

SUBJECT: Personnel

PROCEDURE: 402.4.1

EFFECTIVE: December 2007 **REVISED:** July 2010

REVIEWED: May 2017

Disclosure Procedure

The key mechanism for implementation of this Policy is disclosure. Disclosure allows the campus and the employee to evaluate personal interests to determine if they present a conflict of interest and to take appropriate action based on the evaluation. All employees, unless exempted as noted below, must annually complete and submit a Conflict of Interest Disclosure Report. In addition, all employees, including those exempted from the annual disclosure requirement, are required to comply with this Conflict of Interest Policy and to make disclosures of any potential conflicts of interest whenever they occur to the designated Institutional Official.

Circumstances Requiring Disclosure All employees must disclose the following whenever they occur. These situations apply to the employee and members of his/her family and as directly related to the employee's College responsibilities:

- **Related Outside Interest** The acquisition of any personal or financial interest in an entity engaged in College commercial or research activities that may create a conflict of interest. This may include but is not limited to consulting arrangements, research activities, College contracts and agreements, or other business relationships.
- **Related Purchase/Sale Interest** Any financial interest of the employee or an immediate family member in an entity involved in a College purchase or sale whenever the employee is in a position to recommend or approve the purchase or sale. Such interests must be disclosed to Procurement Services for purchases and to the Property Management Department for sales. NOTE: This disclosure requirement does not include textbook adoptions when the employee is clearly identified as an author, contributor, or editor of the textbook or course material under consideration. However, faculty members should not receive a profit as a result of recommending a specific vendor for the purchase of textbooks or course materials by their students, whether online or from other sources.
- **Related Sponsored Research Interest** In Sponsored Research, acquisition of a Significant Financial Interest.
- **Related Interest by Outside Position** The holding of an executive or officer position in or serving as a member of the board of directors of an entity engaged in College commercial or research activities.
- **Employee Inventor Equity Interest and/or Business Participation** Participation as an employee, officer, board member, or owner in an entity which has, or wishes to have, rights to intellectual property invented or created during the course of GFC MSU employment per [BOR Policy 407](#).
- **Nepotism/Relationship Interest** The planned direct participation in a College decision which would or could appear to involve a direct benefit or detriment to:
 - A relative as defined by the relevant campus Nepotism Policy. (For [GFC MSU, the Nepotism Policy](#) includes parent, grandparent, great-grandparent, child, grandchild, great-grandchild, brother, sister, aunt, uncle, niece, nephew, or cousin, by blood relationship; spouse; or brother, sister, parent, or child of spouse; or spouse of one's brother, sister, parent or child);
 - A person in whom or with whom the employee has a financial interest; or
 - A person with whom the employee has a consensual romantic relationship.

- **Outside Supervisory Interest** Arrangements for the employment or use of students or employees outside the College. Such arrangements must be approved through the appropriate College channels to avoid supervisory conflicts.

Annual Disclosure Annually, all employees (unless exempted as noted below) must complete and submit a Conflict of Interest Report as follows:

- Reports shall be completed online via MyInfo upon receiving notification via email.
- The employee's completion of the report certifies that:
 - The employee does not have any interests which require disclosure;
 - The employee has a potential conflict of interest which has been duly disclosed previously and there has been no change which requires an updated disclosure; or
 - The employee has new interests which may create a conflict of interest and has disclosed them.
- Each campus will submit an annual written conflict of interest report to the Board of Regents per [BOR Policy 770](#).

Exemptions The following groups of employees are exempt from the annual disclosure obligation, (although they remain obligated to make disclosures as noted above):

- Employees working less than one-half time
- Classified employees

Disclosure Submission All annual and new circumstantial disclosures shall be submitted to the Institutional Official or designee. Records will be made available to the employee's supervisor. Upon request, records are also available to the appropriate Department Head, Dean or Director, and any other supervisor in the line of authority when applicable.

