OFFICE OF THE VICE PRESIDENT AND GENERAL COUNSEL
POLICY ON CONFLICTS OF INTEREST AND CONFLICTS OF COMMITMENT
Adopted July 2008

Introduction

This policy and its procedures apply to all employees in the Office of the Vice-President and General Counsel.

A. Statement of Principles

The policy section of SPG 201.65-1 outlines a set of key principles relevant to conflicts of interest and conflicts of commitment, including the principles stated below:

The University recognizes and permits staff members to maintain outside activities and interests of a professional, civic and personal nature. These outside activities are encouraged, but cannot interfere with a staff member’s obligation to act with honesty, integrity, and in the best interest of the University when performing his/her duties, and to abide by the highest standards of research, educational, professional, and fiscal conduct.

Conflicts of interest or commitment may arise between a staff member’s employment and his/her outside activities. Faculty and staff must disclose actual or potential conflicts of interest so that they can be evaluated and, when appropriate, managed or eliminated.

B. Definitions

1. Conflict of Interest

A potential conflict of interest exists whenever personal, professional, commercial, or financial interests or activities outside of the University have the possibility (either in actuality or in appearance) of (1) compromising a staff member’s judgment; (2) influencing a staff member’s decision or behavior with respect to teaching and student affairs, appointments and promotions, uses of University resources, or other matters of interest to the University; or (3) resulting in a personal or family member’s gain or advancement at the expense of the University. For purposes of subsection (3), family members include parents, siblings, spouse, domestic partners, children and dependent relatives.

2. Conflict of Commitment

A potential conflict of commitment exists when a staff member’s external relationships or activities have the possibility (either in actuality or in appearance) of interfering or competing with the University’s educational, research, or service missions, or with that individual’s ability or willingness to perform the full range of responsibilities associated with his or her position.
3. Examples

Examples of potential conflicts might include (but are not limited to):

- Performing work for other University departments or units for additional pay;
- Participating in decisions or deliberations where your own personal financial interests are or could be affected;
- Participating in decisions or deliberations where a family member is or could be affected, financially or otherwise (e.g. recommending University legal work be referred to an outside firm in which a family member has a financial interest). (Note: As stated in SPG 201.65-1, family members include parents, siblings, a spouse or partner, children, and dependent relatives.);
- Performing legal activities for non-University entities, including, but not limited to, an attorney maintaining an outside practice, support staff working for an outside firm, and performing legal work for friends and family. Exception: Attorneys are not required to disclose legal work for which they are not compensated if the legal work is a short term project for a family member or a personal friend and the interests of the University are not directly or indirectly implicated;
- Performing non-legal activities for non-University entities for pay;
- Accepting gifts, entertainment, or other items of value from University vendors or potential vendors (see “Gifts” below);
- Accepting an incentive or benefit to gain access to a staff member’s supervisor;
- Participating in decisions or deliberations where a family member is employed by an outside firm that is seeking University business;
- Working for a law firm that the University retains or a firm that is adverse to the University;
- Receiving referral fees on matters adverse to the University;
- Representing parties on matters adverse to the University;
- Serving as a paid or unpaid officer, director, or board member of an organization outside of the University.

Gifts and Other Items of Value

A potential conflict exists when an OGC vendor, current or potential, gives a gift to a staff member. Except as described below, staff members in the OGC are not to accept gifts or other items of value from vendors or potential vendors.

The following are examples of acceptable gifts to a staff member: small unsolicited promotional items such as calendars and pens; working lunches of minimal cost; and widely attended receptions, for example at law firm offices, where the food is of minimal value and entertainment is not the sole purpose of the event. The following are examples of items that are generally not considered appropriate: items specifically individualized to the staff member; paid recreational travel expenses; golf outings; event tickets and boxes; and expensive meals and entertainment. For example, it is acceptable to attend an open
house to celebrate the opening of a firm’s office or addition of new attorneys, but a staff member may not attend a client reception hosted by the firm at a country club.

