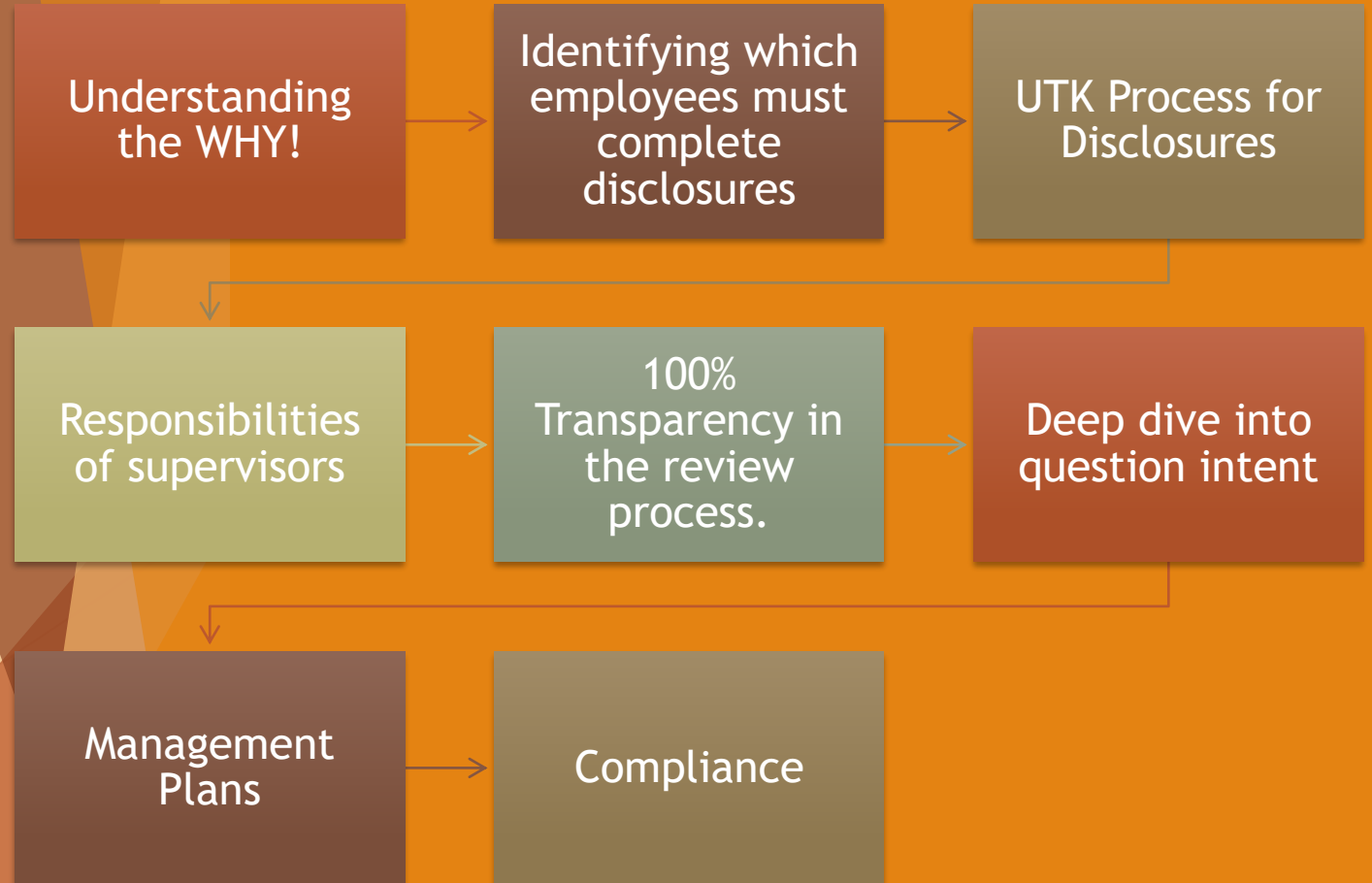


Decoding The
Conflicts of
Interests Process
at UTK for Staff!