Disclosure Review and Management

Initial Review The Institutional Official or designee shall review all disclosures and determine whether a conflict of interest exists.

Determination of Conflict After the initial review, the Institutional Official or designee, along with Legal Counsel if necessary, will provide a written resolution to determine the nature of the conflict:

1. The disclosure does not represent a conflict that is prohibited by statute or regulation nor is it likely to influence the actions of the employee and, therefore, requires no further action;
2. The disclosure represents a conflict that requires management; or
3. The disclosure represents a conflict that must be eliminated.

Statement of Best Interest Whenever a decision is made to manage rather than eliminate the potential for inappropriate influence or bias in a conflict that has not been waived, the Institutional Official or designee shall make a written statement explaining why management is in the best interest of the College. Such a statement should be included in the Conflicts Management Plan.

Conflicts Management Plan If a conflict of interest exists and is deemed manageable, the Institutional Official or designee, the employee, a Plan Manager, Conflict of Interest Committee, and any others deemed helpful in assessing the situation, will develop a written Conflicts Management Plan to manage, reduce, or eliminate the inappropriate influence or bias, or the appearance thereof. The purpose of the plan is to:

1. Accurately describe the potential conflicts in writing
2. Create explicit agreements to protect against inappropriate influence or bias
3. Facilitate oversight

Plan Manager A Plan Manager is assigned to monitor the plan, ensure that safeguards are followed, and, if applicable, to monitor the employee's professional actions or decisions related to the conflict of interest. Any individual identified to monitor a conflict must have the technical knowledge necessary to determine whether there has been inappropriate influence or bias in the results of a project, and must be free from influence of the parties to the conflicts management plan, e.g., the Plan Manager must not report to the person being monitored. Plan Managers review plans with employees annually to cover the upcoming year. Plans are updated as circumstances change, and the annual reviews continue until the conflict no longer exists. Additional monitoring may take place at any other time of year.

Appeal Procedure

Appeal The employee may appeal the decision to the CEO/Dean. If the CEO/Dean was involved in the decision appealed then CEO/Dean's decision is the final decision of the College. The CEO/Dean or designee may appoint and convene a Conflict Review Committee to provide advice on an appeal. The CEO/Dean's decision on the appeal shall be the final decision of the College.

Conflict Review Committee If the CEO/Dean wishes to have the benefit of advice from a Conflict Review Committee, the CEO/Dean shall appoint a three member committee. The members shall include employees or community members who have had no involvement in the decision being appealed and who have relevant experience or training to assess the conflict.

Montana University System Appeal An employee who disagrees with the final decision of the College may appeal further as provided in the [Board of Regents Appeal Policy 203.5.2](#).

Record Maintenance

The Institutional Official or designee shall maintain all disclosure and conflict management records (both general and Sponsored Research records) for the period of time required by state and federal laws and regulations. Records will be maintained in a manner to protect sensitive and confidential information.

Noncompliance

Breach of Policy The College expects all employees to comply fully and promptly with all requirements of this Policy. Breaches of this Policy include, but are not limited to:

- intentionally filing an incomplete, erroneous, or misleading disclosure form;
- failure to provide additional information as required;
- failure to provide a disclosure as required by this policy;
- failure to comply with College requirements concerning the Conflict of Interest; or
- failure to follow a Conflicts Management Plan.

Disciplinary Action A violation of this policy may be the basis for discipline of an employee and result in potential sanctions. Such discipline will be in accordance with the policies and procedures and collective bargaining agreements applicable to the particular employee. Potential sanctions may include, but are not limited to, the following:

- Letter of warning
- Suspension or termination of participation in a Sponsored Research grant
- Removal or suspension of privileges related to the violation, such as suspension of the privilege to apply for Sponsored Research grants or contracts, to supervise graduate students, or to perform research which requires approval of any GFC MSU Compliance or Institutional Review Board
- Suspension without pay
- Termination