

UT SOUTHWESTERN POLICY HANDBOOK

ETH-104 CONFLICTS OF INTEREST, CONFLICTS OF COMMITMENT, AND OUTSIDE ACTIVITIES

CHAPTER 3: ETHICS, COMPLIANCE, AND STANDARDS OF BEHAVIOR

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ADMINISTRATIVE INFORMATION

Responsible Office: Conflict of Interest Office
Executive Sponsor: Provost
Effective Date: 01/01/1998
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POLICY RATIONALE AND TEXT

The mission of UT Southwestern is to promote health and a healthy society that enables achievement of full human potential through education, discovery, and healing. As a state agency and university, UT Southwestern has a responsibility to the people of Texas to create and sustain an environment that endorses the highest standards of integrity, honesty, accountability, and transparency in fulfilling its mission. In addition, as a healthcare institution, UT Southwestern has a special obligation to its patients to uphold these standards in regard to patient safety and patient care.

This policy on conflicts of interest, conflicts of commitment, and outside activities is primarily intended to provide the guidelines for UT Southwestern employees to act ethically in accordance with these values, applicable laws, and the rules and policies of UT Southwestern and The University of Texas System (UT System). This policy also serves to protect the credibility and reputation of UT Southwestern by providing, as required by UT System policies UTS 175 and UTS 180, an electronic system of disclosure and documentation of employee activities outside of UT Southwestern that might otherwise raise concerns about conflicts of interest and conflicts of commitment.

The primary responsibility of a UT Southwestern employee is, at all times, the accomplishment of his or her assigned institutional responsibilities. Certain outside activities – such as outside employment or outside board service, personal financial interests, or the acceptance of gifts from third parties – can lead to a conflict between the employee’s institutional responsibilities and the employee’s private interests, and may prevent the employee from making decisions that are in the best interest of UT Southwestern. Even if an outside activity does not actually impair an employee’s ability to act in the best interest of UT Southwestern, it may appear to the public that the employee’s independence of judgment has been affected.

At the same time, UT Southwestern recognizes that certain outside activities are not in principle unacceptable and may in fact enhance UT Southwestern’s mission, and that both the institution and individual employee may benefit from such interactions by virtue of the employee’s exposure to challenges presented in the non-academic world. To meet the challenges presented by

these competing values and obligations, appropriate disclosure, review and management are necessary to ensure that the public's trust in the judgment of UT Southwestern employees has not been affected by their outside activities.

Accordingly, UT Southwestern employees may not have a direct or indirect interest (including financial or other interests), engage in a business transaction or professional activity, or incur any obligation of any nature if that interest, activity, or obligation might tend to influence the way the employee performs institutional responsibilities, could reasonably be expected to impair the employee's judgment in performing institutional responsibilities, or might require or induce the employee to disclose confidential or proprietary information acquired through the performance of institutional responsibilities. UT Southwestern employees must structure their financial interests or outside activities to enable the review and management of any possible conflicts of interest with their institutional responsibilities.

Further, a UT Southwestern employee's outside activities must not create a conflict of commitment with their institutional responsibilities. Conflicts of commitment can occur when the time or effort an employee devotes to an outside activity directly or significantly interferes with the fulfillment of assigned institutional responsibilities, or when the employee uses UT Southwestern property in connection with the employee's outside interests or activities. Conflicts of commitment may arise regardless of the location of the activity (on or off campus), the type of outside entity (individual, for-profit, not-for-profit, or government), or the level of compensation (compensated or not compensated).

Every employee is required to: (1) comply with this policy, as applicable; (2) comply fully and promptly with any management plan developed for identified conflicts of interest/commitment; and (3) obtain prior approval for outside activities in accordance with [EMP-158 Outside Activities \(Including Outside Employment or Board Service\)](#).

This policy applies in addition to, and not instead of, general UT Southwestern or UT System policies, such as policies on standards of conduct, as well as other policies or statutes governing disclosure of activities and financial interests, including [RES-401 Financial Conflicts of Interest in Research: Disclosure, Management, and Reporting](#). If a specific law or regulation provides different requirements than this policy, the more stringent requirement applies.

SCOPE

This policy applies to all UT Southwestern employees and non-employees of UT Southwestern who by virtue of their relationship with UT Southwestern become covered individuals, as defined by this policy.