Goals of this presentation





Conflict of Interest Overview

- ❖ In general, a conflict of interest is a scenario which an outside activity could influence a person (or team) in such a way that it creates a real or perceived bias in their work.
- ❖ That perception of a conflict can have a negative impact on the reputation of both the employee and the University.
- ❖ The goal of the Conflicts of Interest process is simply to protect both the University and University Employees.
- ❖ Conflicts of Interests are mainly seen in three forms:
 1. Financial Conflict of Interest
 2. Research Conflict of Interest
 3. Institutional Conflict of Interest

Financial Conflicts of Interest

A heightened awareness of research conflicts may cause some employees who aren't involved in research to wonder why they are still being required to complete an outside Interest Disclosure Form each year.

A non-research related conflict can pose as great of a risk as a research conflict. Even the perception of a conflict can have a negative impact on not only the reputation of the University but also to the employee themselves.

UT Policy GE0002 represents a merged approach to ensure that not only are financial conflicts reviewed but also the various Federal/agency requirements are accounted for within our annual disclosures.

- ▶ Examples of Financial Conflicts of Interest:
 - ▶ An employee owns a personal business and steers departmental purchases to their company.
 - ▶ An employee starts a business that is exact/similar to their work at UT and places themselves in direct competition with UT for the services.
 - ▶ A University Official, who's in a position to approve/influence contract decisions, signs an agreement for the University to procure services from either their own business or a business owned by a family member.
 - ▶ A university employee provides a sole-source non-competitive bid to purchasing for a company they have ownership in without disclosing their interest.

Nepotism

HR0115 – Employment of Relatives states, “For the purpose of this policy, *relative* shall mean a parent, foster parent, parent-in-law, child, spouse, brother, foster brother, sister, foster sister, grandparent, grandchild, son - in-law, brother-in-law, daughter-in-law, sister-in-law, or any other family member who lives in the same household.

Employment of relatives is permitted. However, no employees who are relatives shall be placed within the same direct line of supervision whereby one relative is responsible for supervising the job performance or work activities of another relative.

- ▶ Examples of Nepotism:
 - ▶ An employee supervises a family member or influences decisions regarding evaluations/merit reviews, resulting in an unfair advantage or financial gain.
 - ▶ Mostly, when we think of employees supervising family, we think of the example above as the potential for creating an advantage; however, this can also result in the opposite effect.
 - ▶ The OID form specifically asks about immediate family to ensure compliance with policy.

Conflicts of Commitment

This area also gets a lot of attention regarding research effort; however, over commitment must also be evaluated outside of research. A conflict of commitment can occur anytime an employee devotes too much time to an outside interest/commitment that it interferes with their ability to perform their duties to UT.

- ▶ Evaluating Conflicts of Commitment
 - ▶ Conflicts of commitments must be reviewed at the supervisor level and discussed with employees.
 - ▶ Any outside activity, paid or unpaid, that distracts employees from their UT responsibilities or prevents them from fully being able to meet their UT duties is considered a conflict.
 - ▶ There are various ways to address conflicts of commitment. Just because the activity creates a conflict doesn't always mean the employee must stop participating in the activity. There are normally, not in all cases, ways to mitigate the conflict.

Employees required to complete annual disclosures based on payroll classification

- Regular employees
- Graduate Assistants
- Temp employees

Regular employees

- Full-time and Part-time

Graduate Assistants

- GA's, GRA's, and GTA's are considered employees of UT

Temp employees

- Event Staff employees in temp status **are not required** to complete the form

What about "Friends?"

- Friends aren't required to complete the form.

Timeline for Completion of Disclosure Form



▶ Annual Completion of the Form:

- Notifications to complete the OID form will be sent out in August.
- The expectation is for employees to completed the Form by August 31st.
- For 2022, UTK will incorporate the OID verifications into the process for completing annual reviews.

▶ Update/Changes:

- Any changes in outside interest must be disclosed via the OID form within 30 days of the change.

