

**THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER AT DALLAS  
CONFLICTS OF INTEREST POLICY ADOPTED UNDER SECTION 572.051, GOVERNMENT  
CODE<sup>1</sup>**

**Mission and Values:** The mission of The University of Texas Southwestern Medical Center at Dallas (“UT Southwestern”) is to improve health care in our community, Texas, our nation, and the world through innovation and education. We will educate the next generation of leaders in patient care, biomedical science and disease prevention; conduct high-impact, internationally recognized biomedical research; and deliver patient care that brings UT Southwestern’s scientific advances to the bedside - focusing on quality, safety, and service. In support of that mission, we value and are committed to maintaining high standards of excellence, integrity, and accountability in our conduct. This conflicts of interest policy is intended to enhance the ability of the employees of UT Southwestern to act ethically in accordance with those values and with the law, and to fulfill our obligation to be good stewards of the resources that have been entrusted to us.

**Application:** This conflicts of interest policy applies to all employees of UT Southwestern.

**What is a Conflict of Interest?** A conflict of interest exists when you owe a professional obligation to UT Southwestern that is or might be compromised by the pursuit of outside interests. Outside interests, such as professional activities, personal financial interests, or the acceptance of gifts from third parties, can create conflicts between the interests of UT Southwestern and your private interests and may prevent you from making decisions that are in the best interest of UT Southwestern. Even if those outside interests do not actually impair your ability to act in the best interest of UT Southwestern, it may appear to the public that your independence of judgment has been affected. The purpose of this policy is to provide an executive summary of conflict of interest laws, rules, and policies, all of which are intended to preserve the public trust in our integrity by preventing bias or the appearance of bias in our decision-making.

**Other Information on Ethical Behavior:** This policy addresses only conflicts of interest. Other ethical issues may arise, such as issues related to the use of government resources, sexual harassment, political activities, legislative lobbying, and the use of confidential information. Those issues are fully discussed in The University of Texas System Rules and Regulations of the Board of Regents and the UT Southwestern Handbook of Operating Procedures. Additional information may be found on the website of the UT System Office of General Counsel at [www.utsystem.edu/ogc/ethics](http://www.utsystem.edu/ogc/ethics).

**Gifts:** A gift is anything of value and includes meals, services, and entertainment that are not provided as part of appropriately sanctioned educational activities (e.g., scientific, educational, or professional meetings).

You may not accept or solicit any gift, favor, or service because it might appear to, or actually, influence you in the discharge of official duties. This standard applies even though the individual or entity is not asking you to do something in exchange for the gift. There are limited exceptions to this policy as follows:

- Non-cash items of *de minimis* value, such as cups, notepads, caps, lanyards, etc.
- A gift from a person such as a relative, friend, or business associate with whom you have a relationship independent of your official status, if the gift is given on account of that relationship rather than your official status.

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<sup>1</sup> This conflicts of interest policy is available at [www.utsouthwestern.edu](http://www.utsouthwestern.edu). It is adopted pursuant to Section 572.051, Government Code.

Acceptance or solicitation of a gift in violation of this standard may not be a criminal offense, but is grounds for discipline, including termination. It is important to remember that even though the acceptance of a gift may not constitute a crime, it may appear to the public that a gift has influenced you in performing your job. Even if the gift meets one of the exceptions above and is technically legal, you should not accept the gift if it could appear to influence your official conduct.

Additional restrictions apply if the gift is from a student loan lender. The definition of “student loan lender” is very broad and covers entities that may not traditionally be thought of as student loan lenders. You should consult UT Southwestern Office of Legal Affairs or UT System’s Office of General Counsel to determine if the proposed gift from the student loan lender is permissible under the Texas Higher Education Fair Lending Practices Agreement.

For more specific details or restrictions applicable to interactions with individuals or entities that provide biomedical, scientific, or pharmaceutical goods or services to UT Southwestern, see the policy approved by the Faculty Council on November 5, 2007 titled, “Relationships of UT Southwestern Faculty, Trainees, and Staff with Those Who Provide Biomedical, Scientific, or Pharmaceutical Goods or Services.”

