



NORTH CAROLINA A&T STATE UNIVERSITY

CHAPTER 100 – PERSONNEL

UNIVERSITY POLICY 101, CONFLICT OF INTEREST AND COMMITMENT

SECTION 101.1 POLICY STATEMENT

North Carolina Agricultural and Technical State University (“NC A&T” or “University”) is committed to upholding the highest standards of integrity, transparency, and ethical conduct in all aspects of its operations. Central to this commitment is the recognition and management of potential conflicts of interest and commitment that may arise in the course of the University’s work.

SECTION 101.2 PURPOSE

This Policy underscores the University’s commitment to upholding ethical principles, maintaining academic and research integrity, complying with legal standards, and fostering a culture of transparency and accountability within the University community. By adhering to this policy, the University ensures that it operates with the highest standards of integrity and serves the best interests of the University’s stakeholders and the public good.

SECTION 101.3 SCOPE

This policy applies to any University employee, student, or trainee who is performing teaching, research, public service, administration, or business operations of the University, including such positions as visiting scientists/scholars, adjunct faculty, or volunteers if these individuals are using University resources for research or other activities under University auspices. It covers situations where personal, financial, or other interests of individuals or their immediate family can potentially interfere with a Covered Individual’s objectivity, judgment, or ability to fulfill their responsibilities to the University effectively.

SECTION 101.4 DEFINITIONS

- (1) “Covered Individual” means any University employee, student, or trainee who is performing teaching, research, public service, administration, or business operations of the University, including such positions as visiting scientists/scholars, adjunct faculty, or volunteers if these individuals are using University resources for research or other activities under University auspices.
- (2) “Conflict of Commitment” means any situation in which a Covered Individual engages in activities external to the University, or assumes commitments external to the University that compromise, may appear to compromise, or have the potential to compromise their ability to fulfill their employment responsibilities with NC A&T.
- (3) “Conflict of Interest” means any situation in which a Covered Individual’s financial or other personal interests or relationships may compromise, may involve the potential for compromising, or may have the appearance of compromising a Covered Individual’s

objectivity in fulfilling their university employment duties or responsibilities, including research, teaching activities, and administrative duties.

- (4) “Department” means an academic department, a professional school without formally established departments, or any other administrative unit designated by the Chancellor or the Chancellor designee.
- (5) “External Activities for Pay” means any activity that: (1) is not included within a Covered Individual’s University Employment Responsibilities; (2) is not based upon the professional knowledge, experience and abilities for which the University employer employs the Covered Individual; (3) is performed for any individual or entity, public or private, other than the University employer; and (4) is undertaken for compensation. This generally applies to faculty and non-faculty EHRA employees.
- (6) “External Professional Activity for Pay” means any activity that: (1) is not included within a Covered Individual’s University Employment Responsibilities; (2) is performed for any individual or entity, public or private, other than the University employer; (3) is based upon the professional knowledge, experience and abilities for which the University employer employs the Covered Individual; and (4) is undertaken for compensation. This generally applies to faculty and non-faculty EHRA employees.
- (7) “Immediate Family of Covered Individual” includes but is not limited to a Covered Individual’s spouse, dependent children, parent and siblings. “Spouse” includes a person to whom one is married or with whom one lives together in the same residence, share responsibility for each other’s welfare, and share financial obligations for the household. A person may be determined to be an immediate family member if the covered individual’s relationship with the person is so intertwined that the existence of a conflict can be presumed from the nature of relationship.
- (8) “Financial Interest” means: (1) income received, such as dividends, royalties, payment for services, consulting fees, honoraria, and paid authorships, by the Covered Individual or members of their immediate family from an entity other than the University; (2) Equity or other ownership interest in publicly or non-publicly traded entities (e.g., stock, stock options, warrants or other ownership interest) held by the Covered Individual or members of their immediate family; and/or (3) intellectual property rights and interests held by the Covered Individual or members of their immediate family when a Covered Individual receives income related to such rights and interest. This includes intellectual property rights assigned to the University and the Covered Individual is subject to share in royalties related to such rights.

Specifically excluded from the definition of Financial Interest is income derived from investment vehicles, such as mutual funds or retirement accounts, in which the Covered Individual or member of their immediate family do not directly control the investment decisions.