▶ New Hires & Transfers:

- The OID is required to be completed within 30 days of a new employee's hire date.
- Current employees transferring positions are required to disclose outside activities within 30 days of transfer into their new position.

What is expected of employees when completing the form!

100%



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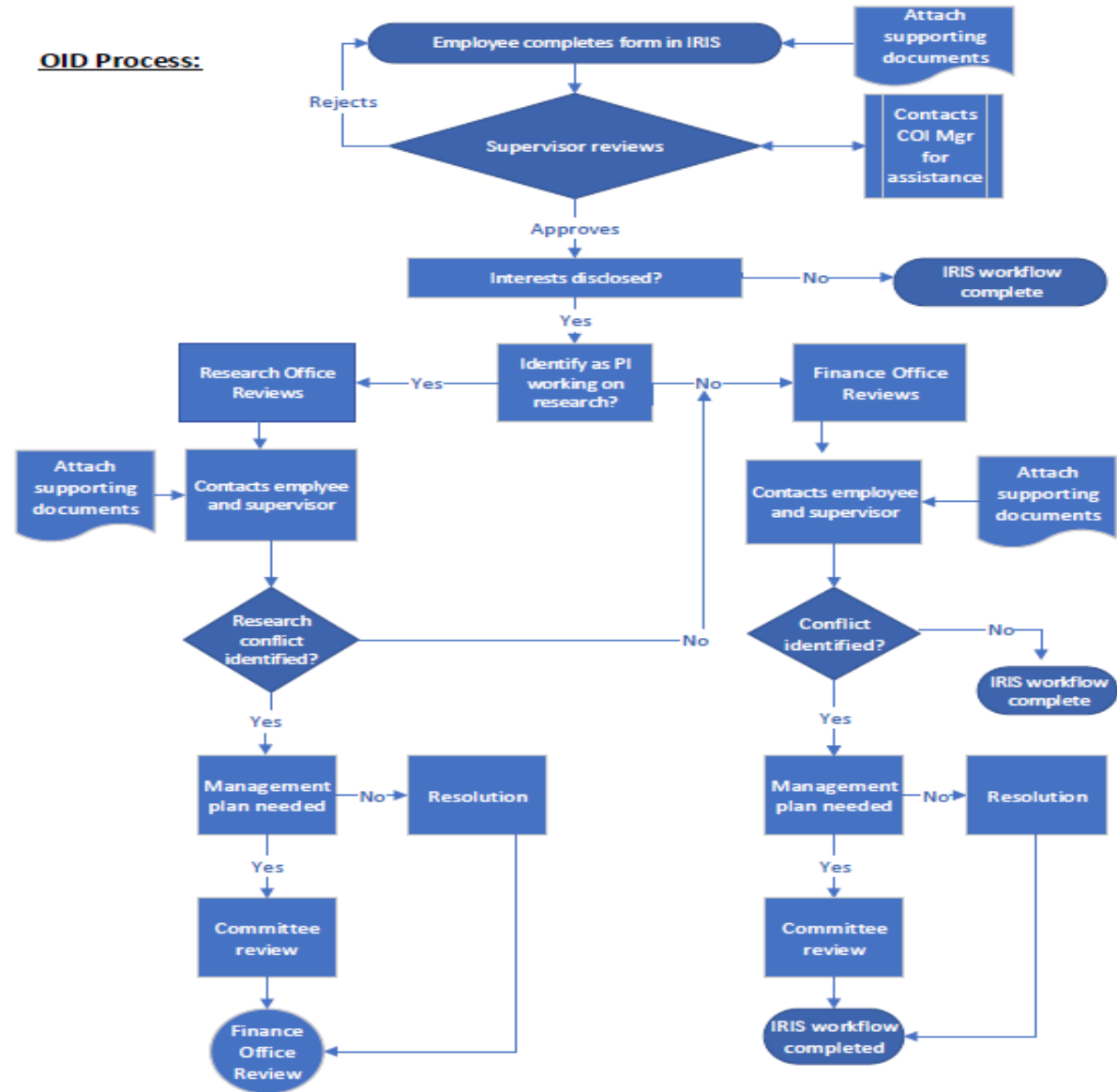
- ▶ When employees are completing the form, take time to thoroughly read through each question.
- ▶ Some questions have changed since last year!
- ▶ When reading the question, if you have to ask yourself whether you should or should not disclose something, this indicates you should disclose.
- ▶ **When in doubt, disclose.**
- ▶ The goal is to ensure if there is ever a concern reported, whether real or perceived, it has been disclosed and already reviewed/addressed.
- ▶ If you develop new interests, submit an updated disclosure form or reach out to Jay Taylor Bailey, FCoI Manager for discussion. (vtaylor@utk.edu)

