



Policy: Conflict of Interest	Policy Number: I-6.5
Policy Owner(s): Human Resources	Original Date: 9/8/2015
Last Revised Date: 9/8/2015	Approved Date: 9/8/2015

- I. **POLICY:** John Carroll University expects its faculty¹, officers, and staff (“employees”) to make decisions in the University’s best interests when conducting University business. Therefore, JCU expects all employees to avoid or disclose actual conflicts or the appearance of conflicts of interest.

JCU employees who make decisions about University policies, contracts or purchases are most susceptible to conflicts of interest because they may find themselves in circumstances in which certain financial or other interests could impair their duty to act in the best interests of the University. In addition, they may have access to confidential information which could be used to the financial or other material benefit of themselves, their business associates or those with whom they have a Personal Relationship. Thus, while the policy applies to all, these influential employees should be especially careful about avoiding or disclosing conflicts.

- II. **PURPOSE:** John Carroll University is committed to ensuring that the academic, administrative, business, research, consulting, supervisory, and other activities of its faculty and staff employees are in compliance with ethical, legal and appropriate business practices in the best interests of the University, as well as to adhere to the principles of ethics, openness, trust and free inquiry that are fundamental to the well-being of the University. As a result, the annual disclosure of external interests related to University responsibilities is conducted to help avoid or manage conflicts of interest or perceived conflicts of interest related to research, teaching and other University business and activities.

- III. **SCOPE:** All John Carroll University employees.

- IV. **TERMS:**

¹ This general University conflict of interest policy governs all faculty members. Faculty members involved in sponsored research are additionally governed by the specific conflict of interest policy pertaining to sponsored research.

- A. An **actual conflict or the appearance of a conflict of interest** exists whenever any of the following occurs:
1. A JCU employee, a person with whom they have a Personal Relationship, or their associates are doing business with or proposing to do business with the University;
 2. A JCU employee, associates or a person with whom they have a Personal Relationship receives gifts, compensation, services, materials, or entertainment from anyone doing business or proposing to do business with the University; or
 3. A JCU employee has a role in an employment or business decision that impacts someone with whom they have a Personal Relationship as defined by this policy,
- Unless:**
- a. the gifts, etc., are occasional and reasonably modest;
 - b. the employee intends to reciprocate appropriately with respect to material gifts, dining, or entertainment, either personally or according to the University's expense reimbursement procedures; or
 - c. the conflict or perceived conflict is avoided through appropriate, mutually agreed-upon, alternate procedures.
- B. **Family and Close Personal Relationships** ("Personal Relationships") includes:
1. spouses, parents, siblings, and children; or
 2. romantic partners; or
 3. persons with whom an employee shares a residence.
- C. **Associates** include:
1. any trust, organization, or enterprise in which the JCU employee or any person with whom they have a Personal Relationship:
 - a. is a director, officer, employee, member, or trustee; or
 - b. has a **Significant Financial Interest** or any other interest which enables them to exercise control or significantly influence policy.
 - or 2. persons with whom the employee or any person with whom they have a Personal Relationship is a member in a partnership
- D. Persons have a **Significant Financial Interest** if they:
1. are the actual or beneficial owners of more than five (5) percent of the voting stock or controlling interest of an organization; or

2. receive more than \$1,000 annually from the organization.

V. PROCEDURES

A. Responsibilities:

Every JCU employee to whom this policy applies is to:

1. review this policy annually;
2. acknowledge compliance with this policy by accessing and completing the on-line Conflict of Interest Questionnaire & Annual Disclosure; and
3. disclose any actual conflict or the appearance of conflicts of interest as they arise.

B. Disclosure of Conflicts as they Arise: Upon discovering that an actual conflict or the appearance of a conflict exists, the JCU employee involved must disclose the nature and extent of the conflict in writing to the Executive Vice President and Chief Financial Officer.

C. Resolution of Conflicts: Whenever an actual conflict or the appearance of a conflict has been disclosed, the Executive Vice President and Chief Financial Officer will consult, as appropriate, with the employee and others and decide one of the following:

1. there is no actual conflict or the appearance of a conflict;
2. an actual conflict or the appearance of a conflict exists, but one too insubstantial to warrant further action; or
3. an actual conflict or the appearance of a conflict exists, which warrants further action.

E. When an actual conflict or the appearance of a conflict exists, the employee involved may be required to: (1) refrain from deliberations and decisions concerning the University process, policy, contract or purchase which is the subject of the conflict; and/or (2) submit invoices or check requests to a designated supervisor for approval; and/or (3) comply with similar resolutions or management plans designed to remedy or avoid the conflict.