Any exceptions to this section of Conflicts of Interest Policy must be pre-approved by the President of UT Southwestern, but in no event will an exception be approved that violates any federal or state law or regulation.

NOTE: Although you must follow the policy in this section as stated above, the following information regarding criminal penalties for acceptance of gifts is provided as additional information. REMEMBER, EVEN THOUGH ACCEPTANCE OF A GIFT AS LISTED BELOW MIGHT NOT CONSTITUTE CRIMINAL ACTIVITY, IT MIGHT STILL VIOLATE UT SOUTHWESTERN’S POLICY AS STATED ABOVE.

#### Criminal Penalties for Acceptance of Gifts:

In addition to disciplinary actions, criminal penalties may apply in certain situations. Acceptance of a gift in the following situations would NOT constitute criminal activity, as long as the gifts are not given in exchange for your official UT Southwestern actions. (it is *never* lawful to accept a gift in exchange for official action).

- Non-cash items worth less than \$50.
- A gift from a person such as a relative, friend, or business associate with whom you have a relationship independent of your official status, if the gift is given on account of that relationship rather than your official status.
- Food, lodging, transportation, or entertainment in any amount if you accept them as a “guest,” which means the donor must be present.<sup>2</sup>

**THIS SECTION OF THE CONFLICTS OF INTEREST POLICY SUPERCEDES SECTION 2.2.1.3 OF THE UT SOUTHWESTERN HANDBOOK OF OPERATING PROCEDURES.**

**Summary: Do not accept any gift that could appear to influence your official conduct.**

**Outside Employment or Compensation:** You should not accept other employment or compensation that could reasonably be expected to impair your independence of judgment in performing your official duties. Your primary responsibility is the accomplishment of the duties and responsibilities assigned to

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<sup>2</sup> The law provides additional prohibitions if the donor is a lobbyist registered with the Texas Ethics Commission. It is advisable to consult the Office of General Counsel before accepting a gift from a lobbyist.

your position at UT Southwestern. External consulting or outside employment that interferes with those duties and responsibilities should not be accepted. Any outside employment, including self-employment or employment by another state agency, must first be approved by your department head and then by the appropriate dean or vice president. You must request approval by filing a form with your department head that describes the nature and extent of the outside employment. Your department head will then determine whether the contemplated employment would create a conflict of interest or the appearance of a conflict of interest between your outside commitments and your responsibilities to UT Southwestern.

Additionally, you should not accept other employment or engage in a business or professional activity that you might reasonably expect would require or induce you to disclose confidential information acquired through your official position.

For more specific information related to outside employment, see UT Southwestern's Human Resources Policy Memorandum 1.041, "Outside Employment," which can be found at <http://www8.utsouthwestern.edu:8080/utsw/cda/dept196140/files/213422.html>

**Summary: Do not accept outside employment that interferes with your responsibilities to UT Southwestern. Any outside employment must first be approved by your department head.**

**Outside Board Service:** Outside board service is generally deemed to be in the best interest of UT System because it broadens the experience of the individuals involved and exposes UT System to a larger audience of business, civic, professional, and social leaders. However, recognizing that your primary duty is the performance of your job at UT Southwestern, the position may not create a conflict of interest and may not impose an unreasonable time requirement. You must submit a Request Form for outside board service to your Department Chair, Center Director, Department Head, or supervisor at least 30 days before accepting a position on an outside board. The President is subject to certain additional provisions, including the requirement to file a report on outside board service with the Vice Chancellor for Administration in September of each year.

**Summary: Do not accept a position on an outside board that creates a conflict of interest or that imposes an unreasonable time commitment. Any outside board service must first be approved by an employee's Department Chair, Center Director, or Department Head.**

**Conferences/Meetings:** Employees acting as speakers, panel members, or moderators may accept compensation for attending a meeting, associated costs, or subsidies to compensate for their time. "Audience" participants cannot accept payment or other incentives for attendance.

Individuals may accept modest meals or attend social events that are held as part of a conference or meeting and generally open to all attendees or a relevant focused group of similarly situated attendees.

Employees who provide genuine consulting services may receive reasonable compensation and accept reimbursement for reasonable travel, lodging, and meal expenses. A token consulting arrangement should not be used as an excuse to accept items of value if the consulting agreement is not genuine.