- (9) “Foreign Government Talent Recruitment Program (FTRP)” means an effort organized, managed, or funded by a foreign government or foreign government instrumentality or entity, to recruit science and technology professionals or students, regardless of full/part time status, citizenship or nation origin). This definition may be defined differently depending on the applicable government or funding agency.

- (10) "Secondary Employment" means any activity involving the production or sale of goods, the provision of services, the performance of intellectual or creative work for pay in either an employer/employee relationship or in a self-employment capacity such as an independent contractor. This generally applies to SHRA employees.
- (11) "Supervisor" refers to the person with supervisory responsibility for the Covered Individual, whether in an academic or non-academic department.
- (12) "University Employment Responsibilities" includes the Covered Individual's "primary duties" and "secondary duties."
 - (a) Primary duties consist of teaching, scholarship, research, institutional service requirements, and other assigned employment duties.
 - (b) Secondary duties consist of professional affiliations and activities traditionally undertaken by faculty, senior academic and administrative officers or EPS employees outside of the immediate University employment context that contribute to the benefit of the profession and higher education in general.
- (13) "Use of University Resources" means using any University services, facilities, equipment, supplies or personnel which members of the general public may not freely use.

SECTION 101.5 CONFLICTS OF INTEREST

Section 101.5.1.1 Categories of Conflicts of Interest

- (a) Activities that may involve conflicts of interest can be categorized under four general headings:
 - (1) Activities that are allowable and do not need to be reported because, although they appear to involve such a conflict, they in fact do not;
 - (2) Activities that are questionable and must be reported, but that may be allowable with administrative approval;
 - (3) Activities that generally are not allowable because they have the potential for diminishing the public trust in the objectivity of Covered Individuals; and
 - (4) Activities that are prohibited by the University's policy, the UNC Code and Policy Manual, or Federal or State law.

Section 101.5.1.2 Allowable Activities with No Reporting Required

- (a) The examples cited below involve activities external to University employment which may appear to create a conflict, but do not affect the objectivity of the Covered Individual's performance of their University Employment Responsibilities.
 - (1) Receiving royalties from the publication of books or for the licensure of Patent and Copyright Policies of the University.
 - (2) Receiving compensation in the form of honoraria or expense reimbursement, in connection with service to professional associations, service on review panels, presentation of scholarly works, and participation in accreditation reviews.
- (b) Any of the above activities may give rise to a conflict of commitment if Covered Individuals are not fulfilling their University Employment Responsibilities.

Section 101.5.1.3 Activities that Require Advance Disclosure, Review, and Approval

- (a) Activities that require advance disclosure, administrative review, and approval suggest a potential conflict of loyalties between the Covered Individual's activities external to University employment and the Covered Individual's University Employment Responsibilities that could impair the Covered Individual's objectivity. However, disclosure and resulting analysis of the relationships may render the activity permissible, or the activity may become permissible with an appropriate plan for managing and/or monitoring the activity. These activities include, but are not limited to:
- (1) A Covered Individual requiring students to purchase the textbook or related instructional materials authored or compiled by the Covered Individual or members of the Covered Individual's immediate family which produces compensation for the Covered Individual or the Covered Individual's immediate family.
 - (2) A Covered Individual receiving compensation or gratuities from any individual or entity doing business with the University. Under North Carolina state law, no University employee may seek or receive any gift, reward, or promise of reward for recommending, influencing, or attempting to influence the award of a contract by the employer.
 - (3) A Covered Individual serving on the board of directors or scientific advisory board of an enterprise that provides financial support for the Covered Individual or a member of the Covered Individual's family to conduct research for the University.
 - (4) A Covered Individual or a member of the Covered Individual's immediate family has an equity or ownership interest in a publicly or non-publicly-traded entity or enterprise doing business with the University or soliciting business from the University.
 - (5) A Covered Individual accepting support for University research under conditions that require research results to be held confidential, unpublished, or delayed in publication. Research conducted by faculty or students under any form of sponsorship must maintain the University's open teaching and research philosophy and must adhere to a policy that prohibits secrecy in research. Such conditions on publication must comply with the UNC Code and Policy Manual, §§ 500.1 and 500.2, and with the University Intellectual Property Transfer policy.

