

POLICY AND PROCEDURES ON CONFLICTS OF INTEREST IN RESEARCH
(REVISED DECEMBER 2007)

I. Introduction

UT Southwestern ranks among the top academic medical centers in the world in part because its Faculty Members are recognized for their ground-breaking medical advances and for their dedication to teaching and research. UT Southwestern's reputation as a leader in biomedical research also depends on its ability to create and maintain a scholarly environment that promotes faithful attention to the highest standards of integrity, honesty, and objectivity in research.

Creating and maintaining such an environment requires that UT Southwestern and its faculty comply with all applicable state and federal law. For example, both Texas law¹ and the UT System Board of Regents' Rules and Regulations prohibit UT Southwestern faculty and staff from engaging in any activity that is in conflict with the proper discharge of their duties and responsibilities as State of Texas employees.² Further, federal regulations require UT Southwestern to ensure that there is no reasonable expectation the design, conduct, or reporting of research will be biased by any significant financial interest of an investigator responsible for the design, conduct, or reporting of that research.³

Creating and maintaining such an environment also rests upon two fundamental assumptions. The first is that, in the vast majority of situations, Faculty Members will effectively regulate themselves. The second is that Faculty Members recognize the need to and will strive to maintain the highest standards of honesty and integrity in their research endeavors.

Based on these statutes and fundamental assumptions, UT Southwestern has established this Policy and Procedures on Conflicts of Interest in Research (or "Research COI Policy") to guide Faculty Members in properly structuring beneficial, cooperative relationships with outside entities consistent with the highest academic traditions and ethical standards, while still allowing Faculty Members to enhance their knowledge and creativity through these relationships.

II. Policy on Conflicts of Interest in Research

- A. A Faculty Member's primary responsibility is to UT Southwestern. No Faculty Member may engage in any outside professional activity if performing the activity may present a conflict of interest in any way with the Faculty Member's ability to discharge his or her teaching, research, clinical or administrative responsibilities to UT Southwestern. Faculty members whose appointments are

¹ See, e.g., TEX. GOV'T CODE ANN. §§572.001, 572.051 (Vernon's 2004), attached to this Research COI Policy. Other applicable statutes include Chapter 36 (Bribery and Corrupt Influence) and Chapter 39 (Abuse of Office) of the Texas Penal Code. See also <http://www.utsystem.edu/ogc/ethics/homepage.htm>

² UT Southwestern may not use appropriated money to compensate a state employee who violates a standard of conduct described by TEX. GOV'T CODE ANN. §572.051.

³ See 21 C.F.R. part 54; 42 C.F.R. part 50, subchapter F; 45 C.F.R. part 46; and 45 C.F.R. part 94.

less than full-time are expected to devote professional loyalty, time and energy to their teaching, research, clinical, and administrative activities, in accordance with their agreed-upon time commitments.

- B. Faculty Members responsible for the design, conduct, or reporting of research activities are expected to structure their outside professional activities so as (1) to avoid any conflict of interest between their academic research activities and their individual goals, and (2) to enable management of any possible conflict of interest through review, disclosure, and monitoring by peers.
- C. In order to identify and manage any possible conflict of interest, every UT Southwestern Faculty Member involved in research or serving on an Institutional Review Board (“IRB”) must complete and submit an annual Statement of Financial Interests (“Statement”). It is mandatory that each Faculty Member fully disclose any Financial Interest – including those of Family or an Associated Entity – that would reasonably appear to be directly related to the Faculty Member’s research interests or other institutional responsibilities, or that directly relate to a decision the Faculty Member may participate in involving funds under UT Southwestern’s control.
- D. Faculty Members shall not conduct Human Subjects Research connected with any Business Entity with which the Faculty Member, Family, or Associated Entity has any Financial Interest \geq \$10,000 unless the Faculty Member demonstrates compelling circumstances for conducting the research, and the research is conducted under appropriate management as determined by UT Southwestern. Stock ownership of any amount connected with any Business Entity with which the Faculty Member, Family, or Associated Entity has a clinical research relationship will not be allowed.
- E. Disclosure of any Financial Interest a Faculty Member, Family or Associated Entity may have with a Business Entity related to the Faculty Member’s Human Subjects Research will be made to all patients who enroll in that research project, and disclosure must be made in any publication concerning that research.
- F. UT Southwestern will review any Financial Interest a Faculty Member, Family or Associated Entity may have with a Business Entity supporting all other research on a case-by-case basis, and research participation will be permitted only with appropriate management as determined by UT Southwestern.
- G. No Faculty Member may receive any compensation from any entity if such compensation is conditioned upon a particular research result.
- H. Conflicts of interest in supervision are prohibited. No Faculty Member or UT Southwestern administrator will be responsible for oversight or approval of another Faculty Member or administrator who has an outside professional activity with a Business Entity if the supervising Faculty Member or administrator has a Significant Financial Interest with the same Business Entity. In the event an individual is disqualified from oversight or approval, oversight and approval will be assigned to an alternate Faculty Member or administrator.