PROCEDURES

Required Disclosures by Covered Individuals

1. Every covered individual must complete or update a Statement of Financial Interests ("Statement") according to the following timelines:
 - a. No later than the 30th day of initial employment (information provided will include activities for the 12 months preceding the date of submission);
 - b. Annually, between January 1 and March 1;
 - c. No later than the 30th day after acquiring a new financial interest or outside activity that requires disclosure;
 - d. No later than the 30th day after returning from protected leave when the individual's absence from work prohibited them from meeting the previous deadlines;
 - e. Prior to engaging in research or submitting research proposals; and/or
 - f. At the request of the President of UT Southwestern, COI Official, or any supervisor, department, office, or institutional committee with responsibility for reviewing statements or approving related management plans.

Disclosure Requirements

1. Information disclosed in a Statement requiring approval in accordance with [EMP-158 Outside Activities \(Including Outside Employment or Board Service\)](#), includes outside employment, consulting, serving on a scientific advisory board, speaking, or any other activities for an outside entity. The individual must submit an Outside Activity Employment (OAE) request for approval.
2. Part-time employees, who are also covered individuals but are not research study team members, are only required to disclose the nature and extent of any outside activity described in item (5) of this section and any interests in a business entity (as defined in this policy) that reasonably appears to relate to their institutional responsibilities. They are not required to disclose information for covered family members.
3. Participation (regardless of compensation) in outside boards or activities in which the service is primarily personal or religious rather than professional in nature, and that is done on one's own time does not have to be disclosed if it does not create a conflict of interest or conflict of commitment or the appearance of a conflict of interest or conflict of commitment with institutional responsibilities as described in [EMP-158 Outside Activities \(Including Outside Employment or Board Service\)](#).
4. Pre-approved activities that do not require disclosure are those that clearly contribute to UT Southwestern's mission or provide important elements of employee development related to institutional responsibilities. Accordingly, these activities only need to be documented on the covered individual's annual performance evaluation, at the time approval for travel is requested, if applicable, or other documentation.
 - a. Pre-approved activities are described in [EMP-158 Outside Activities \(Including Outside Employment or Board Service\)](#).
 - b. In determining whether an outside activity or interest should be disclosed, covered individuals must err on the side of disclosure.
5. A Statement must include any interest (as defined in this policy), **domestic or foreign**, received by the covered individual or covered family member, including the nature and extent of the interest, which reasonably appears related to or could reasonably impact the covered individual's institutional responsibilities, such as:
 - a. Service as a member of the board of directors, an officer, a trustee, or any other executive, management or advisory position for an outside entity within the preceding 12 months (except in the case of outside boards in which the service is primarily personal or religious, whether or not compensated, as described in [EMP-158 Outside Activities \(Including Outside Employment or Board Service\)](#));
 - Typically, these positions involve a fiduciary responsibility to an outside entity.
 - b. Service as a consultant for an outside entity, including service on scientific or medical advisory boards and provision of advice on the outside entity's business activities, as described in [EMP-158 Outside Activities \(Including Outside Employment or Board Service\)](#);
 - c. Creation, production, or editing of publishable content (regardless of the medium for expression) for or on behalf of an outside entity (not including serving in an editorial capacity for a professional journal, as described in [EMP-158 Outside Activities \(Including Outside Employment or Board Service\)](#));
 - d. Intellectual property (e.g., royalties, license fees, or other compensation, or agreements to share in royalties, license fees, or other compensation);
 - e. Investment interests (e.g., common or preferred stock in any form or class, warrants, options or other derivatives, partnership interests or shares, etc.) held in or promised from a business entity;