Section 101.5.1.4 Activities Prohibited without a Conflict of Interest Management Plan

- (a) Activities prohibited without a plan in place to manage the conflict are generally not permissible because they involve actual or potential financial conflicts of interest or present obvious opportunities for inducements to favor personal interests over institutional interests. Before proceeding with such an activity, the Covered Individual must demonstrate that their objectivity will not be affected, and the University interests will not be damaged. An approved Conflict of Interest management plan is required for these types of activities. Examples include but are not limited to:
- (1) A Covered Individual participating in University research involving a technology owned by or contractually obligated to (by license or an option to license, or

otherwise) an enterprise or entity in which the Covered Individual or a member of the Covered Individual's immediate family has a consulting relationship, has an equity or ownership interest, or holds an executive position.

- (2) A Covered Individual participating in University research that is funded by a grant or contract from an enterprise or entity in which the individual or a member of the Covered Individual's immediate family has an equity or ownership interest.
- (3) A Covered Individual assigning students, post-doctoral fellows or other trainees to University research projects sponsored by an enterprise or entity in which the Covered Individual or a member of the Covered Individual's immediate family has an equity or ownership interest.
- (4) A Covered Individual consulting for or serving as an officer of a company that has a research agreement with the University.

Section 101.5.1.5 Prohibited Activities

- (a) Prohibited activities that are not allowed under any circumstances include but are not limited to:
 - (1) A Covered Individual making referrals of University business to an external enterprise in which the Covered Individual or a member of the Covered Individual's immediate family has a financial interest.
 - (2) A Covered Individual making or administering contracts on behalf of the University where the Covered Individual derives a direct benefit from the contract; and, even if not making or administering a contract on behalf of the University, if the Covered Individual will derive a direct benefit from the contract. The Covered Individual may not attempt to influence any other person who is involved in making or administering the contract
 - (3) A Covered Individual soliciting or receiving any gift, reward, or promise of reward in exchange for recommending, influencing, or attempting to influence the award of a contract by the University.
 - (4) A Covered Individual associating their own name with the University in such a way as to profit financially by trading on the reputation or goodwill of the University.
 - (5) A Covered Individual making unauthorized use of privileged information acquired in connection with one's University Employment Responsibilities.
 - (6) A Covered Individual signing agreements that assign University patent and other intellectual property rights to third parties without prior written University approval.
 - (7) A Covered Individual Claiming University responsibility for delivering results of work under External Activities for Pay.
 - (8) A Covered Individual using University resources, students, and/or staff to carry out work under External Activities for Pay.
 - (9) Any activity otherwise prohibited by law or University policy

Section 101.5.1.6 Conflict of Interest Notice, Review, and Approval for Faculty, EHRA Non-Faulty and SHRA Employees

- (a) Upon hire, on an annual basis, and upon a change in circumstances, Covered Individuals must report any conflicts of interest on the *Conflicts of Interest* forms ("COI forms") designated for their employment classification to their supervisor. Supervisors must evaluate the COI form to identify if an actual or potential conflict of interest exists.

- (b) No Actual or Potential Conflict of Interest: If a supervisor determines that there is not an actual or potential conflict of interest, the form shall be submitted through University channels for proper signatures and approval.
- (c) Actual or Potential Conflict of Interest Exists: If a supervisor determines that a conflict of interest exists, the supervisor must develop, in consultation with the affected employee and the Office of Employee Relations, a Conflict-of-Interest Management Plan (“COIMP”). The COIMP must include the safeguards or remedial actions that must be taken to manage the conflict of interest.
 - (1) After completion and approval by the Office of Employee Relations, the affected employee, the affected employee’s supervisor, and the Office of Employee Relations shall sign the COIMP and forward the executed COIMP for approval by the Dean and Provost (faculty/academic staff) or the appropriate Cabinet member.
 - (2) The Vice Chancellor or Chancellor, at their discretion, may refer a potential conflict to the Conflict of Interest and Commitment Committee appointed by the Provost and Executive Vice Chancellor for Academic Affairs for its recommendation prior to making a decision on whether the activity constitutes a conflict of interest, requires a COIMP or the terms of the COIMP. Members of the Conflict of Interest and/or Commitment Committee are appointed by the Provost and consists of: (1) one member from the Division of Research and Economic Development staff; (2) three tenured faculty with active research programs or expertise in the field of research ethics; (3) one non-Faculty EHRA employee; and (4) one additional member to be added on an ad hoc basis who shall be from the unit of the employee whose conflict is under review. The Committee will serve in an advisory capacity to the Provost, and will make recommendations for management, mitigation, or elimination of the conflict of interest. This committee will also advise the Provost on matters relating to enforcement and sanctions to employees who violate this policy.
 - (3) Approved COIMPs must be submitted to the Office of Employee Relations in the Division of Human Resources for inclusion in the employee’s personnel file.
 - (4) Approved COIMPs must be managed by the employee’s supervisor and department heads.

