



## Policy

Title: **Conflict of Interest and Ethics**

Responsible Department: **Office of Human Resources**

Policy Contact: **Abracosa, Geri**

Designation: **Director, Employee Relations**

Email: **gabracosa@westernu.edu**

Effective Date: 01/01/2004

Review Date: 05/01/2018

### **Policy Statement:**

It is the policy of Western University of Health Sciences (WesternU) that all decisions made in the course of their professional responsibilities by the Board of Trustees, administrators, faculty, and other employees of WesternU are to be made solely on the basis of a desire to promote the best interests of the University.

### **Policy Purpose:**

To assure all University decisions are made and working conditions exist without a conflict of interest.

A potential conflict of interest occurs when an individual's personal or private interests might lead an independent observer to reasonably question whether the individual's professional actions or decisions are influenced by considerations of significant personal interest, financial or otherwise, in any transaction or relationship involving the University, or which is being considered by the Board of Trustees (including any committee of the Board) or by University Officers or faculty (including any faculty committee) or other group of administrators.

A conflict of interest, whether actual, potential, or perceived, also occurs when a transaction, or the circumstances surrounding a transaction, compromises the integrity of decisions made by a Trustee, Administrative Officer, faculty member, employee, or independent contractor of the University, even if the decision is on behalf of, and for the benefit of the University.

In the event that a Trustee, Administrative Officer, faculty member, employee or independent contractor of the University shall have a significant financial, personal or professional interest, and/or shall make decisions on behalf of, and for the benefit of the University that could potentially create a conflict of interest or the perception of one, such person shall, as soon as he or she has knowledge of the transaction, take the following actions:

**a. Disclosure.** Disclose fully in writing the precise nature of his or her interest in such transaction to those at the University involved with the transaction, and to his or her Dean,

Department Chairperson, Supervisor, or other independent responsible authority; with a copy to the Office of Human Resources.

**b. Non-Participation.** Refrain from participation (including acting individually or as a member of a committee or other group) in the University's consideration of the proposed transaction unless expressly permitted to do so by an Officer of the University as a responsible authority. When an individual refrains from participating in a decision due to a conflict, the matter will be referred to the individual's Dean or Unit Director for determination. Matters involving a Trustee or the President shall be referred to the Executive Compensation Committee of the Board of Trustees ("the ECC") for determination. Should the matter involve a member of the ECC, that member shall disclose the matter to the ECC and shall not participate in the deliberations or vote of the ECC.

**Annual Certification.** Every Trustee, Administrative Officer, faculty member and employee shall annually provide written certification that no conflict of interest currently exists or has arisen with respect to the individual during the period covered by the certification, or, if any conflict of interest has arisen, that the individual disclosed the existence of the conflict of interest and otherwise complied with this Conflict of Interest Policy.

This certification process for Trustees and the President is administered by University Counsel. The Human Resources Office shall administer certifications for all university employees. New employees shall receive a copy of this policy at orientation and sign the Conflict of Interest form at that time. The University may also require independent contractors and other individuals and organizations that have significant business relationships with the University to provide upon engagement annual or other periodic certifications that no conflict of interest has arisen with respect to such individual or organization, while acting on behalf of the University, during the period covered by the certification, or, if any conflict of interest has arisen, that the individual or organization disclosed the existence of the conflict of interest and otherwise complied with this Conflict of Interest Policy.

The required certification shall include such additional information as the President deems appropriate to assist the University in avoiding or managing potential conflicts of interest.

Said information may include, but is not limited to, disclosure of the names of relatives of the employee for whom said employee may have authority to approve financial transactions, employment matters, or matters of significance in the proper administration and execution of University operations; disclosure of any financial interests (whether owned directly or indirectly) or substantial control in any business with which the University has transacted or contemplates transacting, operational or business activities.

## **II. COMPLIANCE**

All persons subject to this policy are expected to promptly and fully comply. Instances of deliberate breach of policy, including the failure to disclose or knowingly submitting incomplete, erroneous, or misleading disclosure information, or violation of the guidelines, will be reported to the Senior Vice President or to the chairman of the ECC. Violation of this policy may result in disciplinary action up to and including termination of employment.

### **III. PERSONAL USE OF UNIVERSITY PROPERTY OR SERVICES.**

Equipment and other property owned, leased, or on loan or consignment by the University is only to be used to advance the interests of the University, and no member of the Board of Trustees, Administrative Officers, faculty or other employees of the University shall make personal use of such property, except in the following circumstances:

- a) When such personal use has been authorized, in writing, by a responsible authority. When any such personal use is authorized, the University shall be reimbursed for the reasonable value of the use of the property as well as associated costs.
- b) When such personal use is specifically authorized by written University policy applicable to the University as a whole.
- c) When such personal use is specifically authorized, in writing, as part of the compensation paid by the University for the individual's services.

All work and services performed by University employees (while being compensated by the University) shall be solely to advance University interests. It is recognized there may be occasions where University functions or other activities are conducted at the homes or other properties owned or leased by members of the Board of Trustees, Administrative Officers, faculty or other employees of the University. If any employee is directed to perform services on property belonging to or leased by a member of the Board of Trustees, any Administrative Officer, faculty or other employee of the University, an appropriate written Facilities Department Work Order shall be authorized, in advance, which shall describe the University purpose of the services.