- f. Reimbursed or sponsored personal travel, other than for speaking as per (h) below, within the preceding 12 months, documentation of which includes the purpose of the trip (e.g., receiving specialized training), the sponsoring outside entity, the destination, and duration;
 - g. Personal income received for the performance of research or other research-related activities, e.g., milestone payments;
 - h. Speaking activities as follows (as described in [EMP-158 Outside Activities \(Including Outside Employment or Board Service\)](#)):
 - Not-for-profit outside entities, e.g., not-for-profit, accredited institutions of higher education in the United States and professional associations/societies, when honoraria or payments exceeding \$2,000 are made above and beyond travel expenses or reimbursements for any speaking engagement; and
 - For profit (e.g., vendors) and all foreign outside entities, any speaking event regardless of level of expense support and/or payment.
 - Speaking engagements involving promotional presentations on behalf of an outside entity are not permissible.
 - i. Non-UTSW faculty appointments, including dual and adjunct appointments.
 - j. Outside (onsite or distance) teaching that is related to the covered individual's job responsibilities;
 - k. Personal income received from part-time or other positions held with an outside entity as described in [EMP-158 Outside Activities \(Including Outside Employment or Board Service\)](#); and
 - l. Other income (e.g., any other compensation or benefit from a single business entity not otherwise described above) or activities that reasonably appear related to the covered individual's institutional responsibilities except for financial prizes from domestic non-profit entities as described in [EMP-158 Outside Activities \(Including Outside Employment or Board Service\)](#).
6. In disclosing outside activities, the interest of any legal entity, including a foundation or a trust controlled or directed by the covered individual and/or a covered family member, is considered to be the interest of the covered individual and/or covered family member as if the separate legal entity did not exist.
 7. Outside entities located outside of the United States will be screened. Faculty and employee participation in outside activities with entities that have been debarred, sanctioned, embargoed, subject to United States watch lists, or otherwise restricted by the United States government may be subject to additional review and approval by UT Southwestern administration.
 8. The President of UT Southwestern, COI Official, any supervisor, department, office or institutional committee with responsibility for reviewing statements may request additional documentation including agreements, contracts, offer letters, monetary value of activities (e.g., travel) or other supporting materials in order to determine whether activities constitute a conflict of interest and/or conflict of commitment, and will be approved, managed, or eliminated.
 9. Timely, complete, and accurate disclosure of outside activities consistent with this policy is a condition of employment at UT Southwestern, and a covered individual who does not comply with this policy is subject to disciplinary action, up to and including termination of employment or non-renewal of appointment.

Review and Management of Conflicts of Interest

1. Research conflicts of interest or commitment will be reviewed and managed under [RES-401 Financial Conflicts of Interest in Research: Disclosure, Management, and Reporting](#). Non-research related potential conflicts of interest or commitment will be reviewed and managed in conjunction with requests for approval of outside activities under [EMP-](#)

[158 Outside Activities \(Including Outside Employment or Board Service\)](#) along with general procedures followed by the Conflict of Interest Committee and/or COI Official. Potential institutional conflicts of interest or commitment will be reviewed and managed under [ETH-304 Institutional Conflicts of Interest](#).

2. According to the review assignments and policy scope noted above, conflicts of interest or commitment are either approved, managed, or eliminated. Management occurs through the issuance of management plans following general procedures outlined in [RES-401 Financial Conflicts of Interest in Research: Disclosure, Management, and Reporting](#). Each covered individual with a management plan shall comply fully and promptly with any plans that are implemented. Management plans will be monitored for compliance by the COI Office.

Public Disclosure of COI and Outside Activities

1. The most current version of this policy will be accessible on the UT Southwestern Internet website.
2. Information provided on Statements by covered individuals will be maintained electronically. Data collected may be shared with the University of Texas (UT) System to meet the reporting guidelines in the UT System Policy UTS 180.
3. UT Southwestern will make information provided on Statements available to the public through its Internet website. UT Southwestern will make the following information available to the public for each covered individual:
 - a. The covered individual's name;
 - b. The covered individual's title;
 - c. The name of the outside entity with the financial interest or relationship;
 - d. The nature of the financial interest or relationship. For full-time employees who are covered individuals, this will include financial interests or relationships of covered family members but information that could identify the family member will not be posted;
 - e. The approximate dollar value of the financial interest by a range or, if the dollar value cannot be determined by reference to public prices or other reasonable measures of fair market value, a statement to that effect; and
 - f. The institution's determination of whether or not the covered individual's financial interest or relationship is considered to be a conflict of interest, and whether or not a management plan has been issued to manage the specific interest or relationship.

