

912 Conflict of Interest

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Authority: Approved by the Board of Trustees

912.1 Policy Statement

Indiana State University is committed to the values of integrity and responsibility. As stewards of public funds dedicated to maintaining an environment of learning and discovery in a professional atmosphere based on mutual respect and trust, the employees of ISU shall conduct the activities of ISU with the highest legal, ethical and moral standards. Conflict of interest occurs when a person's private interests and his or her ISU responsibilities are at odds. ISU employees, supervisors, and evaluators should avoid apparent or actual conflicts of interest, favoritism, or bias of a financial or personal nature that may arise in the employment or educational context. Actual conflicts of interest should be disclosed as set forth in this policy. Nothing in this policy shall be interpreted to permit, even with disclosure, any activity that is prohibited by law.

912.2 Financial Conflicts of Interest

Indiana law provides that board members and employees of ISU, as public servants, must disclose any conflicts of a pecuniary interest of \$250 or more to the ISU Board of Trustees in writing. The disclosure and approval should be forthcoming before any transaction takes place. Failure to disclose financial conflicts of interest is considered a felony under Indiana law.

912.2.1 Definition of Pecuniary Interest. Indiana law defines "pecuniary interest" as "an interest in a contract or purchase if the contract or purchase will result or is intended to result in an ascertainable increase in the income or net worth" of the public servant or a dependent of the public servant.

912.2.2 Procedure for Disclosure. Employees should provide disclosures to the ISU Office to the General Counsel in a timely manner and before final action on the contract or purchase. The General Counsel's Office shall be responsible for providing information to the ISU community on financial conflict of interest requirements, maintenance of records, and submission of disclosures as required by Indiana law.

912.2.3 Unit Conflict of Interest Policies. Certain units, such as the Financial Aid Office and the Purchasing Office, may institute additional restrictions related to financial conflicts of interest.

912.2.4 Conflict of Interest in Research. The Chief Research Officer is responsible for developing policies to govern financial conflicts of interest in relationship to research or projects funded in whole or in part by external sponsors and in accordance with federal or state regulations.

912.3 Personal and Familial Conflicts of Interest

A personal conflict of interest that arises in the context of educational or employment supervision and evaluation may undermine professionalism and hinder the fulfillment of the University's educational mission. Personal conflicts of interest involve either a familial relationship or a consensual romantic or sexual relationship, as defined by this policy. Personal conflicts of interest may arise between (1) a supervisor and subordinate employee and (2) a student and a faculty member, graduate teaching or research assistant, or any other ISU employee who has educational responsibility over the student. Individuals who are supervisors or evaluators are expected to be aware of their professional responsibilities and to avoid apparent or actual personal conflicts of interest, favoritism, or bias.

912.3.1 Definition of Familial Relationship. For purposes of this policy - whether by birth, adoption, or marriage - a familial relationship is established when the supervisor or evaluator is a parent, grandparent, spouse, child, grandchild, brother, sister, aunt, uncle, nephew, or niece of the employee or student.

912.3.2 Definition of Consensual Romantic or Sexual Relationship. For purposes of this policy, a consensual relationship is a mutually agreed upon romantic or sexual relationship.

912.3.3 Duty to Disclose. Individuals in a familial or consensual romantic or sexual relationship prior to the existence of a supervisory or evaluative relationship or who find themselves entering into such a relationship, have a duty to report the existence of the personal conflict of interest to the relevant department or unit head. When a personal conflict of interest exists, effective steps must be taken to ensure unbiased evaluation or supervision of the subordinate employee or student.

912.3.4 Duty to Modify. Upon disclosure of a personal conflict of interest, the relevant department or unit head will make appropriate modifications to supervisory or evaluative responsibilities to ensure equitable personnel or academic decision-making. Appropriate modifications may include removal of the supervisory or evaluative relationship. The department or unit head must notify the relevant Dean, Associate Vice President or Vice President of the existence of the personal conflict of interest and the modifications made. Each Vice President shall develop guidelines clarifying the process for that division. The unit or department head will also notify the Office of Human Resources.

912.3.5 Violations. Individuals found in violation of this policy by (1) failing to disclose a personal conflict of interest or (2) failing to appropriately modify supervisory or evaluative responsibilities will be subject to disciplinary action in accordance with ISU policy.