

MONTANA BOARD OF REGENTS OF HIGHER EDUCATION
Policy and Procedures Manual

SUBJECT: PERSONNEL

Policy 770 – Conflicts of Interest

Revised May 31, 2007; Issued June 11, 2007

Board Policy:

1. Coordination with Other Standards or Policies. This policy is intended to complement the state statutes on standards of conduct for public employees (§ 2-2-101, MCA, et seq.,) and is not intended to supersede or conflict with those standards. In addition, this policy is not intended to supersede Board of Regents' Policy 760, Service on Outside Governing Boards, and persons covered by that policy must act in compliance with both the general terms of this policy and the specific terms of that policy.

2. General Policy. Employees of the Montana University System must endeavor to avoid actual or apparent conflicts of interest between their university system duties and obligations and their personal activities, and between their university system duties and obligations and their professional activities outside the university system. A conflict of interest exists:

a. When an employee has a personal interest in a matter that may be inconsistent or incompatible with the employee's obligation to exercise the employee's best judgment in pursuit of the interests of the university system; or

b. When a non-university system activity unreasonably encroaches on the time an employee should devote to the affairs of the university system; or

c. When an employee's non-university system activities impinge on or compromise the loyalty, commitment, or performance the university system has the right to expect from the employee.

3. Campus Conflict of Interest Policies. Each MUS campus shall maintain a written conflict of interest policy which contains the following elements:

a. A definition of conflict of interest consistent with Montana law, this policy, and applicable federal legal requirements.

b. Applicability to all employees of the campus.

c. A procedure for requiring all employees' written disclosure of all potential or actual conflicts of interest in compliance with Montana law and federal legal requirements at the following times:

1. Whenever an actual or potentially conflicting interest is, or is about to be, acquired.

2. Annually, on a conflicts disclosure form stating either the employee has no conflicts or disclosing any potential or actual conflicts. Annual disclosure statements must be completed by all full-time employees except those categories of employee expressly exempted from annual reporting by the campus conflict of interest policy.

3. Before submitting a proposal for grants or contracts, any actual or potential conflicts relating to the proposal in accordance with sponsor and campus regulations.

- d. On campuses that perform sponsored research, provisions to assure compliance with federal legal requirements concerning conflicts of interest in sponsored research.
- e. Provisions to assure compliance with state legal requirements, including § 2-2-101, MCA, et seq.
- f. Procedures which assure independent assessment and review of potential conflicts, including review by legal counsel.
- g. Appointment of a campus administrator and/or committee as the policy administrator with responsibility for policy compliance, maintenance of records of disclosure, conflicts management plans, and periodic reviews of compliance with such plans.
- h. A process for resolution of conflicts determined to exist through the independent review process. Resolution must be in writing and will determine: (1) the conflict is not prohibited by statute or regulation, is not likely to influence the actions of the employee and, therefore, requires no further action; (2) the conflict requires management; or (3) the conflict must be eliminated.
- i. If a conflict is determined to require management, a written plan shall be established and shall require periodic independent conflicts review, the results of which are to be reported to the policy administrator. If conflicts are managed rather than eliminated, the policy administrator shall make a written determination as to why management is in the best interest of the campus.
- j. An appeal procedure for employees who are required to forgo a specific activity to eliminate a conflict of interest at the campus level and then through the appeals procedure established by Board of Regents' Policy 203.5.2.

4. Office of Commissioner of Higher Education Policy. The commissioner of higher education shall establish a conflict of interest policy which includes oversight of conflicts of commissioner's staff and campus chief executive officers. The policy shall be subject to review and approval by the Board of Regents.

5. Approval of Campus Policies. The proposed campus policies must be approved by the campus chief executive and submitted to the Commissioner of Higher Education by December 31, 2007, for review and approval. The submittal must include a proposed campus training plan for employees on the conflicts of interest policy.

6. Annual Report to Board of Regents. Annually, each campus shall submit a written conflict of interest report to the Board of Regents which includes at least the following information:

- a. Number of conflicts disclosed.
- b. Summary of nature of conflicts.
- c. Number of conflicts being managed through written plans.
- d. Number of conflicts eliminated.
- e. Other material information relating to conflicts of interest at the campus.

History:

(Item 96-011-R0997), Conflicts of Interest; Montana University System (NEW), approved by the Board of Regents on November 20, 1997. approved May 31, 2007 (Item 135-105-R0507).