- I. Faculty Members are responsible for the academic development of students, residents, and other trainees under their direction. Faculty Members should not permit students, residents, or other trainees to participate in any research (including Human Subjects Research) supported by a Business Entity if any of the terms or conditions of participation would prevent the student, resident, or trainee from meeting any applicable degree or residency/fellowship training requirements.
- J. No IRB of UT Southwestern may have a member participate in an IRB's initial or continuing review of any project in which the IRB member may have a conflicting Significant Financial Interest, except to provide information requested by the IRB.

III. Definitions

- A. *Associated Entity* – of a Faculty Member means any trust, organization, or enterprise other than UT Southwestern or any affiliated hospital, over which the Faculty Member, alone or together with Family, exercises a controlling interest.
- B. *Business Entity* – means any corporation, partnership, sole proprietorship, firm, franchise, association, organization, holding company, joint stock company, receivership, business or real estate trust, or any other legal entity organized for profit or charitable purposes, but excluding the UT Southwestern affiliated hospitals, any non-profit health care corporation, or any other entity controlled by, controlling, or under common control with UT Southwestern or an affiliated hospital.
- C. *“Compelling Circumstances”* – refers to facts which, in the determination of the COI Committee, argue in favor of allowing a Faculty Member with a Financial Interest in a Business Entity associated with Faculty Member's Human Subject Research to conduct the research. When considering whether compelling circumstances exist, the COI Committee will evaluate the following:
 - (i) the nature of the research;
 - (ii) the magnitude of the interest and the degree to which it is related to the research;
 - (iii) the extent to which the interest could be directly and substantially affected by the research;
 - (iv) the degree of risk to the human subjects involved that is inherent in the research protocol;
 - (v) the extent to which the interest is amenable to effective oversight and management;
 - (vi) whether the Faculty Member is uniquely qualified by virtue of expertise and experience, and the research could not otherwise be conducted safely or effectively without that Faculty Member; and
 - (vii) any other fact deemed relevant.
- D. *“Conflict of Interest”* – refers to any situation in which financial or other personal considerations may unduly influence a Faculty Member's or administrator's

professional judgment in exercising UT Southwestern responsibilities or in the design, conduct, or reporting of research.

- E. *Faculty Member* – means any individual possessing either a full- or part-time academic appointment at UT Southwestern, including but not limited to principal investigators and any other persons at UT Southwestern responsible for the design, conduct, or reporting of research.
- F. *Family* – means the spouse, minor children, or other persons living in the same household as or financially dependent upon a Faculty Member.
- G. *Financial Interest* – means anything of monetary value, including but not limited to, salary or other payments for services (e.g., consulting fees or honoraria); equity interests (e.g., stocks, stock options, or other ownership interests); and intellectual property rights (e.g., patents, copyrights, and royalties from such rights). The term does not include:
 - (i) salary, royalties, or other remuneration from UT Southwestern;
 - (ii) income from seminars, lectures, or teaching engagements sponsored by public entities;
 - (iii) income from service on advisory committees or review panels for public entities; or
 - (iv) equity interests held indirectly through funds, such as mutual funds and pension funds, in which the Faculty Member does not directly control the selection of investments.
- H. *Significant Financial Interest* – refers to:
 - (i) any equity interest that, when aggregated for the Faculty Member, Family, or Associated Entity, meets either of the following tests: (a) is equal to or greater than \$10,000 in value as determined through reference to public prices or other reasonable measures of fair-market value, or (b) represents more than a five percent (5%) ownership interest in any single Business Entity; or
 - (ii) salary, royalties, or other payments from a single Business Entity that, when aggregated for the Faculty Member, Family, or Associated Entity over the next twelve (12) months, may reasonably be expected to be equal to or greater than \$10,000.
- H. *“Research”* – means a systematic investigation designed to develop or contribute to generalizable knowledge. The term encompasses basic and applied research and product development.
- I. *Human Subjects Research* – includes all research meeting the definition of “research” performed with “human subjects” as these terms are defined in the federal Common Rule (45 C.F.R. Part 46 and 21 C.F.R. Part 56), regardless of the source of research funding or whether the research is otherwise subject to federal regulation.