SECTION 101.6 CONFLICTS OF COMMITMENT

- (a) A conflict of commitment relates to an individual's distribution of time and effort between obligations to University Employment Responsibilities and participation in activities outside of University employment, including External Professional Activities for Pay, External Activities for Pay, and Secondary Employment. External Professional Activities for Pay promote professional development and enrich the individual's contributions to the institution, to the profession, and to society. However, a conflict of commitment occurs when pursuit of any outside activity involves an investment of time or is conducted at a time that interferes with the Covered Individual’s fulfillment of their University Employment Responsibilities.
- (b) Under no circumstances must outside activities of any type: (1) result in neglect of the Covered Individuals University’s Employment Responsibilities; (2) create conflicts of interest; (3)

involve inappropriate uses of the University's name, intellectual property, goodwill, or resources; or (4) include claims of University responsibility for the activity.

Section 101.6.1.1 External Professional Activities for Pay, Notice, Approval and Appeal Procedures for Faculty & EHRA Non-Faculty Employees

- (a) Faculty or EHRA non-faculty employees are encouraged to engage in secondary duties of University employment that benefit the profession higher education in general; however, such activities must be arranged to avoid circumstances that create conflicts of interests and/or interfere with the Covered Individual performing their primary University employment duties. Covered Individuals engaging in external professional activities for pay are prohibited from:
- (1) Using the University's name, marks, or other intellectual property for any purpose other than identification purposes.
 - (2) Claiming explicitly or implicitly that the University is responsible for the conduct or outcome of the external professional activities for pay.
 - (3) Receiving compensation (e.g., travel reimbursement, pay for travel or work time from both the University and an external entity for the same activity).
- (b) Secondary duties include but are not limited to: the receipt of honoraria or the reimbursement of expenses, including membership in and service to professional associations and learned societies; membership on professional review or advisory panels; presentation of lectures, papers, concerts or exhibits; participation in seminars and conferences; reviewing or editing scholarly publications and books; and service to accreditation bodies.
- (c) Any Faculty or EHRA non-faculty employee who plans to engage in external professional activities for pay must complete the "Notice of Intent to Engage in External Professional Activity" ("Notice of Intent") at least ten (10) days before engaging in such activities. The Notice of Intent should include the following:
- (1) The date the Notice of Intent was submitted for review ("Filing Date");
 - (2) Name of employee;
 - (3) Name and address of organization;
 - (4) Nature of proposed activity;
 - (5) Beginning date and anticipated length of the activity;
 - (6) A designation of whether the covered individual's disclosure is for the fiscal (in the case of 12-month employees and employees that have contracts that include the summer session) or academic year (in the case of employees with a 9-month contract).
 - (7) Average number of hours per week to be devoted to the activity within the fiscal or academic year
 - (8) Total number of hours to be devoted to the activity;
 - (9) A list of university duties that will be missed because of the involvement in the proposed activity, and a detailed description of what arrangements have been made to cover the missed duties;
 - (10) Identification of any university resources required to participate in the activity or a certification that university resources will not be used for the activity;

- (11) Determination of whether the organization is providing funding which directly supports the Covered Individual's university employment responsibilities; and
- (12) Determination on whether: (a) the employee has any additional financial interests in the company beyond that which is being disclosed; (b) the employee or a member of the employee's immediate family owns an equity interest in the organization, and (3) the covered individual's holds an office in the organization.