Note: There may be circumstances in which a member of the office also has a personal relationship to an individual who also is a vendor or prospective vendor. In this situation, the OGC staff member may accept a gift from the vendor if the circumstances are such that it is clear that the gift is given in the vendor’s personal capacity.

C. Disclosing, Evaluating, and Managing Potential Conflicts of Interest and Conflicts of Commitment

Whenever an actual or potential conflict of interest or conflict of commitment exists for a staff member, he or she must promptly disclose it, in writing, to the Vice-President and General Counsel (or his/her designee). (see SPG 201.65-1, Section III.A.3.)

The Vice-President and General Counsel shall evaluate all disclosed potential conflicts of interest or conflicts of commitment and may require the staff member to provide additional information or documentation that may be relevant to evaluating the potential conflict of interest or conflict of commitment. To help evaluate the potential conflicts the Vice-President and General Counsel will consult with appropriate central administrative offices as needed.

When a potential conflict involves a purchase of goods or services, the Vice-President and General Counsel must also disclose the conflict to the appropriate staff person in the University’s Office of Procurement, and also to the unit staff member responsible for handling unit purchases. If the Vice-President and General Counsel determines that a conflict exists that must be managed or eliminated, he or she will consult with these individuals in developing a plan to manage the conflict.

When the Vice-President and General Counsel has determined that a potential conflict of interest or conflict of commitment exists that must be managed or eliminated, he or she must develop, in consultation with the employee, a recommended plan for managing the potential conflict or eliminating it. If a plan is developed, the Vice-President and General Counsel will provide a copy of the approved conflict management plan to the employee and will discuss any related ambiguities or issues that arise.

D. Resolving Disputes

When a staff member disputes any action or decision related to a potential conflict of interest or conflict of commitment, the staff member should first ask that the action or decision be reconsidered by the Vice-President and General Counsel. If, following that review, the staff member remains unsatisfied with the action or decision, the staff member may initiate existing University policies and procedures for handling disputes, when available, including, where applicable, collective bargaining agreement grievance procedures.
E. Record-keeping and Issues of Confidentiality and Privacy

The Office of the General Counsel will retain documentation about disclosures made in connection with resolution of potential conflicts in the Office’s secure personnel records, subject to the same restrictions of confidentiality.

F. Education and Training

Upon hiring into the Office of General Counsel, every staff member shall be provided a copy of the OGC implementation policy. Each member of the staff shall complete the on-line educational tutorial for overall University policy and record of successful completion shall be provided to the Vice-President and General Counsel.

Annually, a copy of the implementation policy shall be provided to each employee with his or self-evaluation form and the annual evaluation form shall provide acknowledgement that the policy has been reviewed by the employee.

G. Other Governing Policies

This policy implements SPG 201.65-1, Conflicts of Interest and Conflicts of Commitment, incorporates SPG 201.65-1 in its entirety, and includes all elements required under that SPG. Implementation of SPG 201.65-1 within the Office of the Vice-President and General Counsel requires compliance with other University policies and procedures, including all Regents’ Bylaws and SPGs, as well as with any relevant external rules of professional conduct and applicable law. Relevant policies, procedures, rules, and law include (but are not limited to) the following:

- Regents’ Bylaw 2.16, regarding gifts to University employees;
- Regents’ Bylaw 5.13, regarding governmental elected or appointed service;
- Regents’ Bylaw 5.14, regarding leaves of absence;
- SPG 201.12, regarding misconduct and discipline;
- SPG 201.23, regarding appointment of individuals with close personal or external business relationships;
- SPG 201.65, regarding employment outside the University;
- SPG 201.85, regarding special stipends for work performed for other University units, the payment of honoraria, and the payment of travel expenses;
- SPG 500.01, 601.03-2, and 601.11, in particular to the extent that they address appropriate use of University resources, such as the libraries, office space, computers, secretarial and administrative support staff, and supplies;
- Office of Vice President for Research (OVPR) Policy on Conflict of Interest in Sponsored Research and Technology Transfer Agreements; and
- Michigan Compiled Laws § 15.321 et seq., regarding contracts of public employees with their employers.

Model Rules of Professional Conduct for Attorneys