IV. **Procedures for Submission of Statements of Financial Interests**

- A. Every Faculty Member involved in research or serving on an IRB must complete and submit an annual Statement. Deadlines for submission will be announced by the Office of the Associate Dean for Research.
- B. UT Southwestern recommends that all Faculty Members submit a Statement. If Faculty Members not responsible for the design, conduct, or reporting of research make the individual determination that they will not file a Statement, they do so at their own risk and against the recommendation of UT Southwestern. Should these Faculty Members choose not to submit a Statement, they must submit a letter to the Associate Dean for Research stating that they have read this Research COI Policy (including attachments) and that they have no conflict of interest under the policy.
- C. Faculty Members must update their Statements within thirty (30) days when circumstances arise altering the existing Statement of that Faculty Member. This 30-day requirement does not apply to Requests for Approval of Outside Employment, which are governed by UT Southwestern's Outside Employment Policy.
- D. Faculty Members must take great care in fully completing their Statements, since the failure to submit the Statement or the submission of an incomplete or inaccurate Statement may subject the Faculty Member to disciplinary action. For Faculty Members applying for grants, an incomplete or inaccurate statement may delay or prevent submission of grant proposals to grantors.
- E. The failure of any Faculty Member to submit either a Statement or a letter may result in disciplinary action, up to and including non-renewal of the appointment of that Faculty Member.
- F. The Office of the Associate Dean for Research will be responsible for receiving and reviewing all Statements and letters. Individual Faculty Members will be notified of any incomplete Statements. Information necessary to complete the Statements shall be submitted to the Associate Dean for Research as soon as possible, and in no event longer than thirty (30) days from the date of notice of incompleteness.

V. **Review Procedures for Statements of Financial Interests**

The Office of the Associate Dean for Research will triage fully completed Statements into three (3) categories, which will be acted upon accordingly.

- A. *Statements that report no possible conflicts of interest because there is no relationship between the disclosed Financial Interest and the Faculty Member's ongoing research.*
 - (i) Examples include but are not limited to a Faculty Member:

- a. Receiving royalties from a Business Entity for a published, scholarly work;
- b. Receiving consulting fees or honoraria from a Business Entity that does not in any way support a Faculty Member's research;
- c. Receiving or holding an equity interest (e.g., stocks, stock options) in a Business Entity that does not in any way support a Faculty Member's research; or
- d. Receiving royalties from a Business Entity as a result of technology licensed under UT Southwestern's intellectual property policy, but neither conducting nor directing any further research related to the licensed technology.

(ii) Action: Records will be maintained, identifiable to any grant awarded to the Faculty Member, showing that review of the Statement has taken place and no further action is required of the Faculty Member unless circumstances arise requiring an update of the Faculty Member's Statement before the next annual Statement is due. If required by a granting agency, notice of such will be forwarded to the agency in accordance with the agency's policy.

B. *Statements that report possible conflicts of interest related to a Faculty Member's research (other than Human Subjects Research).*

- (i) Examples include but are not limited to a Faculty Member:
- a. Participating in research supported by a Business Entity, and the Faculty Member (or Family or Associated Entity) receiving from the same Business Entity compensation as a result of a consulting agreement or ad hoc lectures;
 - b. Participating in research supported by a Business Entity, and the Faculty Member (or Family or Associated Entity) holding an equity interest (e.g., stocks, stock options) in the same Business Entity;
 - c. Participating in research on a technology developed in whole or part by the Faculty Member, in which the Faculty Member (or Family or Associated Entity) is entitled to or has received royalties as a result of an existing agreement with a Business Entity under UT Southwestern's intellectual property policy; or
 - d. Assigning students, post-doctoral fellows, or other trainees to research projects in which the Faculty Member (or Family or Associated Entity) is entitled to receive royalties as a result of an existing agreement with a Business Entity under UT Southwestern's intellectual property policy.

