

CONFLICT OF INTERESTS POLICY

I. POLICY STATEMENT

All employees must disclose activities and relationships that create a conflict of interest/commitment or that have the appearance of creating a conflict of interest/commitment. When deemed necessary, a plan to manage, mitigate or eliminate the conflict will be developed by the employee with his/her supervisor and approved through their chain of supervision and by the Conflict of Interest Committee.

II. POLICY PRINCIPLES

Auburn University, Auburn University at Montgomery, the Alabama Cooperative Extension System, and the Alabama Agricultural Experiment Station (collectively “Auburn” or “the University”) encourages its employees to engage in appropriate outside business and professional relationships, participate in sponsored research, to consult widely, and to engage in other activities that may benefit not only the participants, but also the University itself, and the larger public. However, members of the University community are expected to avoid conflicts of interest or commitment that have the potential to directly and significantly affect the University’s interests, compromise objectivity in carrying out University responsibilities, or otherwise compromise performance of University responsibilities, unless such conflicts are disclosed, reviewed, and managed in accordance with this policy. This Policy on Conflicts of Interest describes the University’s approach and process for identifying, reviewing, and managing such relationships to help ensure the integrity of University academic and administrative endeavors.

An employee may have a conflict of interest when he or she or any of that person's immediate family possesses a personal or financial interest related to an activity that involves his or her University responsibilities. This includes all full-time, part-time, temporary, and contract employees and others acting on Auburn’s behalf in the performance of the teaching, research, public service, administration and business operations of the University. (The conflict of interest policy for the Board of Trustees of Auburn University can be found within the Board’s [Code of Ethics](#).)

Through this policy the University seeks to mitigate conflicts of interest that have potential for negative effects on performance of its mission. The requirement that an individual’s potential conflicts of interest be disclosed and evaluated by others is not a reflection or assessment of the integrity of the individual. As members of a scientific and intellectual community, we recognize that objectivity about one’s own situation and credibility with external observers requires an evaluation external to oneself. Moreover, the fact that an individual may be determined to have an apparent conflict does not imply that the conflict is unethical or impermissible; it means simply that the relation of the conflict to the individual’s institutional responsibilities must be carefully examined and in some cases managed, because conflicts – real, potential or apparent - may impair performance of the missions of teaching, research, and public service, as well as jeopardize public trust and support.

Each member of the University community has an obligation to act in the best interest of the University and its mission, and must not let outside activities or financial interests interfere with those obligations. This policy is intended to increase the awareness of the University community to the potential for conflicts of interest, and to establish procedures whereby such conflicts may be avoided or properly managed.

Policy Purpose and Goal

As a steward of public funds, Auburn has a responsibility to ensure that all its activities reflect its primary goals of education, scholarly inquiry, public service, and economic development. The public has endowed Auburn with certain privileges and entrusted it with resources in the expectation that no single

party will derive sole benefit or be unjustly enriched from the public's investment in Auburn. The public should be confident that Auburn is a place of rigorous and open inquiry, unencumbered by potential conflicts of interest that could reasonably be considered to affect the sound judgment of Auburn employees.

As a contemporary, public research university, Auburn has a responsibility to actively participate and promote education, research, and economic development, even if such activities increase the likelihood of conflicts of interest. This policy provides a framework for recognizing and managing employee conflicts of interest, and should minimize even the appearance of conflicts of interest. The primary goal of this policy is to prevent an employee's personal interest and activities from adversely influencing Auburn operations.

Legal Basis

Compliance with the Law: Nothing in this policy shall be construed to permit, even with disclosure, any activity that is prohibited by law.

Alabama Law: This policy references the Alabama Ethics Law, AL Code § 36-25-1 et seq. and is implemented in addition to all requirements of the Alabama Ethics Law and does not supersede it. This includes the requirement for certain Auburn employees to file a Statement of Economic Interests with the Alabama Ethics Commission on an annual basis.

NCAA Rules: As a member of the National Collegiate Athletic Association, Auburn and its employees must be in compliance with applicable NCAA bylaws and rules related to sponsorships and non-University compensation.

Research: Auburn employees whose research is or may be funded by external entities, including Federal sources, are subject to additional requirements imposed by those entities. These requirements are codified in other University policies including the Auburn University Public Health Service Financial Conflict of Interest Policy (PHS-FCOI), the Financial Conflict of Interest Policy for Research and Related Activities, and the AU Human Subject Research Policies. Any conflict of interest subject to any other policy shall be reviewed and managed pursuant to the requirements of that policy.

Other Management Actions: The process for disclosing and managing conflicts of interest as described in this policy are the minimum steps that must be taken by an employee. It is possible that a particular situation or activity may call for specific steps beyond those outlined here for proper disclosure and/or management of a conflict. Particular units and activities of Auburn may also have specific conflict of interest policies or guidelines. Those specific policies may in certain cases be more restrictive than this University-wide policy. This policy provides a framework for those specific additional policies and guidelines.

