style-type: none"> This policy was established in 2016 to combine and revise two previous policies: Nepotism and Academic Appointments (ACA-41); and Employment of Relatives, Students and Minors (HR-02-50).

Purchasing

Purchasing Ethics (FIN-PUR-3.0)	<ul style="list-style-type: none"> The source of this policy is The National Association of Educational Procurement Code of Ethics (NAEP), University Procurement Services. In an effort to streamline and consolidate policies, FIN-PUR-3.0 which was titled "Ethics" and FIN-PUR-3.1 which was titled "NAEP Code of Ethics" were combined to both clarify and merge those policies related to Ethics into a single policy on January 13, 2016.
State Conflict of Interest for Procurement Transactions (FIN-PUR-3.3)	<ul style="list-style-type: none"> The source of this policy is state statute, I.C. 35-44-1.3, Section 2.50, University Procurement Services, and University Human Resources Department. Revised to add scope November 2016.
Gifts and Gratuities (FIN-PUR-3.4)	<ul style="list-style-type: none"> Established on February 18, 1992. Revised on the following dates October 27, 2004; June 30, 2009; December 10, 2014. Last Reviewed on June, 2010.

The Gifts and Gratuities section of this policy was updated on January 5, 2020.

The Nepotism section of this policy was updated on August 25, 2020.

The Faculty and Staff Disclosure section of this policy was updated on July 16, 2021.

Updates to clarify qualifying events for paid volunteer leave for Staff employees were made on July 8, 2022.

The Conflicts of Commitment and Ghost Employment section of this policy for Faculty and Staff and Part Time Workers was updated on March 20, 2023.

Non-substantive updates to office names and position titles were made on May 19, 2023.

Related Information

[University Compliance website](#)
[Research Compliance website](#)
[Office of Procurement Services](#)
[Human Resources](#)

Related Forms

[Kuali COI-C Form](#)
[State COI Disclosure Statement](#)