

# CONFLICT OF INTEREST



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<b>POLICY NUMBER</b>	ADM 04-2
<b>APPROVAL DATE</b>	December 11, 2009
<b>AUTHORITY</b>	President
<b>CATEGORY</b>	Administrative
<b>PRIMARY CONTACT</b>	Deans/Directors
<b>ADMINISTRATIVE CONTACT</b>	(TBD)

## POLICY

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Conflict of interest is a breach of an obligation to Thompson Rivers University (TRU) that has the effect, or intention of advancing one's own interest, or the interests of others, in a way that is detrimental to the interests of TRU, or is potentially harmful to the integrity of the fundamental mission of TRU. Conflicts of interest and the appearance of conflicts of interest must be avoided.

Conflict of interest falls into three categories: those which require disclosure; those which require disclosure and prior approval; and, those which are prohibited. Since the possibilities for conflict of interest are almost limitless and cannot all be covered in regulations, faculty and staff are expected to conduct themselves at all times with the highest of ethical standards, in a manner which will bear the closest scrutiny. Faculty and staff are also responsible for seeking guidance from the appropriate source before embarking on activities which might be questionable. Whenever the term "staff" is used in this policy and regulations it is understood to include all administrative and support personnel.

This policy is meant to protect both the individual and the institution. Regulations and guidelines have been developed about the acceptability of certain activities in the following areas:

1. Student and faculty/staff relationships;
2. Scholarly activities;
3. Extra university activities;
4. Directorships and memberships in boards;
5. Financial and non-financial gain;
6. Confidential information;
7. Favouritism in employment;
8. Purchasing and selling activities.

Administrative heads of units and persons charged with significant responsibility will take immediate and appropriate action when they become aware of violations of the policy or its regulations.

## **REGULATIONS**

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Since the possibilities for conflict of interest are almost limitless and cannot all be covered, the following regulations identify some illustrations of potential conflict of interest situations that faculty and staff of TRU may encounter. Faculty and staff are expected to conduct themselves at all times with the highest of ethical standards, in a manner which will bear the closest scrutiny. Accordingly, this policy applies to all graduate students, postdoctoral fellows, faculty (including part-time, adjunct or visiting faculty), and all employees, contractors and students of TRU who teach, conduct research or work for TRU.

### **1. STUDENT AND FACULTY/STAFF RELATIONSHIPS**

TRU faculty and staff should avoid conflicts of interest which may impede or compromise their responsibility to instruct, supervise or evaluate students in a fair and effective manner. The power imbalance which exists between faculty, or staff, and student is not to be used for personal benefit. Students include anyone enrolled, or applying for admission, in a course or program offered by TRU.

Where there is uncertainty about the existence of a conflict of interest, or about how to avoid one, it is the responsibility of the individual faculty or staff to seek consultation with the administrative head of the unit. It is incumbent upon faculty and staff to avoid situations in which a conflict of interest may arise and to deal promptly with any conflict of interest that does arise.

Where a conflict of interest may arise, one or more of the following methods should be used to avoid or resolve such conflict.

- a. Faculty and staff members should normally decline or terminate a supervisory, teaching, evaluative, or decision-making role in which a conflict of interest arises, unless the administrative head of the unit is of the view that this will create undue hardship to the student;
- b. In situations where the conflict of interest involves teaching, supervision, or evaluation, and where alternative courses or supervision exist that are reasonable and appropriate to the student's program, the student should utilize those alternatives.
- c. Where no reasonable and appropriate alternative exists, the administrative head of the unit shall ensure that a fair and unbiased mechanism of evaluation is put in place. This will normally require that another suitably qualified evaluator review all the material submitted for evaluation, review the grades assigned, and report whether those grades are reasonable.
- d. Where third parties are concerned about a perceived conflict of interest, the faculty or staff member and the administrative head should consider informing the third

party that the conflict has been dealt with pursuant to regulations. Such a step is for the protection of the student, the faculty or staff member, and TRU.

