



## **Institutional Conflicts of Interest**

### **Purpose**

This policy concerns the identification, evaluation, and management of situations that create a risk of an institutional conflict of interest (ICOI), or the appearance thereof. This policy applies in addition to general university policies, such as policies on standards of conduct, as well as other policies governing conflict of interest.

### **Persons Affected**

This policy applies to all university employees and all university business.

### **Definitions**

**Executive Officer:** the president and all individuals who report directly to the president (other than administrative support positions).

**Institutional Conflict of Interest Committee:** individuals who review disclosures to determine if they constitute an ICOI and recommend how they may be managed.

**Institutional Conflicts of Interest (ICOI):** may exist when the university's interests or relationships or an institutional official, acting within their official capacity on behalf of the university, compromises, or appears to compromise, decisions involving research and discovery; teaching and learning; community engagement and public service; and any business activities, transactions, and investments therein.

**Institutional Official:** Executive officers and any other employee who exercises broad and significant discretion over key university functions.

**Institutional Interests:** may be held by the university or institutional officials and may include, but not limited to, royalty payments; substantial equity and ownership interests; gifts; licensing activities; contracts for goods and services; governance or fiduciary roles; purchasing; research activities; commercialization activities; educational and training activities; other financial interests; and other administrative decisions.

### **Policy**

It is the policy of the university that ICOI cannot be allowed to compromise, or to appear to compromise, the academic integrity and freedom of faculty in teaching, research, or service; the administration's obligation to assure that institutional decisions serve the university's primary missions; or the institution's obligation to use its economic and physical resources in the best interests of scholarship and its faculty, staff, and students. While the university recognizes that university-industry relationships are essential for advancing scientific frontiers and enabling the commercial development of academic discoveries to the benefit of the public, the university must balance the risk to its primary missions as the institution engages in relationships that lead to



financial or reputational benefit for the institution or its responsible officials.

## **Procedures**

### **Responsibilities**

#### **A. Institutional Conflict of Interest Committee**

1. The Committee will evaluate potential ICOI, or the appearance thereof, and determine whether the university has an interest in managing the situation and, if so, recommend to the president the terms and conditions necessary to minimize the risk of undue influence on university decisions, functions, and actions, up to and including the prohibition or elimination of the interest or relationship that creates the ICOI.
2. No member of the Committee may participate in an initial or continuing evaluation of an ICOI in which that member has an interest or relationship that compromises, or appears to compromise, the Committee's evaluation, except to provide information requests by the Committee.
3. The Committee may develop guidelines and procedures for specific categories of ICOIs that present minimal risk to the integrity of the institution and that can be handled administratively by Institutional Officials with monitoring plans and documentation.
4. The Committee will develop and provide awareness training and procedures for self-assessment and monitoring to employees and offices whose responsibilities may be affected by ICOI.
5. In the event that an ICOI relates to an institutional interest or relationship of the president, the Committee will report its recommendations directly to UT System Administration.

#### **B. Institutional Official Responsibilities**

1. Institutional officials shall disclose institutional interests or relationships that create the possibility for significant financial or reputational risk for the institution to the Committee for review before receiving or entering into the interest or relationship. Institutional officials shall disclose institutional interests that create the possibility for minimal financial or reputational risk for the university to the Committee based on guidelines set by the Committee.
2. Institutional officers will comply with the terms and conditions of all ICOI management plans.
3. This policy does not replace the responsibility of institutional officials to disclose individual interests and relationships, nor the responsibility of institutional officials to identify and manage individual conflicts of interest, under the standards and procedures of university policy governing individual conflicts of interest.

#### **C. University and Community**

1. All university employees have the duty to promptly report any perceived, potential, or actual ICOI of which they become aware to their unit head (e.g. department head, center director, and vice president) or directly to the Committee chair.
2. The university will implement a system to allow anonymous disclose of any situation suspected to involve an ICOI to the Committee for review.
3. The university will maintain a searchable database of identified ICOIs to be referenced and used when considering any new contract, agreement, or other arrangement that could create at ICOI. This database will be made available to Committee members,



- the Office of the Provost, the Office of the Finance and Administration, the Office of University Advancement, Institutional Compliance, and any institutional officials responsible for institutional activities related to ICOI.
4. University students, affiliates, and community members may disclose any situation suspected to involve an ICOI to the Committee for review.

#### Institutional Conflict of Interest Committee

The university will create and maintain an Institutional Conflict of Interest Committee (Committee). Four Committee members will be appointed by the president and five will be ex-officio members. One voting member will not be affiliated with the university. Three Committee members must be tenured faculty members at the associate professor or professor rank, chosen from a list of at least six eligible faculty members created by the Faculty Senate. The president will appoint one of the faculty to serve as Committee chair.

Ex-officio voting members will be the Faculty Senate chair, the provost and executive vice president academic affairs, the vice president for finance and administration, the vice president for university advancement, and the research integrity officer. The chief legal officer will attend meetings as a non-voting member and serves as legal advisor to the committee.

Appointed members who are not ex-officio will serve three-year terms and may be reappointed by the president for additional terms. Any vacancies of appointed members will be filled by presidential appointment to serve the remainder of the unexpired term.

Quorum is defined as one more than half of the voting members and must be maintained for all committee votes. Due to the sensitivity of the topics addressed, meetings will be closed to the public. The Committee may consult with individuals with special expertise related to agenda topics. The Committee in its discretion may appoint non-voting ex-officio members for renewable one-year terms.

The Office of the President will provide administrative support for Committee operations.

#### Records

Records regarding the disclosure of ICOIs, evaluations by the Committee, implementation of management plans, and other records of university actions, must be retained according to the university's records retention schedule.

Institutional Compliance will provide for a centralized repository for disclosure statements, management plans, related records, and reports.

The committee chair, or another person designated by the president, will provide the chancellor of the University of Texas System with copies of all guidelines, procedures, and forms used by the university relating to ICOIs and must ensure that the chancellor receives copies of any revised guidelines, procedures, and forms simultaneously with the implementation of the revision.

#### Monitoring

The university will provide for regular reviews of disclosure statements and management plans to determine individual and university compliance with this policy.



**Noncompliance**

Noncompliance with this policy may subject an employee to discipline in accordance with applicable procedures up to and including termination of employment.

**Related Statutes or Regulations, Rules, Policies, or Standards**

Tex. Gov't Code Ch. 572

UTS 189 Institutional Conflicts of Interest

**Responsible Executive**

President

**Forms**

Request for Approval of Outside Activity Form; Employee Annual Conflict of Interest Disclosure

**Revision History**

September 1, 2023 (Original)