**Expense reimbursements and expense advances:** Expenses for reimbursements incurred or expense advances to be incurred by an employee for University purposes are reimbursed or advanced only in accordance with established University policy. This requires approval by a responsible authority that does not have a personal or financial interest in the decision or could be perceived as having a personal or financial interest in the decision to approve the advance. Expenditures incurred by the President shall be reviewed by the Chief Financial Officer/Treasurer. The ECC shall, in the manner it deems appropriate, exercise additional oversight of the budget for the President's expenditures.

#### **Related Policy Information:**

There are separate Conflict of Interest Policy documents for Research and Clinical activities.

#### **Definitions:**

**"The University"** shall mean Western University of Health Sciences.

**"Trustee"** shall include any current Trustee appointed to the Western University of Health Sciences Board of Trustees.

**"Administrative Officer"** includes the President, the Executive Management Team, Deans (including Associate and Assistant Deans), Directors of University Centers, Departments or Programs, individuals identified as key employees in any documents filed by the University with

the Internal Revenue Service or any other regulatory agency, and any other employee of the University that the President determines has authority to exercise significant control or influence in the making of University decisions.

**"Faculty member"** shall include any person who has a regular full-time, part-time, temporary or adjunct faculty appointment with the University in any College or Program.

**"Employee"** shall include any person not previously identified above who holds a staff appointment, regardless of funding source, and is generally considered an employee of the University.

**"Significant financial or personal interest"** shall mean any direct or indirect interest with monetary or personal value, but excludes interests with a nominal or de minimis value.

A Trustee, Administrative Officer, faculty member or other employee has a "personal interest" in a transaction or economic condition if the transaction or economic condition either presently or in the future directly benefits or affects either the individual, a spouse or domestic partner, a relative of the individual including their spouses or domestic partners, or a person with whom the individual has a close personal relationship.

**"Relatives"** (of employee), for purposes of this policy, shall be defined to include those who are related by blood, marriage, or adoption of workers currently employed by the University which includes but not limited to the following: spouse, domestic partner and their relatives, child (biological, foster, adopted, stepchild, legal ward, or child being raised by the employee), parent (biological, foster, adoptive, stepparent or legal guardian), sister, brother, cousin, aunt, uncle, niece, nephew, grandchild, grandparent, and in-laws, including brother-in-law, sister-in-law and grandparents-in-law. It should also be interpreted to include individuals with whom an employee has a close personal relationship, such as, but not limited to persons who are living in the same household, and any other individual that could potentially create a conflict of interest or the perception of one.

ANNUAL CONFLICT OF INTEREST  
DISCLOSURE FORM

Under policies adopted by Western University of Health Sciences, a conflict or potential conflict of interest occurs when an individual's personal or private interests might lead an independent observer reasonably to question whether the individual's professional actions or decisions are influenced by considerations of significant personal interest, financial or otherwise, in any transaction involving the University, or which is being considered by the Board of Trustees (including any committee of the Board), University Administrative Officers or faculty (including any committee or other group of administrators or faculty). When a conflict or potential conflict of interest exists, the individual shall (a) disclose fully in writing the precise nature of his or her interest in the transaction, and (b) refrain from participation in the University's consideration of the proposed transaction. See the Conflict of Interest Policy for further details.

Please use this form to confirm that no conflict of interest has occurred since the last time you completed a Disclosure Form, and that you do not anticipate any conflict (actual, potential or perceived) to occur of which you are currently aware. If circumstances change and you become engaged in a transaction that could create a conflict of interest, please submit a new form immediately.

Name: \_\_\_\_\_

Position: \_\_\_\_\_

**Part 1 – Financial or Personal Disclosure**

Yes  No Did you, your spouse or domestic partner, your relatives including their spouses or domestic partners, or persons with whom you have a close personal relationship have or anticipate having financial or personal interests in a company or organization involved in any transactions with the University?

Yes  No Did you receive or anticipate receiving compensation for outside activities that are substantially related to the scope of activities or responsibilities described in your position description with the University?

Yes  No Did you or do you anticipate having the authority to approve financial transactions, employment matters, or matters in the administration of University operations for your spouse or domestic partner, your relative(s) as defined in the Conflict of Interest Policy, including their spouses or domestic partners, or persons with whom you have a close personal relationship?

Yes  No Have you or any member of your immediate family engaged in any other activities which could be regarded as constituting a conflict of interest or which could create the appearance of a conflict of interest within the letter or spirit of the Conflict of Interest Policy?

If you checked **NO** to all the above disclosures, please sign and date below.

If you are unsure or if you checked **YES** to one or more of the disclosures, please complete the attached form or provide the information as an attachment, and discuss the matter with your Dean or Unit Director so that a determination can be made regarding the appropriate management of actual, potential, or perceived conflicts. Please note that you do not have to disclose income from a) mutual funds or consolidated investments in which you do not control the investment decisions, or b) seminars, lectures, or teaching engagements of a non-recurring nature for non-profit institutions.

Sign: \_\_\_\_\_ Date: \_\_\_\_\_

**For HR Use**

Approval: \_\_\_\_\_ Date: \_\_\_\_\_

Notes: \_\_\_\_\_  
\_\_\_\_\_

**CONFLICT OF INTEREST DISCLOSURE INFORMATION**

Name \_\_\_\_\_

Date \_\_\_\_\_

<b>Name of Entity (company, organization, relative)</b>	<b>Interest Owner (self, spouse, other – identify)</b>	<b>Interest Type (position in company, consulting, honoraria, speakers bureau, family or relationship)</b>	<b>Description (provide information that may be helpful in assessing and managing conflict)</b>