Examples:

- a. A conflict of interest may arise in situations in which there is a reasonable apprehension that a particular relationship between a faculty or staff member and a student may confer upon the student an unfair advantage or subject the student to an unfair disadvantage. Such relationships include, but are not limited to:
  - i. Close family relationships such as those between spouses or spousal equivalents, parents and children, siblings, in-laws, grandparents and grandchildren;
  - ii. Amorous relationships;
  - iii. Relationships between persons whose economic interests are closely interrelated.
- b. Engaging students to perform services of any kind for the teacher where there is an apprehension that failure to comply will result in a biased evaluation;
- c. Failure to give proper recognition to any reliance on the ideas, work or assistance of students or failure to obtain, where appropriate, prior permission for the use of work done or results obtained by students;
- d. Use of students as human subjects in experiments where there is a reasonable apprehension that to refuse will affect their academic standing;
- e. Student employment by a faculty or staff member owned company, unless the following conditions are in place:
  - i. the student is under no obligation to engage in such work;
  - ii. the student's performance in such work has no bearing on academic standing;
  - iii. the student is reimbursed at market value for the work performed and/or receives other significant benefit, e.g., the work is relevant to the student's academic/professional training.
- f. Providing students to local employers under the guise of work experience where they receive no, or less than competitive, remuneration, or when such situations do not enhance the student's education experience through opportunities to acquire/apply/test knowledge;
- g. Encouraging students to prolong research well beyond the point where a satisfactory thesis could be generated in order to further the research career of the faculty member.

## 2. SCHOLARLY ACTIVITIES

Since members of the TRU community build on each other's research, creative and professional work of distinction, they are mutually dependent on the honesty and care with which they conduct such work and report results. Members can foster an environment characterized by openness of communications and interdependence of thought and work by promoting honesty and appropriate ethical research behaviour, and by discouraging misconduct, unethical behaviour and irresponsible research, creative or professional work.

Conflict of interest in the conduct and reporting of research/creative/professional work can take many forms. In addition, TRU's commitment to liaise with industry and transfer technology will often result in arrangements which are potential conflicts of interest.

The following categories illustrate the range of situations which faculty and staff members should recognize as potential conflicts of interest and are not an exhaustive list of all types of conflict of interest situations in the areas of research and industry liaison.

**a. Service as a Referee**

Since the academic community relies heavily on peer review for evaluation of research, an ethical burden falls on the shoulders of referees. In the role of referee, e.g., on the Research Ethics: Human Subjects: Animal Subjects: committees, the researcher could attempt to take advantage of the knowledge gained through the review processes associated with research proposals to agencies and submissions to journals and other publications.

For example:

- i. It could be a conflict of interest if research applications and reports are not handled expeditiously, and the content of such applications and reports are not treated confidentially and honestly;
- ii. Use of applications and reports for purposes other than the review is considered a conflict of interest.

**b. Ethical Traditions of the Discipline**

On certain matters, members of a discipline or field of study may have vested interests that correspond to the interests of a researcher who is under review, which are conflicts of interest in the adjudication of ethical issues. As leaders in their fields, members of the TRU community are expected to offer their expertise; however, when TRU is investigating allegations of possible unethical conduct arising internally, the views of scholars with a vested interest should be balanced with views from outside the field or discipline. For example, it could be considered a conflict of interest for the issues surrounding the use of human subjects in research to be decided solely by researchers who use human subjects in their work.

**c. Recognition of Scholarship**

It is unethical and not acceptable to fail to give proper recognition to any reliance on the ideas, work or assistance of others, or to fail to obtain prior permission for the use of work done or results obtained by others.

**d. Independence in Choosing Licensees**

There are a variety of possible avenues from which TRU can choose in the future for licensing a discovery or invention, such as a new company established for the specific purpose of bringing the invention to market or an existing company in British Columbia or of international origin. Often the choice is directed to a company which can best market the invention/discovery and has the capability to commercialize the product with wide dissemination. The importance of transfer not only of the patent but also the know-how is recognized as essential to the success of the venture. In making these decisions, the issue of personal gain of the researcher must be addressed. This requires the complete disclosure on the part of the researcher about involvement with companies under consideration, as the royalties awarded through the license will be adjusted to take into consideration any company holdings of the researcher.