Supervisor Expectations



- ▶ Best suited to evaluate and provide perspective. If there is any hesitation to the Yes/No question, then utilize the notes section to add any clarification and provide background, and/or reach out to a COI official for guidance.
- ▶ You have first-hand knowledge of the day-to-day expectations of each employee's position and are well positioned to know if an outside interest is so similar in nature to their University roles and responsibilities that it needs a closer review.
- ▶ Questioning or calling attention to the need for potential additional or external review is good due diligence. It doesn't mean the interest will be determined to be a conflict.
- ▶ Annual performance evaluations will include a section on review of outside interest disclosures.
- ▶ There will no longer be an "unsure" option when approving OID forms.

OID Process:



Now, for the next few slides, let's take a closer look at a few specific questions on the OID form and discuss them!

First Question - Outside Affiliations

Asks, “Are you an employee, board member, director, officer, consultant, or are otherwise affiliated with any external (non-UT) entity? Include for-profit entities ... and non-profit entities.....)

Why is this being asked?

Simply, because affiliations you have outside of UT, can create a potential concern for conflict if the affiliation has influence in any way to the employee's roles and responsibilities at UT.

Examples:

A board member for a company that funds research for the employee or their department.

Being an employee in a company that conducts business within your UT department.

The next set of questions concern Business Ownership Interests. The are:

- Do you have any ownership, equity, or other financial interest in any business or entity that is not publicly held?
 - Do you have an ownership, equity, or other financial interest in any publicly-held company that exceeds \$5,000 in value or 5% of the entity (you do not need to disclose ownership through retirement accounts or mutual funds, unless you manage these yourself)?
- ▶ The information being asked is necessary to ensure there are no financial conflicts.
 - ▶ From both the financial and research perspective, we can't determine whether a personal financial interest creates a possible conflict between employees and researcher roles and responsibilities.
 - ▶ There is a way to attach a list of these interests without having to list them each year.
 - ▶ We hope the new ERP system will allow for previous year's information to be pre-populated; however, we have no way of knowing at this time!

International Affiliations Question



- Does having an affiliation with an international institution or organization mean that I am doing something wrong?

No. International affiliations can be a positive for all parties involved. They will be reviewed in the same manner as any other disclosure. The key is they must be disclosed so that the review can take place and you remain in compliance with federal regulations.

Foreign Travel

Have you traveled to any of the following countries [from the Department of Commerce Entity List] in the previous 12 months or do you anticipate traveling to any of the following countries in the next 12 months (**exclude vacations and family visits**)?

For this question, you can attach documentation if needed instead of listing all travels.

Note, if you have already disclosed this travel within Concur, you do not have to include it here.

We see a lot of disclosed travel to visit family or for vacations. These do not need to be disclosed, unless you conducted UT business or research while on travel.

Services performed for you or your immediate family by UT employees or students.

Has any UT employee or student, whom you supervise, advise or instruct, performed any personal services for you, or your parents, spouse, or children, in the previous 12 months or in the next 12 months?

- ▶ Please note, policy HR0122 - Employment of University Employees by Other University Personnel prohibits university employees from hiring another university employee to perform personal services when said employee is within their line of authority.
- ▶ What does this mean?
 - ▶ Babysitting, dog walking, landscaping, home repair, etc.... services when the person is someone with whom the employee instructs, advises, supervises, provides day-to-day supervision, oversight, influence in reviews/merit, or determines resource allocations.
 - ▶ Let's discuss!