(d) Notice, Review and Approval

- (1) Except as outlined herein, the notice of intent must be filed at least ten (10) calendar days before the beginning date of the proposed external professional activity with the covered individual's immediate supervisor.
- (2) The supervisor must review the Notice of Intent with the covered individual to determine if the proposed activity is allowable.
 - (i) The supervisor must make a determination within ten (10) calendar days of the date that the Notice of Intent was submitted for review. If approved, the approval can be granted for a period not to exceed the remainder of the fiscal year (in the case of 12-month employees and employees that have contracts that include the summer session) or academic year (in the case of employees with a 9-month contract). Upon approval, the employee may engage in the disclosed external professional activities for pay.
 - (ii) If the supervisor approves the employee's request to engage in external professional activities for pay, then the covered individual may engage in the disclosed external professional activities for pay for the remainder of the fiscal or academic year.
 - (iii) If the approved activity continues beyond the end of the relevant fiscal or academic year, the covered individual must file an additional Notice of Intent at least ten (10) calendar days before engaging in the same or another activity in the succeeding fiscal or academic year.
 - (iv) If the covered individual is a faculty member and disagrees with the supervisor's decision to disapprove the activity, the employee may appeal the decision to the dean of the college, or if a staff member, the department head. The appeal must be in writing and made within ten (10) calendar days of receipt of the decision disapproving of the activity. The written appeal must include a brief statement outlining the basis for the appeal.
 - (v) If the covered individual disagrees with the dean's or department head's decision, the individual may appeal to the Cabinet member with administrative jurisdiction over the unit. The appeal must be in writing and must be made within ten (10) calendar days of receipt of the decision disapproving of the activity.
 - (vi) The Cabinet member's decision shall be final.

- (e) If the Notice of Intent discloses (1) proposed activity for an entity that provides funding that directly supports the covered individual's university employment responsibilities or (2) proposed activity for a private entity in which the covered individual or a member of the covered individual's immediate family holds an equity ownership interest or holds an office, the review must be modified as follows:
 - (1) The decision of the supervisor to approve of the activity shall be reviewed by the dean or the department head within ten (10) days of receipt by the dean or other administrative officer.
 - (2) If the dean or department head disapproves, then an appeal of the decision may be made to the Cabinet member with administrative jurisdiction over the unit. The Cabinet member's decision shall be final.

- (f) External professional activities for pay must be monitored by the supervisor. The supervisor must review the covered individual's ability to meet assigned university employment responsibilities in addition to the external professional Activities for pay and discuss with the employee as often as necessary, but no less than annually during the employee's annual review. The supervisor or department head may revoke approval to engage in external professional activities for pay if a conflict of commitment arises. If the supervisor or department head rescinds approval, the employee must be given a reasonable opportunity to wind down the activity.

- (g) At least annually, the supervisor shall submit the approved Notices of Intent to the Office of Employee Relations.

Section 101.6.1.2 Special Rules for SAAOs Receiving Honoraria and Compensation for External Professional Activities

- (a) Pursuit of Private Interests Activities for Compensation: Senior Academic and Administrative Officers (SAAOs) who pursue activities for pay that are not a part of their University employment must avoid overlapping compensation. If an SAAO engages in an activity from which external income is earned, that is not a part of their University employment, annual leave must be used if such activities take place between the hours of 8:00 am and 5:00 pm Monday through Friday. SAAOs must also file disclosures of financial interests and "Notices of Intent," in accordance with the State Government Ethics Act, UNC Policy Manual, § 300.2.2.1, and this Policy.

- (b) Activities for which an Honorarium is earned: SAAOs may engage in employment-related activities for which an honorarium is received. In those instances when State-reimbursed travel, work time, or resources are used or when the activity can be construed as related to the Covered Individual's University Employment Responsibilities or official duties on behalf of the University, the employee shall not receive an honorarium. In those instances when an honorarium is offered, the employee may decline the honorarium, or request that it be paid to the University. The honorarium may be retained by the employee only for activities performed during non-working hours or while the employee is on annual leave, if all expenses related to the activity are the employee's or a third party's responsibility, and the third party is not a State entity and the activity has no relation to the employee's State duties.