- (ii) Action: Review will be required by the COI Committee to determine whether the possible conflict of interest can be managed and, if so, how it can be managed. As part of its review, the COI Committee may require the Faculty Member to provide additional information. After the COI Committee has fully reviewed the matter, a recommendation will be forwarded to the Dean regarding management of the possible conflict of interest.

In general, if the Financial Interest at issue is not a Significant Financial Interest, then it is more than likely that the risk of a conflict of interest will be considered minimal, and the COI Committee will recommend the matter to the Dean without the need for the Faculty Member to provide additional information.

Records will be maintained, identifiable to any grant awarded to the Faculty Member, showing that review has taken place, a recommendation has been made to the Dean by the COI Committee, and a final decision has been made by the Dean. If required by a granting agency, notice of such will be forwarded in accordance with the granting agency policy.

C. *Statements that report possible conflicts of interest related to that Faculty Member's Human Subjects Research.*

- (i) Examples include but are not limited to a Faculty Member:
- a. Serving as an investigator on a clinical study supported by a Business Entity, and the Faculty Member (or Family or Associated Entity) receiving compensation as a result of a consulting agreement with the same Business Entity;
 - b. Serving as an investigator on a clinical study supported by a Business Entity, and the Faculty Member receiving honoraria/speaking fees from the same Business Entity;
 - c. Serving as an investigator on a clinical study supported by a Business Entity, and the Faculty Member (or Family or Associated Entity):
 - (i) owns stock in the Business Entity;
 - (ii) has stock options in the Business Entity; or
 - (iii) is on the Board of Directors of the Business Entity; or
 - d. Serving as an investigator on a technology owned by a Business Entity, from which the investigator receives compensation or in which the investigator holds an equity interest (e.g., stocks, stock options).

- (ii) Action: Review will be required by the COI Committee and the IRB. The Faculty Member will be required to provide information supporting the assertion that compelling circumstances exist for the Faculty Member's participation in the Human Subjects Research in question. After review by the COI Committee and the IRB, a recommendation will be forwarded to the Dean regarding whether compelling circumstances exist to allow the relationship and, if so, how the possible conflict of interest can be managed.

In general, if the Financial Interest at issue is not a Significant Financial Interest, then it is more than likely that the risk of a conflict of interest will be considered minimal, and that compelling circumstances will be found to permit the relationship without the need for the Faculty Member to provide additional information.

Per Section II.D of this Research COI Policy, stock ownership of any amount connected with any Business Entity with which the Faculty Member, Family, or Associated Entity has a clinical research relationship will not be allowed.

Records will be maintained, identifiable to any grant awarded to the Faculty Member, showing that review has taken place, a recommendation has been made to the Dean by the COI Committee and the IRB, and a final decision has been made by the Dean. If required by a granting agency, notice of such will be forwarded in accordance with the granting agency policy.

VI. The Conflict of Interest Advisory Committee (“COI Committee”)

The President shall appoint annually a standing advisory committee on conflict of interest issues. The COI Committee shall function in accord with this Research COI Policy, and shall assume such other tasks as assigned by the President.

VII. Faculty Responsibility for Compliance

UT Southwestern anticipates that Faculty Members will comply fully, promptly and annually with all parts of this Research COI Policy. Instances of deliberate breach of policy, including failure to submit a Statement or letter (either annually or when changes in financial interests require it); failure to provide additional information requested by UT Southwestern; knowingly filing an incomplete, erroneous, or misleading Statement or letter; knowingly violating state law, the Regents' Rules and Regulations, or this Research COI Policy; or failure to comply with prescribed monitoring process will subject the Faculty Member to disciplinary action under UT Southwestern policy and the Regents' Rules and Regulations.

Such action could result in a formal reprimand, non-renewal of appointment or termination of appointment for good cause, as well as any other enforcement action mandated by a granting agency.

If failure of a Faculty Member to comply with this Research COI Policy has biased the design, conduct, or reporting of research, UT Southwestern will promptly notify the granting agency of the incident and the action taken to correct the situation.

VIII. Confidentiality

To the extent permitted by law, all Statements, letters, other records and information submitted by a Faculty Member will be maintained confidentially. Statements, other records and information, however, will be made available to any federal agency funding research of the investigator upon written request of the agency, and otherwise as required by law.