Developing Management plans:



Ms. Smith is a full-time employee at UT. Her spouse owns a business which makes specialty hats and shirts. She also works for the business.

- Ms. Smith works about 30 hours a week for the family business.
- The businesses Trademarked items are in high demand.
- Her spouse has also expressed interest in contracting with UT to provide exclusive products.

- ▶ What are the first questions one should ask?
 - ▶ Are the 30 hours a week conducted during normal UT business hours?
 - ▶ If so, is annual leave being taken by Ms. Smith during the time she is working for the family business.
 - ▶ If the work is being performed outside of UT business hours, is the time spent at the business affecting her ability to accomplish required UT job responsibilities.
 - ▶ Has Ms. Smith's department procured any services from the business?

Steps to put together a management plan

A UT Coi official will hold conversations with both the employee and their supervisor to gain answers to the questions posed on the previous slide. Any new information discovered during conversation will also be explored.

All policies will be reviewed, as they apply.

Specifically, using only the information supplied, again in the previous slide, a management plan would proceed as follows:

- ▶ **Management plan action steps:**
 - ▶ If the University decides to enter into a contractual agreement with Ms. Smith's family business, what steps must be included to ensure any conflicts of interest are managed/mitigated?
 - ▶ Ms. Smith can't participate in the bid review/selection process.
 - ▶ Ms. Smith must disclose the affiliation with UT in the proposal.
 - ▶ Any purchases made by Ms. Smith's department must be approved by someone who is not supervised by her and has no affiliation with the company.
 - ▶ Confirmation that no University resources are being used in the employees outside interest, and work isn't being performed for the business during normal UT business hours.
 - ▶ Annual Outside Interest Disclosure Forms must be submitted as long as the affiliation exists.
 - ▶ Etc...


Once the Management Plan is formalized, what happens then?

The employee, their supervisor, and the designated official will sign the management plan.

The management plan will be logged into the designated official's tracking system and will then be actively monitored based on a timeline that will also be listed in the management plan.

The management plan will specifically outline the monitoring time periods and will identify the appropriate parties for providing the monitoring.

The plan will remain active until the outside interest no longer exists.



The overall goal of the
OID process is to
ensure 100%
compliance with
disclosure and review
of any outside interest
in order to protect
both the University and
its greatest assets, UT
employees.

Several resources are available to help employees navigate the OID process.

- ▶ UTK Conflicts of Interest Website <https://coi.utk.edu>
- ▶ UT Policy [GE0002](#) - Conflicts of Interest & Commitment
- ▶ [Do I Disclose?](#) - Guidance Document for GE0002.
- ▶ [What to Disclose](#) - Another Guidance Document for GE0002.
- ▶ [HRO122 - Employment of University Employees by Other University Personnel](#)
- ▶ [HRO115 - Employment of Relatives](#)

Accessing Old Forms on IRIS Web

<https://irisweb.tennessee.edu/irj/portals>

Link above will take you to the current form, and also allow access to previous forms.

- ▶ View the “Employee Self-Service” tab. Click Outside Interest Disclosure.
- ▶ When form opens, in right hand corner, choose “previous forms.”



Personal Information

Display your personal data from the IRIS System. Data such as: demographic information, organizational assignments, addresses, education, communication and bank information.

Quick Links



[Outside Interest Disclosure](#)



[Attach Documentation](#)

[View Previous Forms](#)

[Help](#)

[Video](#)

Outside Interest Disclosure Form

COI Contacts

Research and Financial/Org. COI Contacts:

- ▶ Scott Canner, Research Conflict of Interest Officer, Research, scanner2@utk.edu
- ▶ Jay Taylor Bailey, Conflicts of Interest Compliance Manager, Financial/Org, vtaylor@utk.edu
- ▶ Survey: https://utk.co1.qualtrics.com/jfe/form/SV_8FTSb2vtxym951Y



Any
Questions?