Section 101.6.1.3 Special Rules for External Activities for Pay Performed for Another UNC System Institution

Any External Professional Activities performed by NC A&T Faculty or EHRA non-faculty employees for another UNC System institution must be established via a written agreement with appropriate supervisory approvals before commencing the activity. The agreement must state that the NC A&T, if the home institution, will pay the covered individual through its payroll and financial systems, and invoice the secondary UNC System institution for the expense.

Section 101.6.1.4 Special Rules for External Activities for Pay Wholly Performed Outside of the Academic Year

- (a) Faculty or EHRA non-faculty employee are not required to disclose activities which are wholly performed and completed outside of the academic year, not conducted concurrently with a contract service period for teaching provided the employee does not engage in sponsored research, and the activity does not otherwise create a conflict of interest or conflict of commitment with the University. Notwithstanding this provision, covered individuals must disclose financial interests, as applicable.

Section 101.6.1.5 Secondary Employment Notice, Approval, and Appeal Procedures for SHRA Employees

- (a) Before accepting any Secondary Employment, an SHRA employee must complete a Secondary Employment Form and submit the form to their supervisor for review.
- (b) The nature of the employee's proposed secondary employment cannot in and of itself prevent an employee from being allowed to pursue the secondary employment. Secondary employment may be denied only if it: (1) creates an actual direct or indirect conflict of interest with a covered individual's University Employment Responsibilities or University operations; (2) or has an impact on a covered employees University Employment Responsibilities; or (3) creates a potential conflict of interest with a Covered Individual's University Employment Responsibilities or with University operations.
- (c) Notice, Review and Approval
- (1) It is the responsibility of the employee to obtain approval prior to starting any secondary employment. The Request for Approval of Secondary Employment Form must be submitted to the employee's supervisor at least ten (10) calendar days before the beginning date of the proposed secondary employment. The approval of secondary employment may be withdrawn at any time if it is determined that secondary employment has an adverse impact on primary employment and therefore creates a conflict of commitment.
- (2) The supervisor must review the forms to determine whether the secondary employment will create any direct or indirect conflicts of interest or impair the employee's ability to accomplish the expected duties. If no reason for denial exists, the supervisor must approve the request and forward it through the chain of command and appropriate University channels to get all necessary signatures as set forth on the

form. A request to engage in secondary employment is not approved until all required signatures are obtained and the employee receives a copy of the form.

- (3) If, at any review level, concern exists that the secondary employment may create a conflict with State operations, the form should be forwarded immediately to the Associate Vice Chancellor for Human Resources to obtain approval from the Director of the Office of State Human Resources in conjunction with the State Board of Ethics.
- (d) The completed request for approval of secondary employment forms must be forwarded to the Office of Employee Relations for placement in the employee's personnel file. This information is considered public information and may be provided to third parties upon request.
- (e) Reversal of Approval: A previous decision to approve an employee's secondary employment may be reversed, at any time, if the employee's secondary employment is creating a conflict of interest and/or conflict of commitment. If the supervisor believes that the secondary employment has caused or contributed to a decline in employee performance, the supervisor must first discuss the performance concern with the employee and provide an adequate opportunity for the employee to demonstrate improved performance.
 - (1) If the employee's performance does not improve within a reasonable period and the supervisor continues to believe that the secondary employment is the cause or a contributing case of these performance problems, the supervisor may, after consultation with the Office of State Human Resources, require the employee to terminate the secondary employment. The supervisor must allow the employee a reasonable period in which to give notice of termination to the secondary employer.

Section 101.6.1.6 External Activities for Pay Notice, Approval, and Appeal Procedures for Faculty or EHRA Non-faculty Employees

- (a) Before accepting any external activities for pay, a faculty or EHRA non-faculty employee must complete a Notice of Intent to Engage in external activities for pay Form and submit the form to their immediate supervisor for review.
- (b) Notice, Review and Approval: The employee shall follow the notice, review, and approval guidelines as set forth in Section 101.6.1.1, with the exception that the employee will complete the Notice of Intent to Engage in external activities for pay Form.
- (c) External activities for pay must be monitored by the supervisor. At least in the covered employee's annual review, the supervisor shall review the covered employee's ability to meet assigned University Employment Responsibilities in addition to the External Activities for Pay. If a conflict of commitment arises after the external activity for pay was approved, the supervisor or department head may revoke the approval. If the approval for the proposed activity is revoked, the supervisor must give the employee a reasonable opportunity to wind down the activity.