To the extent that dollar values can be determined by reference to public prices or other reasonable measures of fair market value, the following ranges will be used in making information available:

- a. \$0
 - b. \$1 – \$4,999;
 - c. \$5,000 or more but less than \$10,000;
 - d. \$10,000 or more but less than \$20,000;
 - e. \$20,000 or more but less than or equal to \$100,000, by increments of \$20,000; or
 - f. More than \$100,000, by increments of \$50,000.
4. UT Southwestern will update the information posted at least annually, and not later than the 60th calendar day after the determination that a conflict of interest or commitment exists. Information for the current year, as well as the past

two years, will be available. The website will note that the information is current as of the date listed and is subject to updates.

Other than the sharing or posting of information described above, all Statements, other records, and information submitted as a part of the disclosure process will be maintained confidentially to the extent permitted by law and the requirements of this policy. All records discussed in this policy are subject to the Texas Public Information Act. Any written request for records discussed in this policy must be forwarded immediately upon receipt to the Office of the Vice President for Legal Affairs.

Records and Confidentiality

1. Records regarding statements of outside activities and the management of conflicts of interest, including statements, the COI Committee's or COI Official's determination, and other records of institutional actions, shall be retained in accordance with the UT Southwestern Records Retention Schedule.
2. The central repository for records related to conflicts of interest in research will be the COI Office, and records will be maintained in paper or electronic form.
3. To the extent permitted by law and the requirements of this policy, all statements, other records, and information submitted to the COI Official or the COI Committee will be maintained confidentially. However, any statements, other records, or information will be made available upon written request to the agency funding research of the covered individual, and as otherwise required by law. Where human subject research is contemplated and a potential or actual conflict exists, the statement(s), other records and information may be shared with the appropriate IRB.
4. All records discussed in this policy may be subject to the Texas Public Information Act. Any written request for records discussed in this policy must be forwarded immediately upon receipt to the Office of the Vice President for Legal Affairs.

RESPONSIBILITIES

Training Requirements

1. All employees must complete basic training regarding conflict of interest requirements no later than the 30th calendar day after initial employment at UT Southwestern as part of the new hire orientation process. This training is administered by the Institutional Compliance Office in conjunction with other required new hire training. Annual refresher training is provided thereafter by Institutional Compliance as part of the required annual compliance training bundle.
2. Covered individuals must complete required training administered by the COI Office no later than the 30th calendar day after employment at UT Southwestern, and at least once every four years thereafter.
3. Additional training may be provided by a covered individual's department, as applicable.
4. The President of UT Southwestern, COI Official, and any supervisor, department, office, or institutional committee may require that remedial or additional training be completed if it is found that an employee is not in compliance with this policy or any management plan.

Employees:

1. Fully comply with this policy, as applicable.
2. Avoid having a direct or indirect interest (including financial or otherwise), engaging in a business transaction or professional activity, or incurring any obligation of any nature if that interest, activity, or obligation might tend to influence the way the employee performs institutional responsibilities, could reasonably be expected to impair the employee's judgment in performing institutional responsibilities, or might require or induce the employee to disclose confidential or proprietary information acquired through the performance of institutional responsibilities.

Covered Individuals:

1. Disclose outside activities as required in this policy. Timely, complete, and accurate disclosure of outside activities consistent with this policy is a condition of employment at UT Southwestern, and a covered individual who does not comply with this policy is subject to disciplinary action, up to and including termination of employment or non-renewal of any faculty appointment.

DEFINITIONS

Business Entity – any entity recognized by law through which business for profit is conducted, including a sole proprietorship, partnership, firm, corporation, holding company, joint stock company, receivership, or trust.

Compensation – any form of benefit including but not limited to salary, retainer, honoraria, intellectual property rights or royalties, or promised, deferred, or contingent interest. It also includes sponsored travel or reimbursement, except for pre-approved activities as defined in this policy.

Conflict of Commitment – occurs when the time or effort an employee devotes to an outside activity directly and or significantly interferes with the fulfillment of assigned institutional responsibilities, or when the employee uses UT Southwestern property without authority in connection with the employee’s outside employment, board service, or other activity. Exceeding the amount of total time permitted for approved outside activities creates the appearance of a conflict of commitment.