OTHER COMPLEMENTARY POLICIES

*Intellectual Property Policy*¹

Intellectual Property (whether patentable, copyrightable, or otherwise protectable under the law) which is developed at UT Southwestern, using UT Southwestern resources, or by UT Southwestern faculty, staff or students, both full-time and part-time (during the period of time in which the individual is working for UT Southwestern), is the property of The University of Texas System Board of Regents. Writings in textbooks, journal articles, or other similar academic works are not owned by UT Southwestern. Intellectual Property is governed by policies outlined in part in the Regents' Rules and Regulations, Series 90000: Intellectual Property.

Rights to commercially develop this intellectual property are transferred via license agreements negotiated by the staff of the Office for Technology Development. Intellectual properties can be licensed on an exclusive (with one company) or non-exclusive (with more than one company) basis. Consideration for such intellectual property can include up-front or other cash payments, royalties, and/or equity. Copies of the full policy and further information can be obtained from the Office of the Vice President for Legal Affairs at 214-648-2389 (located on the 8th floor of the McDermott Academic Administration Building) or from the Office for Technology Development at 214-648-1888 (located at BK01.120).

¹This is a summary of the policy only.

POLICY AND PROCEDURES ON OUTSIDE EMPLOYMENT
(REVISED MARCH 2006)

I. Policy on Outside Employment

A. Outside Employment in General

1. UT Southwestern employees should not be discouraged from accepting outside employment of a consultative or advisory nature, so long as such employment does not adversely affect the amount of time, energy, and attention devoted to UT Southwestern activities, and so long as such employment does not create a conflict of interest. Both UT Southwestern and the individual employee benefit from such interactions by virtue of the employee's exposure to problems in the non-academic world. The primary responsibility of UT Southwestern employees, however, is the accomplishment of their UT Southwestern job duties and responsibilities.
2. Consequently, no UT Southwestern employee may engage in outside employment that:
 - could impair the employee's judgment in performing UT Southwestern duties;
 - actually or potentially results in a conflict of interest with or interferes with the employee's responsibilities to UT Southwestern;
 - might require or induce the employee to disclose confidential information

In connection with any approved outside employment, UT Southwestern employees must comply with the UT System Regents' Rules and Regulations and applicable UT System policies; UT Southwestern's Handbook of Operating Procedures and applicable UT Southwestern policies; and all other applicable state laws, rules, and policies governing the conduct of state employees.

3. No UT Southwestern employee may accept pay from private sources for tests, assays, chemical analyses, bacteriological examinations, or other such work involving the use of UT Southwestern property, without first obtaining written permission from the president to do so and making provision for the payment of appropriate compensation to UT Southwestern.
4. Part-time employees are not permitted to consult during the period of time in which they are working for UT Southwestern. For instance, an individual working 20 hours per week at UT Southwestern may not use any of that 20 hours to consult. Since it is still possible for a conflict of interest to arise between an individual's UT Southwestern employment and outside employment, however, such arrangements must be approved in accordance with the procedures outlined in this policy.

5. UT Southwestern employees who intend to engage in outside employment must notify their supervisor in writing of the nature and extent of the planned outside employment. No employee may engage in outside employment without first having obtained written administrative approval as provided in Section III of this policy.

B. Faculty Consulting Agreements

1. Faculty members must not sign consulting agreements (or agreements of any type for outside employment) without prior administrative approval as evidenced by the signed Request Form.
2. Consulting agreements with outside companies are personal agreements, signed in the faculty member's individual capacity and not as an employee of UT Southwestern. Faculty members have no authority to alter UT System or UT Southwestern rules and policies through the terms of their consulting agreements. Therefore, it is the faculty member's responsibility to advise companies with which they consult that their consulting agreements are not binding on UT Southwestern or the UT System. Further, it is the faculty member's responsibility to inform any company with which he or she consults of his or her obligations as an employee of UT Southwestern and the State of Texas.
3. Many consulting agreements provide that any new inventions or ideas related to the scope of consulting will be assigned to the company retaining the individual as a consultant. Under the UT System Regents' Rules and Regulations, however, rights to inventions or ideas within the scope of an employee's responsibilities to UT Southwestern, or that are developed using UT Southwestern facilities or funding, will be owned by UT Southwestern irrespective of the terms included in any consulting agreement. Consequently, faculty members are responsible for ensuring that no UT Southwestern facilities or resources are used in any way in the performance of outside employment, and that the subject matter of any inventions to be assigned to the company under any agreement is not within the scope of the individual's responsibilities to UT Southwestern.
4. To ensure faculty members' compliance with UT Southwestern and UT System policies and guidelines, it is strongly recommended that the language of any consulting agreement be modified to include the following paragraph:

