

Conflict of Interest Policy (updated February 1998)

Definition

A “conflict of interest” exists whenever a person misuses, or gives the appearance of misusing, a position of public trust for private benefit or personal advantage. A conflict may occur anywhere along a broad spectrum of actions ranging from overtly criminal conduct to behavior that could potentially lead to a *perception* of ethical impropriety.

Preface

New Jersey Institute of Technology (“the university”) has a long-standing policy of forbidding any activity that creates a conflict between an employee’s obligations to the university (including its approved affiliates) and the employee’s private interests, be they personal, financial, proprietary, familial, or political. This policy statement is issued periodically for the guidance of all university employees: faculty, staff, and students. Both the policy and its implementation procedures will be administered fairly and equitably.

Statement of Policy

Consistent with the law and executive mandates governing public entities in the State of New Jersey, and consistent with its good faith covenants and contractual obligations, the university reaffirms and restates its conflict of interest policy as follows:

As a public, research institution of higher education, serving the State of New Jersey, the higher education community, and the general public, the university is cognizant that it occupies a position of trust. The university therefore accepts an unequivocal obligation to preclude the occurrence of legal and ethical impropriety, including the appearance of impropriety, on the part of its employees.

The university forbids any conduct that places, or appears to place, an employee’s personal, financial, proprietary, familial, or political interests in conflict with the university’s best interests or the university’s contractual obligations. Supervisory personnel shall not knowingly condone a clear conflict of interest and will be held accountable for enforcing this policy.

To facilitate compliance, the university requires self-disclosure of an existing conflict or potential conflict. A potential conflict is defined as any circumstance that creates a reasonable doubt as to legal or ethical propriety under this policy or the law.

This policy statement applies to all university employees (faculty, staff, and student employees).

The specific examples offered below illustrate some of the types of conflict that require both self-disclosure by the employee and corrective action. The following items are to be understood as illustrative guidelines, and not as a comprehensive or exhaustive list of prohibitions:

- **Unauthorized** utilization of university research findings, facilities, or derivative tangible or intangible products for private financial advantage, direct or indirect;

- **Unauthorized** utilization of privileged, proprietary university information, gained through a position with the university, including any affiliated enterprise, for utilization in private business or in private, non-university-affiliated research or consulting endeavors;
- Exerting intentional, direct or indirect influence in contractual matters or other operational matters between the university (including its affiliates) and any private enterprise in which a personal, financial, proprietary, familial, and/or political interest is involved;
- Pursuing and/or maintaining any non-university business interest and/or professional endeavor that significantly interferes with the employee's commitment of time and professional energy to the university;
- **Unauthorized** acceptance or extension of monetary, personal, or other reasonably discernible favors from or to a private enterprise with which the university conducts business or persons with whom the university conducts business;
- Engaging a university student or another university employee **without authorization** as an employee, consultant, or third party contractor of a business, research, or consulting venture in which the employee holds a significant ownership or financial interest;
- **Undisclosed** familial relationships with students or employees where one party to the relationship holds either decisional authority, recommending authority, or significant influence over the academic, economic, and/or employment standing of the other party;
- Solicitation or acceptance of personal favors (including sexual favors) from students or other employees in return for positive academic evaluation, financial consideration, improvement in employment status, or other significant consideration related to university operations;
- **Undisclosed** and **unauthorized** maintenance of an interest in both a private intellectual, professional, scientific, or technical endeavor and a university or affiliated endeavor in the same or a similar intellectual, professional, scientific, and/or technical field.

Some conflicts of interest may arise unintentionally. Other situations, though not constituting an actual conflict of interest, may carry an appearance of impropriety. This policy applies to both unintentional conflicts and the appearance of conflict.

Full disclosure is required in all cases. Some conflict situations may be amenable to modification leading to university and/or affiliate authorization. Certain potential conflict situations may be managed in an acceptable manner through close scrutiny and strict adherence to prescribed conditions.

It is not the intent of this policy to authorize or encourage needless intrusion upon any individual's personal behavior or endeavors. It requires self-disclosure. While vigilant enforcement is expected, reckless or malicious disclosure of alleged conflict or rumor-mongering by third parties is discouraged and may be subject to sanctions.

Procedures

Disclosure

Self-disclosure is not only the least invasive means of ensuring compliance with this policy but also affords the opportunity for mutually compatible resolution of actual or potential conflicts of interest. The responsibility for full self-disclosure rests with each employee.

Disclosure necessitated by a developing or potential conflict should be directed to the attention of either the employee's immediate supervisor or, at the employee's option, the vice president under whose stewardship the employee works.

Annual Disclosure Requirement

Annual disclosure is required of each employee, whether or not a conflict situation has arisen and has been disclosed in accordance with this policy and procedure within the past year. Annual disclosure shall be made either through completion of the attached "conflict-of-interest disclosure form" or through certification to the university in a signed letter which addresses all issues specified in the university-provided form.

Annual disclosure shall be forwarded directly to the appropriate academic dean or vice president. All members of the senior staff shall forward annual disclosure to the President.

Consultation and Review

The Office of General Counsel is available for consultation by any employee who is uncertain as to whether a specific set of circumstances constitutes a conflict or potential conflict in violation of this policy.

Such consultation will be treated as confidential to the greatest degree practicable in conformity with university regulations and applicable law. Following consultation, responsibility for formal self-disclosure remains with each individual employee.

All disclosure is subject to review by the Office of General Counsel for conformity with policy and procedure.

Consequences of Conflicts of Interest

Disclosed conflicts will be managed in a manner acceptable to the university and the employee wherever feasible and warranted.

Undisclosed conflicts may result in sanctions ranging from notice to discontinue a specific activity to termination of employment.