Conflict of Interest – refers to any situation in which an outside interest of a UT Southwestern employee or one of the employee’s covered family members could directly or significantly affect the proper discharge of the employee’s institutional responsibilities. The proper discharge of an employee’s institutional responsibilities could be directly and significantly affected if the employment, service, activity, or interest:

- a) might tend to influence the way the employee performs his or her institutional responsibilities, or the employee knows or should know the interest is or has been offered with the intent to influence the employee’s conduct or decisions;
- b) could reasonably be expected to impair the employee’s judgment in performing his or her institutional responsibilities;
or
- c) might require or induce the employee to disclose confidential or proprietary information acquired through the performance of institutional responsibilities.

Conflict of Interest (COI) Committee – the Conflict of Interest (COI) Committee is an Institutional Standing Committee. Members are appointed by the President. The Committee assists the COI Office in developing policy, reviewing conflict of interest or commitment issues, developing management plans, and monitoring compliance.

Conflict of Interest (COI) Official – the Conflict of Interest (COI) Official is appointed by the President, or their designee, and is responsible for the development, implementation, and enforcement of this policy.

Covered Family Member (of a Covered Individual) – includes any of the following:

- a) A spouse;
- b) A dependent child or stepchild;
- c) Any other person financially dependent on the covered individual; and
- d) Any other person with whom the covered individual has joint financial interests, such that an objective third party could reasonably conclude that the covered individual’s decisions or other exercise of institutional responsibilities could be influenced by their effect on the other person’s financial interest.

- e) Any person may meet the above definition and be identified as a covered family member without regard to whether a legal or biological family relationship exists with the covered individual.

Covered Individual – The following individuals are considered to be covered individuals for this policy:

- a) Any research study team members regardless of their employment status with UT Southwestern, including graduate students and post-graduate trainees, but not including high school or undergraduate students.
- b) Advanced practice providers such as Physician Assistants, Nurse Practitioners, and Certified Nurse Midwives.
- c) Medical school students.
- d) Members of institutional standing committees, as determined annually by the COI Committee, including non-affiliated members.
- e) Any employee involved in procurement activities or authorized to execute contracts on behalf of UT Southwestern or who, because of their job duties, has authority to exercise discretion with regard to the award of contracts or other financial transactions (including research or technology license agreements).
- f) Executive officers as defined in this policy.
- g) Faculty members including individuals with full-time academic appointments with UT Southwestern, including those individuals holding academic appointments with an adjunct title (with or without pay). Voluntary or emeritus faculty are not considered covered individuals unless they serve as research study team members.
- h) Any individual designated as a covered individual by the President of UT Southwestern or COI Official who would otherwise not be a covered individual.

Employees Involved in Procurement Activities – an employee who is authorized to make single purchases valued at or above \$15,000 and who makes decisions regarding such purchases, including:

- a) contract terms or conditions on a contract;
- b) who is to be awarded a contract;
- c) preparation of a solicitation for contract; or
- d) evaluation of a bid or proposal.

Executive Officer – includes the President; all individuals who report directly to the President (other than administrative support positions); all levels of provosts and deans; department chairs, center directors, and division chiefs; and department heads.

Financial Interest – anything of monetary value, including without limitation salary or other payments for services (e.g., compensation for consulting; speaking; advising; serving on a Board of Directors or as an officer, trustee, or other executive or management position; editorial compensation; etc.); investment interests (e.g., common or preferred stock, options or other derivatives, partnership interests or shares, etc.); intellectual property rights (e.g., patents, copyrights, royalties from such rights, etc.); reimbursements including travel expenses; gifts; or other income (e.g., any other compensation or benefit from a single business entity not otherwise described above).

Institutional Responsibilities – any duties or responsibilities of an employee on behalf of UT Southwestern, including without limitation essential and other functions, research, research consultation, teaching, administrative responsibilities, professional practice, institutional committee membership, or service on an Institutional Standing Committee or other convened group.

Investment Interest – common or preferred stock (in any form or class), warrants, options or other derivatives, partnership interests or shares, etc., where the selection or disposition of the interest is directly controlled by the individual. The term does

not include investment interests in mutual funds or retirement accounts, so long as the individual does not directly control the investment decisions made in those vehicles.

Management Plan – a plan imposing any condition and/or prescribing actions deemed necessary to manage a conflict of interest or commitment, including actions taken to reduce or eliminate the conflicts, issued by the COI Official or Committee.