“The Company [*insert name of company*] acknowledges that Consultant is a full-time employee of UT Southwestern (and as such, an employee of the State of Texas), and is subject to UT Southwestern's policies, including policies concerning consulting, conflicts of interest, and intellectual property. If there is a conflict between Consultant's obligations under UT Southwestern policies and any of Consultant's obligations to Company under this Agreement, Consultant's obligations under

UT Southwestern policies take priority over any obligations the Consultant may have to Company by reason of this Agreement. Company specifically recognizes that, under UT Southwestern's policy on intellectual property (<http://www.utsystem.edu/bor/rules/homepage.htm>), Consultant has an obligation to assign to UT Southwestern all intellectual property that is related to Consultant's employment responsibilities to UT Southwestern."

Failure to include this paragraph in a consulting agreement may mean the agreement is not in compliance with UT Southwestern and UT System policies and guidelines, which potentially could subject the faculty member to disciplinary action. Further, failure to include the paragraph could potentially subject the faculty member to personal liability to the company involved and/or to UT Southwestern itself.

II. Definitions

- A. "*Conflict of Interest*" refers to any situation in which financial or other personal considerations may unduly influence a UT Southwestern employee's professional judgment in exercising UT Southwestern responsibilities.
- B. "*Consulting Agreement*" means any agreement in which a faculty member agrees to provide professional services of an advisory or consulting nature to a company for remuneration.
- C. "*Outside employment*" means providing a service or engaging in a professional activity, with or without remuneration, for any third party (including but not limited to governmental agencies, private industry, or other educational institutions).
 - 1. Activities which are considered part of a faculty member's academic duties—e.g., writing journal articles or book chapters, teaching grand rounds, serving on NIH or NSF study sections, teaching or giving a seminar as a visitor at a not-for-profit institution, or serving as an editor of a scientific journal—will not be considered outside employment.
 - 2. Examples of outside employment include but are not limited to consulting or advisory services (e.g., providing advice on a company's marketing strategies), speaking on more than one occasion for or on behalf of for-profit companies, or non-MSP members serving as an expert witness in litigation.
 - 3. If an employee is providing a service or engaging in a professional activity on only one (1) or two (2) days during a calendar year for a profit or non-profit entity, then that service or activity will not be considered outside employment.
- D. "*Request Form*" means the "Request for Prior Approval of Outside Employment / Consultation / Appointment / Positions, Including Self Employment."

III. Procedures for Requesting Approval of Outside Employment

Any employee contemplating outside employment must make a written request for approval according to the procedures outlined below.

- A. An employee contemplating outside employment must submit a completed Request Form to his or her department chair, center director, or department head for approval.
- B. The Request Form should be submitted to the department chair, center director, or department head thirty (30) days before initiation of the outside employment and before any binding commitment has been made to engage in the outside employment. No employee may engage in outside employment without first having obtained approval as outlined in these procedures.
- C. In completing the Request Form, the employee must include all requested information—including clear beginning and end dates for the activity—and other pertinent information, such as whether the outside employment has any relationship to the employee's scope of employment at UT Southwestern. Incomplete Request Forms will be returned for completion without approval.
- D. A copy of any agreement, including consulting agreements, intended to be signed in connection with the outside employment must be attached to the Request Form.
- E. Upon approval by the department chair, center director, or department head, the Request Form must then be reviewed and approved by the appropriate dean (for faculty) or vice president (for staff and administrative/professionals). If there is a potential conflict of interest issue, the appropriate dean or vice president may refer the matter to the institutional Conflict of Interest Advisory Committee for review and recommendation.
- F. If there is any outside employment currently being undertaken for which prior approval has not previously been received, a request to continue such outside employment must be submitted immediately.
- G. Questions regarding requests for approval of outside employment from staff and administrative/professionals should be directed to the Office of Human Resources. Questions regarding faculty requests for approval of outside employment should be directed to the Office of the Associate Dean for Research.

1. Title

Standards of Conduct

2. Rule and Regulation

Sec. 1 - Statutory Compliance. Every employee is expected to obey all federal, State, and local laws, and particularly *Texas Penal Code Chapter 42 and Section 46.03* and *Texas Education Code Section 51.935*.

Any employee who violates any provision of these statutes is subject to dismissal, notwithstanding any action by civil authorities on account of the violation.