III. EFFECTIVE DATE

March 1, 2019

IV. APPLICABILITY

This policy applies to all University Employees.

V. POLICY MANAGEMENT

Responsible Office: Division of Institutional Compliance & Privacy

Responsible Executive: Associate VP, Audit, Compliance & Privacy

Responsible Officer: Dir. Institutional Compliance & Privacy

VI. DEFINITIONS

“Conflict of Interest” or “COI” occurs when an employee or immediate family member has a personal interest in or receives a personal financial, economic, professional or personal gain or advantage of any kind from the employee's position in a manner that may inappropriately influence the employee's judgment, compromise the employee's ability to carry out Auburn institutional responsibilities or be a detriment to Auburn's integrity.

“Conflict of Commitment” is a type of COI that may apply to outside professional and business activities that result in a conflict of interest subject to this policy. Generally, non-faculty employees are prohibited from engaging in employment for pay during the same time period that the individual is being paid for services as a public employee. AU faculty should refer to the Auburn University Faculty Handbook (Section 8.1.1 *Consulting Policy*) and AUM faculty should refer to the *Policy and Procedures for Extramural Activities* for additional guidance. Approvals and Management Plans provided for under this policy do not relieve employees of any required approval or reporting requirements set forth in the above referenced policies.

“Positive COI” or “Positive Disclosure” occurs when it is determined that a disclosed Conflict of Interest needs to be managed to minimize risk associated with the identified activity.

Employee: Any person possessing a regular full- time position at the University. Part-time or temporary employees as well as volunteers, graduate and undergraduate students working on contracts or grants may also be asked to complete disclosures or may also voluntarily complete a disclosure by contacting the Division of Institutional Compliance & Privacy.

“Immediate family members” is defined to include relationships to the fourth degree of affinity or consanguinity which includes spouses, children, parents, siblings, grandparents, grandchildren, aunts, uncles, first cousins, corresponding in-laws, “step” relatives, and any members of the Employee's household.

“Management plan” means a document that outlines specific actions which will be taken or conditions that will be conformed to minimize or eliminate the risk of the conflict of interest.

“Institutional Responsibilities” are defined broadly and include but are not limited to job duties, teaching, advising, research, scholarly activities, outreach, administrative activities, institutional committee service, and service to professional associations or on panels such as peer, institutional, or accreditation review boards.

“University” or “Auburn” includes AU, AUM, ACES, and AAES.

“Financial interest” is defined as anything of monetary value, including gifts valued at more than \$25.00, salary, commissions, fees, honoraria, travel and lodging expenses, equity interests (including any ownership stake in a startup company), interests in real or personal property, dividends, royalty, rent, capital gains, intellectual property rights, loans, and forgiveness of debt.

“Responsible Administrator” shall mean the University Dean, Director, or Vice President/Vice Chancellor for the conflicted employee's unit; for athletics, this shall be the Athletic Director; for Extension, this shall be the Alabama Cooperative Extension System Director. In the event any direct report to the AU Board of Trustees or President is the conflicted employee, the President, or his designee, shall serve as the approving officer. In the event the President is the conflicted employee, the Audit & Compliance Committee of the Board of Trustees shall serve as the approving officer.

“Conflict of Interest Committee (“COIC”)” shall mean the committee that reviews Conflict of Interest Management Plans referred to it by the Division of Institutional Compliance & Privacy, the Office of the Vice President for Research & Economic Development (OVPRED) or the AUM Office of Research and Sponsored Programs (AUMORSP). The COIC shall also serve as the appeals body for conflict of interest situations that are not able to be resolved at the Departmental or College level. The COIC shall establish its processes and procedures of operation consistent with this policy.

The main campus committee shall comprise the following ex-officio voting members:

1. Office of the President (designee)
2. Provost & V.P. Academic Affairs
3. V.P. Business and Finance & CFO
4. V.P. Research
5. V.P. Outreach
6. Associate V.P. Human Resources
7. General Counsel
8. Associate V.P., Audit, Compliance & Privacy (CHAIR)

The AUM campus committee shall comprise the following ex-officio voting members:

1. Chancellor (or designee)
2. Provost and Senior Vice Chancellor
3. Vice Chancellor for Financial & Administrative Services
4. Chief Human Resources Officer
5. General Counsel
6. Associate V.P., Audit, Compliance & Privacy (CHAIR)

VII. POLICY PROCEDURES

A. Annual Disclosures and Modifications to Disclosures

On an annual basis, employees shall complete the electronic Conflict of Interest/Commitment Disclosure Form. Disclosures should be updated, modified, or supplemented as needed, between disclosure periods within 30 days of changes.