Nature and Extent – will include a description of the outside employment, board service, or other activity, the time commitment, and the anticipated length of time the commitment is expected to continue.

Outside Activity – any activity, including outside employment, board service, speaking engagement, or non-remunerated activity that is otherwise not pre-approved or does not require disclosure.

Outside Board – the board, council, or other governing or advisory body of a business, civic, professional, social, or religious organization, whether for profit or non-profit.

Outside Employment – any service activity performed by an employee, other than fulfilling employment obligations at The University of Texas System Administration or a University of Texas institution, for which remuneration is received, including distance teaching, board service, part-time work, consulting, or speaking.

Outside Entity – any foreign or domestic business entity, association, organization, or any other legal entity organized for profit or non-profit purposes, except for any non-profit health care corporation or any other entity controlled by, controlling, or under common control with UT Southwestern.

Promotional Speaking – marketing and training programs designed solely or predominantly for sales, marketing, or promotional purposes. This includes industry-sponsored speaking engagements typically referred to as “speakers bureaus” (i.e., contractual relationships to give talks in which the topic(s) and/or content are provided by the company) that are solely or predominantly promotional in nature. Employees must retain full control and authority over any professional materials they present. Such communications or presentations may not be subject to approval by any commercial interest other than approval for the use of proprietary information.

Research – a systematic investigation, study, or experiment designed to develop or contribute to generalizable knowledge. The term encompasses basic and applied research as well as product development.

Research Study Team Members – all principal investigators, sub-investigators, or other persons involved in a UT Southwestern research project, regardless of title or position, who are responsible for the design, conduct, and/or reporting of research.

Statement of Financial Interest (“Statement”) – the electronic disclosure form that identifies all financial interests and outside activities of the employee and employee’s covered family members.

RELATED STATUTES, POLICIES, OR STANDARDS

Texas Education Code, Section 51.912 Equity Ownership; Business Participation

Texas Government Code, Chapter 572 Personal Financial Disclosure, Standards of Conduct, and Conflict of Interest

UT System Board of Regents’ *Rules and Regulations*, Rule 30104 Conflict of Interest, Conflict of Commitment, and Outside Activities

UT System Board of Regents’ *Rules and Regulations*, Rule 90101 Intellectual Property

UTS 180 Conflicts of Interest, Conflicts of Commitment, and Outside Activities

UTS 175 Disclosure of Significant Financial Interests and Management and Reporting of Financial Conflicts of Interest in Research

[ADM-302 Communication with Public Officials and Government Agencies](#)

[EMP-158 Outside Activities \(Including Outside Employment or Board Service\)](#)

[EMP-159 Employment in Multiple State Positions](#)

[ETH-105 Relationships of UT Southwestern Faculty, Employees, and Trainees with Vendors](#)

[RES-401 Financial Conflicts of Interest in Research: Disclosure, Management, and Reporting](#)

FORMS, TOOLS, ONLINE PROCESSES

<https://www.utsouthwestern.net/intranet/research/research-administration/conflict-of-interest/>

CONTACTS/FOR FURTHER INFORMATION

Conflict of Interest Office 214-648-5300

POLICY HISTORY

February 17, 2020: Added recent requirements from the NIH and UT System to address foreign influence, export control, and IP theft issues; moved list of pre-approved activities to EMP-158; and clarified when speaking engagements are and are not pre-approved and need disclosure.

October 11, 2018: Added reference to ETH-105 Relationships of UT Southwestern Faculty, Employees, and Trainees with Vendors; removed bullet about Gifts under “Disclosure Requirements.”

July 6, 2018: To be consistent with other policies, updated the definitions of the terms “Conflict of Interest,” “Institutional Responsibilities,” and “Statement of Financial Interest.”

June 19, 2018: Completed full review; updated policy as necessary.

August 3, 2016: Clarified the scope and the definition of Covered Individuals. Added definition for Employees Involved in Procurement Activities and Executive Officer.

December 4, 2015: Corrected references to the Statement of Financial Interest and Outside Activities (“Statement”) and EMP-158 Outside Activities (Including Outside Employment or Board Service).

December 23, 2013: Reviewed, revised, and published as ETH-104 Conflicts of Interest, Conflicts of Commitment, and Outside Activities.

January 1998: Published as 2.2.12 Conflict of Interest.