Anything accepted under this section must comply with the honoraria section of this policy.

**Summary: Only employees providing services as speakers, panel members, moderators or consultants may receive compensation and reimbursement for expenses.**

**Honoraria:** You may not accept an honorarium for services you would not have been asked to provide but for your official status. For example, you may not accept a gift or payment for giving a speech if you would not have been asked to provide the speech but for your official position. However, you may accept

meals, transportation, and lodging in connection with your services as long as the services are more than merely perfunctory or superficial. Also, you may accept a gift of very minimal value, such as a plaque or coffee cup.

**Summary: Do not accept an honorarium for services you would not have been asked to provide but for your official position.**

**Personal Investments:** You should not make personal investments that could reasonably be expected to create a substantial conflict between your private interest and the public interest. This means that you should not have a direct or indirect financial interest in a business that conflicts with UT Southwestern interests or that might influence how you do your job. Some financial interests may be so indirect or so minimal that they do not create conflicts of interest, such as ownership of a minimal amount of stock in a company or an investment in a publicly traded mutual fund in which you do not exercise discretion regarding the investment of the assets of the fund. If you are not sure whether a particular investment creates a conflict of interest, you should ask your supervisor or consult with UT Southwestern's Office of Legal Affairs.

If you do have an interest in a business that you think might constitute a conflict of interest, disclose that interest to your supervisor. In some cases, you may be able to cure the conflict by not participating in any decision concerning that business. However, if the conflict is significant, you may be required to divest yourself of the interest that causes the conflict.

**Summary: Do not make personal investments that create a substantial conflict between your private interest and the public interest.**

**Self-dealing/Transactions with Employees:** You may not transact any business in an official capacity with any business entity of which you are an officer, agent, or member, or in which you own a substantial interest.

Additionally, before UT Southwestern may purchase any supplies, materials, services, equipment, or property from you, the President must approve the purchase, and the purchase may be made only if the cost is less than from any other known source.

**Summary: Do not transact public business with your private business. The President must approve any purchases from you, and the purchase may be made only if the cost is less than from any other known source.**

**Benefits for Performing Official Duties:** You should not intentionally or knowingly solicit, accept, or agree to accept any benefit for having exercised your official powers or for having performed your official duties in favor of another. If the benefit was given in exchange for an official act, it could constitute the criminal offense of bribery.

**Summary: Do not accept a benefit for having done your job in favor of another.**

**Required Disclosures:** You must file timely written disclosure statements as required by law, rule, or policy. Your position with UT Southwestern and your contemplated activity will determine which disclosure statements are required.

**Summary: Be aware of any disclosure statements you are required to file and be sure to file them timely.**

**Consequences for Violations:** There are consequences for failing to comply with conflict of interest laws, rules, or policies. The law provides that appropriated money may not be used to compensate an

employee who violates the standards of conduct. Failure to comply is grounds for disciplinary action by UT Southwestern, including termination of employment. Additionally, civil and criminal penalties may apply under certain circumstances.

**Summary: You may be subject to disciplinary action or civil or criminal penalties for violating a conflict of interest law, rule, or policy.**

**Application of Other Conflicts of Interest Policies, Contract Provisions, Agreements, Laws, or Rules:** This policy does not rescind any policy provided by UT System or UT Southwestern, any departmental policy, any contract provision, any agreement with the Texas Attorney General, or any law or rule that is more specific or more restrictive concerning conflicts of interest. You are required to comply with the more specific or restrictive policy, contract provision, agreement, law, or rule.

**Questions or Reports of Violations:** If you have questions about an actual or potential conflict of interest, you may ask your supervisor. Additionally, you may always contact UT Southwestern's Office of Legal Affairs with any conflict of interest questions at 214-648-2389.

You should report any suspected wrongdoing to your department head or to the University's Institutional Compliance Officer. You may also report suspected violations on a toll-free hotline at 800-500-0333. You may not be retaliated against for a good-faith report of suspected wrongdoing. Detailed information on reporting possible violations may be found in the UT Southwestern's Standards of Conduct Guide.