SECTION 101.7 DISCLOSURE REQUIREMENTS

- (a) A Covered Individual shall disclose conflicts of interest and/or commitments: 1) upon hire; 2) within 30 days of assuming new university employment responsibilities; 3) annually; and 4) within 30 days of a change in circumstances. A change of circumstances occurs when a change either: (a) gives rise to a potential conflict of interest activity; (b) eliminates a potential conflict previously disclosed; or (c) results in an affirmative answer to any question previously answered in the negative on any disclosure form described with this policy that was previously submitted.
- (b) Covered Individual engaged in External Professional Activities for Pay Duty to Disclose: A Covered Individual shall disclose external professional activities for pay: 1) at least 10 days prior to beginning any new external professional activities for pay; 2) annually every year thereafter that the covered individual remains engaged in the previously disclosed external professional activities for pay; and 3) within 10 days after a change in external professional activities for pay.
- (c) Covered Individual engaged in External Activities for Pay Duty to Disclose: A Covered Individual shall disclose external activities for pay: 1) at least 10 days prior to beginning any new external activities for pay; 2) annually every year thereafter that the covered individual remains engaged in the previously disclosed external activities for pay; and 3) within 10 days after a change in external activities for pay.
- (d) Covered Individual engaged in Secondary Employment Duty to Disclose: A Covered Individual shall disclose secondary employment: 1) at least 10 days prior to beginning any new secondary employment; 2) annually every year thereafter that the covered individual remains engaged in the previously disclosed secondary employment; and 3) within 10 days after a change in secondary employment.
- (e) Duty to report violations: Any Covered Individual who suspects or has knowledge that this policy has been violated has a duty to disclose such violation or potential violation to their immediate supervisor.

SECTION 101.8 SPONSORED RESEARCH PROPOSAL PROCEDURES

The Office of Sponsored Program in the Division of Research & Economic Development (DORED) is the only Division with authority to submit research and research-related proposals on behalf of the University. All research and research-related proposals to foundations, government agencies, public and private entities must be submitted through the Office of Sponsored Programs. Any proposal submitted to any entity directly without the Approval of DORED will not be considered an official proposal on behalf of the University and as such imposes no responsibilities or encumbrances on the University. All research and research-related proposals should be submitted to DORED at least three days prior to the closing date of the solicitation. The process for submitting a sponsored research proposal is outlined in the Office of Sponsored Research Programs Policy and Procedures Manual located on the Aggie Hub policy website.

SECTION 101.9 SPECIAL RULES FOR FOREIGN GOVERNMENT TALENT RECRUITMENT PROGRAMS

- (a) Participation in foreign talent recruitment programs (FTRPs) can involve risks that warrant careful consideration, mitigation, and—in some cases—complete avoidance. Congress, the Federal Bureau

of Investigation, and other government organizations view aspects of certain FTRPs as threats to the integrity and security of the national research enterprise. The CHIPS and Science Act (the C&S Act) directs federal research sponsors to maintain policies that require Covered Individuals to disclose all participation in FTRPs, and prohibit recipients of federal support from participating in any malign FTRPs (MFTRPs).

- (b) The White House Office of Science and Technology defines FTRP as any program, position, or activity that includes compensation in the form of cash, in-kind compensation, including research funding, promised future compensation, complimentary foreign travel, things of non de minimis value, honorific titles, career advancement opportunities, or other types of remuneration or consideration directly provided by a foreign country at any level (national, provincial, or local) or their designee, or an entity based in, funded by, or affiliated with a foreign country, whether or not directly sponsored by the foreign country, to an individual, whether directly or indirectly stated in the arrangement, contract, or other documentation at issue.
- (c) These programs can give rise to conflicts of interest or commitment and are of continuing concern to federal science and law enforcement officials. Any plans to accept talent program opportunities must be reported immediately to your supervisor. The Supervisor must immediately consult with DORED to get approval.

