

## **Ethics and External Services – Frequently Asked Questions**

### **1. Why are we doing this?**

State laws and administrative rules relating to ethics and conflicts of interest grow out of the principle that public employees owe a duty of loyalty to their public employer. In the performance of their university responsibilities, faculty and staff have the obligation to act in the best interests of the university without regard to any personal interests they may have. Ongoing monitoring is required to ensure that employees comply with state law and university policy.

**It is imperative that we have 100% compliance from those identified to report.**

### **2. Does this replace the “Permission To Perform Outside Service/Consulting Form?”**

Yes: All full-time faculty, as well as all unclassified staff (full and part-time) must complete this disclosure.

### **3. Who coordinates this disclosure process?**

The Ethics and External Services form is reviewed by the General Counsel/Chief Ethics Officer for potential conflicts. Requests for permission to perform external services will be routed through the appropriate department chair or supervisor, dean or director and vice-president.

### **4. What is the timeline for responding to the Ethics and External Services Questionnaire?**

Responses are due by Tuesday, November 4, 2014

### **5. What will happen if an employee discloses information that suggests the existence of a conflict of interest?**

Some conflicts of interest are prohibited by state law, and violation of these statutes may result in criminal penalties. Others may violate university rules. Conflicts of interest can sometimes be managed through disclosure and the imposition of administrative safeguards to ensure that the interests of the university are protected. The General Counsel may consult with the employee, obtain relevant details and take action, if necessary, to resolve the conflict. Additional guidance on specific situations is provided below (see question on common examples of actual or potential conflicts).

**6. Is there a “de minimis” dollar threshold for gifts from current or prospective vendors?**

The technical answer is “No.” The context of a gift is important and in some situations even a small amount of money can give rise to a conflict of interest, or the appearance of a conflict. As a general rule, it is considered reasonable to use \$25 as a de minimis threshold for a **non-recurring** gift or other benefit. In other words, a lunch with a current or prospective vendor would not be considered a conflict of interest if the value was within the de minimis threshold. However, if there is a recurring pattern of gifts or other benefits (for example, fruit baskets and other items arriving several times a year, or going to lunch more than once), these gifts and other benefits would **not** be considered de minimis. It is important to consider how others (inside and outside the university) might perceive the situation. Remember – conflicts of interest can often be questions of appearance.

**7. Is it OK to accept a meal from a current or prospective vendor?**

A simple meal, at a family style restaurant with a value up to \$25, may be considered de minimis; meals at “fancy restaurants”, meals with a value above \$25, or recurring invitations, should not be accepted from current or prospective vendors. However, the University strongly recommends that the employee’s meals with a vendor always be paid for by the employee and submitted for reimbursement as an employee business expense.

**8. A company is offering to pay my travel and hotel expenses to attend an out-of-town conference. Would this be appropriate?**

Situations involving payment of travel and hotel expenses by a current or prospective vendor often raise serious conflict of interest issues. Individuals should not accept offers to attend conferences or otherwise travel at the expense of a current or prospective vendor. For example, an offer by a computer company, seeking to do business with the University to pay all expenses to attend a conference at Disney World would not be appropriate and may not be accepted by a faculty/staff member.

**9. Around the holidays, our office receives several gift baskets and tins of popcorn from our vendors. Is it appropriate to accept these gifts?**

These types of unsolicited gifts are difficult to avoid. While, it may not violate the Ethics Law to accept these items on a **one-time** basis and share them among the staff, employees are expected to actively discourage vendors from sending these types of gifts. Recurring gifts (such as fruit baskets arriving throughout the year from the same vendor) may not be accepted and should be returned.

**10. The consulting firm that is installing our computer system invited me to their annual golf outing. Is it OK to attend?**

No. Golf outings (including entrance fees, greens fees and cart fees) are not considered de minimis gifts and may not be accepted from current or prospective vendors.

**11. Our painting contractors have offered employees in my division an “industry discount” of 15% on house painting work. Is this appropriate?**

It is inappropriate to accept free or discounted services if the offer is not available to the general public.

**12. I won a digital camera as a door prize at my professional organization’s annual meeting. May I keep it?**

De minimis door prizes or items awarded in a drawing may be accepted because they are not high value and because all of the attendees at the event were eligible to win. But the utmost discretion and judgment is required, especially if high value gifts (over \$25.00) are made available. If participation in such a meeting is on University time and/or paid by the University, such a prize would be considered a prize to the University and not to the employee.

**13. I am an events manager at the university, and my domestic partner owns a catering firm that is seeking to expand its business with the university. Is this a problem?**

To the extent that the events manager can make or influence decisions to purchase catering services from the domestic partner’s firm, this would represent a conflict of interest. This relationship must be disclosed by the events manager. The General Counsel will work with the manager to take actions to address the potential conflicts. For example, the manager may need to remove himself or herself from the selection process for catering services.

**14. I work in University Development and do volunteer fundraising work for the United Way. Is this a problem?**

Given the relatively finite pool of potential donors, it is likely these potential donors will be approached by many fundraising organizations. As such, potential conflicts of this nature may be difficult to avoid. The best guidance in this case is to disclose the relationships and, to the extent possible, avoid participating in directly overlapping fundraising appeals.