Sec. 2 - Disruption of Activities. Any employee who, acting singly or in concert with others, obstructs, disrupts or interferes with any teaching, educational, research, administrative, disciplinary, public service, or other activity, meeting, or event authorized to be held or conducted on campus or on property or in a building or facility owned or controlled by The University of Texas System or any of its institutions is subject to disciplinary action, including dismissal. Obstruction or disruption includes but is not limited to any act that interrupts, modifies, or damages utility service or equipment, communication service or equipment, university computers, computer programs, computer records, or computer networks accessible through University computer resources.

Sec. 3 - Channel for Communication. The Board of Regents is the only proper channel through which recommendations concerning the administration of the System or any of its institutions, as a whole or in any of its parts, should reach the Legislature or other State agencies or officials.

Sec. 4 - Advisory Positions. Employees should not be discouraged from accepting appointments of a consultative or advisory capacity with governmental agencies, industry, or other educational institutions. The consideration to the System and the component institutions of such activity is the improvement of the individual by virtue of his or her continuing contact with nonacademic problems in the nonacademic world.

Sec. 5 - Primary Responsibility. The primary responsibility of employees of the U. T. System or any of its institutions is the accomplishment of the duties and responsibilities assigned to

one's position of appointment; external consulting or other outside employment that interferes with those duties and responsibilities should not be accepted. In connection with any outside employment, employees must comply with State laws governing the conduct of State employees, including ethics standards and provisions prohibiting conflict of interest and use of State resources.

Sec. 6 - Free Advice. Even in the case of employees specifically engaged only in residence work, there exists an obligation, usually intermittent, to furnish expert knowledge and counsel for public benefit free of charge, provided that the meeting of this obligation by an employee does not interfere with his or her regular duties, and provided further that in meeting this obligation an employee shall avoid undue competition with legitimate private agencies.

Sec. 7 - Separation of Activities. No employee engaged in outside remunerative activities shall use in connection therewith the official stationery of the System, give as a business address any building or department of the U. T. System or any of its institutions, or any University telephone extension.

Sec. 8 - Opinions for Advertising Purposes. Every employee who gives professional opinions must protect the U. T. System or any of its institutions against the use of such opinions for advertising purposes. If the employee does work in a private capacity, the employee must make it clear to those who employ him or her that the work is unofficial and that the name of the U. T. System or any of its institutions is not in any way to be connected with the employee's name, except when used to identify the member as the author of work related to the employee's academic or research area as more fully described in Series 90101 of the Regents' *Rules and Regulations* concerning general rules for intellectual property.

Sec. 9 - Use of U. T. System Property. No employee shall accept pay from private persons or corporations for tests, assays, chemical analyses, bacteriological examinations, or other such work that involves the use of property owned by the U. T. System or any of its institutions, unless advance permission has been obtained from the

Chancellor or the president of an institution and provision has been made for compensation to System Administration or the institution.

Sec. 10 - Filing Requirement. No full-time employee employed by the U. T. System or any of its institutions on a 12-month or nine-month basis shall be employed in any outside work or activity or receive from an outside source a regular retainer fee or salary until a description of the nature and extent of the employment has been filed with and approved by appropriate administrative officials as set forth in the policies of the U. T. System or the *Handbook of Operating Procedures* of each institution. For special provisions relating to other State or federal employment, see Section 11 of this Series.

Sec. 11 - Public Office. Subject to the other provisions of this Series, an employee of the U. T. System or any of its institutions may hold other nonelective offices or positions of honor, trust, or profit with the State of Texas or the United States if holding the other offices or positions is of benefit to the State of Texas or is required by State or federal law and if there is no conflict between holding the office or position and holding the office or position with the U. T. System or any of its institutions for which the employee receives salary or compensation.

11.1 - Before an employee of the U. T. System or any of its institutions may accept an offer to serve in other nonelective offices or positions of honor, trust, or profit with the State of Texas or the United States, the employee must obtain from the appropriate administrative officials and the Board a finding via the Docket that the requirements of this Section have been fulfilled. The docket entry shall also record any compensation the employee is to receive from the nonelective office or position, including salary, bonus, or per diem payment.

Sec. 12 - Outside Boards. It is recognized that the Chancellor and other Executive Officers of the System Administration and the presidents of institutions of the U. T. System may be asked to serve on the boards, councils or other governing or advisory bodies ("outside boards") of various business, civic, professional, and social organizations, both for profit and not-for-profit, and in compensated and non-compensated positions. Such service is generally deemed to be in the best interest

of the U. T. System or any of its institutions because it broadens the experience of the individuals involved and exposes the U. T. System or any of its institutions to a larger audience of business, civic, professional, and social leaders.