SECTION 101.10 REQUIREMENTS FOR FEDERAL LAWS AND REGULATIONS

- (a) Although this Policy applies to conflicts that may arise with respect to any research or non-research activity conducted under University auspices, regulations issued by the National Science Foundation, and Public Health Service, and other federal agencies set specific requirements for University research funded by those agencies. This Policy is intended to comply with those federal regulations.
- (b) Federal funding agencies require that the University manage, reduce, or eliminate any actual or potential conflicts of interest that may exist in relation to instruction, research, and service activities funded by the federal government. The primary purpose of the federal regulations is to prevent bias in the design, conduct, and reporting of federally funded research. This regulation is designed to address those concerns and to comply with the National Science Foundation's and the U.S. Department of Health and Human Services' Objectivity in Research policies.
- (c) Any principal investigator, co-principal investigator, or any other individual responsible for the design, conduct, or reporting of the proposed or funded research activities submitting a grant or contract proposal for external funding through the University, or conducting research or other activities pursuant to such a federal grant or contract, must report any "Significant Financial Interest" that would reasonably appear to affect the proposed or funded research activities. Under the federal regulations, if a Significant Financial Interest may directly and significantly affect the design, conduct, or reporting of the research, a conflict will be deemed to exist.
- (d) A significant financial interest is deemed to exist in the following circumstances:
 - (1) In the case of salary, royalties (including those distributed to the individual through the University), or other payments, including consulting fees or honoraria, when aggregated from a single entity for the employee and his or her family, are expected to exceed \$10,000 over the next twelve months;

- (2) In the case of equity interest in publicly-traded entities, when aggregated for the employee and his or her family, meets either of the following tests: exceeds \$10,000 in value as determined through reference to public prices or other reasonable measures of fair market value or represents more than a (5%) ownership interest in any single entity;
 - (3) In the case of entities that are not publicly traded, consists of any equity interest held by the employee or his or her family.
 - (4) In the case of human subjects research, the disclosure threshold is any amount of payment and any equity holding by the Covered Individual's or a member of the Covered Individual's family. Absent "compelling circumstances," Covered Individual who has a Significant Financial Interest in a company sponsoring human subjects research may not conduct such research.
- (e) If a covered employee has a significant financial interest, then the employee must complete a conflict-of-interest form and submit it along with the research proposal to DORED for approval. The process for submitting a sponsored research proposal is outlined in the Office of Sponsored Programs Policy and Procedures Manual located on the Aggie Hub policy website.

SECTION 101.11 TRAINING

The University may require from time to time that covered employees submit to required training explaining the covered employee's responsibilities under this policy.

SECTION 101.12 COMPLIANCE

Violations of this policy may result in disciplinary action, up to and including termination of employment, disallowance or limiting outside activities, changes in assignment, limitations on research activities, and fines.

SECTION 101.13 ADDITIONAL INFORMATION

A copy of this policy and any substantial modifications to this policy shall be forwarded to the UNC System President after approval by the University.

POLICY HISTORY:

Eff. September 30, 2009
Revised Eff. September 1, 2024; June 1, 2026

AUTHORITY: Chancellor

POLICY OWNER: Associate Vice Chancellor for Human Resources

RESPONSIBLE OFFICE: Office of Employee Relations

RESOURCES:

UNC Policy Manual 300.2.2.1[R] Regulation on External Professional Activities for Faculty and EHRA non-faculty
UNC Policy Manual 300.2.2.2[R] Regulation for Senior Academic and Administrative Officer on External Professional Activities for Pay and Honoraria
OSHR Secondary Employment Policy
North Carolina General Stat. § 14-234(a)
North Carolina General Stat. § 14-234.1
Office of Sponsored Research Programs Policy and Procedure Manual
UNC Policy Manual 300.4.1 Policy on Interpersonal Relationships between faculty, staff and students
University Policy 205, Interpersonal Relationships Between Faculty, Staff, and Students
University Policy, Improper Relationships Between Students and Employees