B. Review Process

1. The Division of Institutional Compliance & Privacy and, as appropriate, the Office of the Vice President for Research & Economic Development (OVPRED) or the AUM Office of Research and Sponsored Programs (AUMORSP) will complete an administrative review of submitted disclosure forms and, if necessary, forward to the COIC for further review. If a positive COI is identified, then the employee must submit a COI Management Plan.
2. The employee’s supervisor works with the employee to draft a COI Management Plan (in the format described on the Office of Audit, Compliance & Privacy website) with guidance as necessary from the Division of Institutional Compliance & Privacy for general COI and/or the OVPRED/AUMORSP for research-specific COI. The draft plan is then forwarded through the chain of supervision two levels up for review and approval.
3. The Division of Intuitionl Compliance & Privacy will conduct a timely review of all non-research Management Plans that have been submitted, and the OVPRED/AUMORSP will conduct a timely review of all research-related Management Plans that have been submitted. After review of a Management Plan, the respective office issues an approval or disapproval of

the Management Plan to the Responsible Administrator. In the event of disapproval, the respective office shall give the reasons for the disapproval and corrective actions, if any, which could change the decision to an approval. In the event that there is no reasonable way to manage a COI, then the employee may be prohibited from participating in the conflicted activities until such a time as the conflict is eliminated.

4. The Responsible Administrator shall review the Management Plan, seek additional information or clarification if desired, and implement the proposed Management Plan.
5. If agreement cannot be reached on the management of the conflict, or if the Management Plan is not being followed, implemented, or is not adequately managing the conflict, the matter can be brought before the Conflict of Interest Committee (COIC) for review. The decision of the COIC shall be final and cannot be appealed by the employee to a higher level within the university.
6. When a Management Plan has been implemented it shall be reviewed at least annually by the Supervisor and the Employee and updated as needed. Any updates to the Management Plan should be reviewed by the Responsible Administrator and sent to the Division of Institutional Compliance & Privacy for review and records maintenance, and if research-related then also to the OVPRED/AUMORSP. The COIC may be notified of any changes and may request further review.
7. Employees shall avoid any involvement with potential conflict-related University activities and decisions until such time as the Management Plan has been reviewed and approved.
8. Some external research sponsors require the University to provide initial and ongoing reports on an Investigator's COI to the sponsor. The University will provide sponsors with COI information as required by individual sponsor policy. In addition, some external sponsors obligate the University to make available to the public, upon request, information regarding COIs for senior and key personnel.
9. Supervisors who become aware of undisclosed conflicts of interest should instruct the employee to immediately disclose. Any failure to disclose in a timely fashion should be reported to the Division of Institutional Compliance & Privacy.
10. Employees who become aware of any undisclosed conflict of interest not their own should report it to a supervisor, the Division of Institutional Compliance & Privacy or via the University's reporting hotline.

C. Review Process: Related Individuals employed by Auburn University

1. The Division of Institutional Compliance & Privacy will determine whether identified related individuals are in an employment relationship which creates an actual or perceived conflict.
2. If there is a positive determination, the Responsible Administrator and Human Resources will be informed, and the conflict must be resolved. Recommended actions must be reported to the Division of Institutional Compliance & Privacy.
3. The action taken to resolve the positive determination shall be reported to the Chair of CIOC to be communicated to the COIC. Should the COIC not be satisfied with the resolution of the positive determination it shall seek additional remedy from the Responsible Administrator and Human Resources.

VIII. SANCTIONS

University sanctions may include, without restriction, reprimand, restitution, loss of pay, suspension, or dismissal.

IX. EXCLUSIONS

None

X. INTERPRETATION

For interpretations of this policy refer to the Associate VP, Audit, Compliance & Privacy

APPENDIX
CONFLICT OF INTEREST MANAGEMENT PLAN (SAMPLE)

Background

1. Employee's name, position, and department at AU
2. Detailed conflict description
 - a. Entity Name (with which outside interest/relationship is established)
 - b. Type of business, industry, or service
 - c. Employee's role/relationship with this entity
3. Any other relevant information on the situation as it exists and its history

Safeguards

Given the relationship between the Employee, the outside interest, and AU, there is a potential for conflict of interest/commitment. In order to assure compliance with AU policy, Employee agrees to abide by the following safeguards. Safeguards explain how the conflict will be managed and may cover such categories as:

1. Commitment
2. Transparency
3. Research Integrity
4. Use of University Resources (Including other employees or students)
5. Monitoring

Statement required on all COI Plans: [Employee] acknowledges that AU will monitor and evaluate this plan as well as policies related to it, and, at any time should AU determine, in its sole discretion, that the plan is not sufficient to guard actual or apparent conflicts of interest or is otherwise not in the interest of AU, may determine the conflicts as not capable of management and may ask [Employee] not to pursue the conflicting activities while an employee of AU. [Employee] further acknowledges their personal duty to ensure their compliance with the Alabama Ethics Law (as applicable) and that this plan is not a substitute for that responsibility.

Acknowledgement and Agreement

By signing below, I, [Employee], acknowledge my agreement and intent to comply with the principles and safeguards of this Conflict of Interest Management Plan.

Signature of Employee

Date

Signature of Department Head

Date

Signature of Responsible VP

Date

Signature of Institutional Compliance

Date