Sec. 13 - Political Activities. The Board of Regents recognizes the right of employees to participate in political activities provided such activities are not conducted during work hours unless the employee uses accrued compensatory or vacation leave; are in compliance with the Constitution and laws of the State of Texas; do not interfere with the discharge and performance of an employee's duties and responsibilities; do not involve the use of equipment, supplies, or services of the U. T. System or any of its institutions; do not involve the impermissible use of University facilities; do not involve the attempt to coerce students, faculty, or staff to participate in or support the political activity; and do not involve the U. T. System or any of its institutions in partisan politics. With the interest of the U. T. System and any of its institutions being given first consideration, a leave of absence without pay pursuant to Regents' *Rules and Regulations* Series 30201 Number 2, Section 3.1, may but need not be granted to an employee to participate in political activities. However, a leave of absence without pay shall not be granted to an employee of the U. T. System or any of its institutions for the purpose of being a candidate for an elective public office, holding an elective public office, or directing the political campaign of a candidate for an elective public office. An employee who wishes to engage in political activity that will interfere with the performance of his or her duties and responsibilities should voluntarily terminate employment. If the president of the institution, the Chancellor, an Executive Vice Chancellor, or the Board of Regents finds that the employee's political activity interferes with the performance of his or her duties and responsibilities or does not comply with the requirements of this subsection, the employee shall be subject to appropriate disciplinary action, including termination.

3. Definitions

None

4. Relevant Federal and State Statutes

Texas Penal Code [Section 42](#) – Disorderly Conduct and Related Offenses

Texas Penal Code [Section 46.03](#) – Places
Weapons Prohibited

Texas Education Code [Section 51.935](#) – Disruptive
Activities

**5. Relevant System Policies, Procedures, and
Forms**

Regents' *Rules and Regulations* [Series 31008](#) –
Termination of a Faculty Member

Regents' *Rules and Regulations* [Series 30601](#) –
Discipline and Dismissal of Employees (Does not
apply to faculty member or police)

Regents' *Rules and Regulations* [Series 30602](#) –
Employee Grievance

Regents' *Rules and Regulations* [Series 30104](#) –
Conflict of Interest

6. Who Should Know

Administrators
Employees

**7. System Administration Office(s) Responsible
for Rule**

Office of General Counsel
Office of Human Resources

8. Dates Approved or Amended

December 10, 2004

9. Contact Information

Questions or comments regarding this rule should
be directed to:

- bor@utsystem.edu

STATE LAW EXCERPT
STANDARDS OF CONDUCT AND CONFLICT OF INTEREST
(Texas Government Code Chapter 572)

Sec.572.001. Policy; Legislative Intent

- (a) It is the policy of this state that a state officer or state employee may not have a direct or indirect interest, including financial and other interests, or engage in a business transaction or professional activity, or incur any obligation of any nature that is in substantial conflict with the proper discharge of the officer's or employee's duties in the public interest.
- (b) To implement this policy and to strengthen the faith and confidence of the people of this state in state government, this chapter provides standards of conduct and disclosure requirements to be observed by persons owing a responsibility to the people and government of this state in the performance of their official duties.
- (c) It is the intent of the legislature that this chapter serve not only as a guide for official conduct of those persons but also as a basis for discipline of those who refuse to abide by its terms.

Sec.572.051. Standards of Conduct

A state officer or employee should not:

- (1) accept or solicit any gift, favor, or service that might reasonably tend to influence the officer or employee in the discharge of official duties or that the officer or employee knows or should know is being offered with the intent to influence the officer's or employee's official conduct;
- (2) accept other employment or engage in a business or professional activity that the officer or employee might reasonably expect would require or induce the officer or employee to disclose confidential information acquired by reason of the official position;
- (3) accept other employment or compensation that could reasonably be expected to impair the officer's or employee's independence of judgment in the performance of the officer's or employee's official duties;
- (4) make personal investments that could reasonably be expected to create a substantial conflict between the officer's or employee's private interest and the public interest; or
- (5) intentionally or knowingly solicit, accept, or agree to accept any benefit for having exercised the officer's or employee's official powers or performed the officer's or employee's official duties in favor of another.