**e. Business Involvement in Research Field**

A member of the faculty or staff is considered to have a potential conflict of interest if, in dealings with TRU, the best interests of TRU could be compromised in the personal interest of the faculty or staff member or in the interests of an external company or agency in which the individual has a significant interest. "Significant interest" implies that, as a result of affiliation with an outside organization (formal or informal), the individual can influence that organization's decisions to the detriment of TRU. Examples of significant interest that could lead to this situation include but are not limited to:

- i. Share position;
- ii. Directorship;
- iii. Managerial position (paid or unpaid);
- iv. Consulting relationship.

For example:

- i. A company in financial difficulty owes TRU money for a cooperative research program; a TRU employee with a significant interest in the company could take part in a decision to pay creditors other than TRU;
- ii. A TRU student supervised by a TRU faculty or staff member who has a significant interest in a company works on a project of interest to the company is asked to assign his or her intellectual property to the company without disclosure to TRU;
- iii. A TRU faculty or staff member has a significant interest in a company and through the activity utilizes intellectual property to which students, TRU staff or other faculty members have made substantial contributions without recognition or compensation to the other individuals;

- iv. Supervising faculty or staff members use TRU students or staff on TRU time to carry out work on behalf of a company in which they have a significant interest;
- v. TRU resources, space or facilities are used by a faculty or staff member to benefit a private concern in which the individual has a significant interest.

To protect TRU, full disclosure in advance of any potential conflict of interest, and, where appropriate, advance approval is necessary. Any member of the TRU community with a potential conflict of interest shall disclose in writing the details to the administrative head of the unit in which they work, with a copy to the next level up and the appropriate Vice-President.

**f. Payment of Research Honoraria:**

Honoraria to full-time members of faculty or staff for services rendered to departments other than departments of which they are members, will normally not be granted if the payment comes from TRU funds. In exceptional cases, payment of such honoraria may be allowed, subject to the approval of the appropriate deans, the Office of the President and the Board of Governors. This does not apply to honoraria paid to full-time members of faculty or staff from funds specifically provided for the purpose (e.g., stipends for extra-sessional and continuing education teaching).

Research contracts between TRU and contracting agencies involving honoraria paid to members of faculty or staff shall be approved by the Office of the Vice-President, Academic only on the recommendation of the dean of the faculty.

**3. EXTRA – UNIVERSITY ACTIVITIES.**

It is expected that full-time faculty members will be engaged for the whole of the year (except for the usual vacation period) in teaching, professional development, research (or other creative work or scholarly activities appropriate to their discipline) and other TRU service. Similarly, it is expected that full-time staff will be engaged for the whole of the year (except for annual vacation and approved leaves of absence) fulfilling their job responsibilities.

**a. Outside Professional Activities - Introduction**

Outside professional activities are extra-TRU activities which involve the same kind of specialized skills and knowledge that the faculty or staff member practices in the employ of TRU, (and are at the leading edge of the field or discipline). Activities such as volunteer work, community work, and the running of businesses not related to work done at TRU are normally not considered outside professional activities.

TRU recognizes that the competence and effectiveness of faculty and staff may be enhanced by their participation in certain kinds of outside professional activities. For example, outside professional activities can contribute to the professional development of the individual through the acquisition of new skills, external contexts and techniques or provide additional opportunity for application of knowledge to practical situations, and thus increase the individual's effectiveness in teaching,

research, service and support endeavours. They can also open up academically-relevant opportunities for students.

Furthermore, such participation frequently advances the purpose of TRU in serving the needs of the larger community of which it is a part through fostering the transfer and application of knowledge.

Yet, extra-TRU activities may produce consequences that are not to be measured merely in terms of hours expended. The distraction of non-TRU occupations, the expenditure of emotional energies, the obligations contingent on accepting external fees and salaries may all interfere in the proper discharge of the primary TRU duties.

The essential principle of TRU's policy on outside commitments to tasks outside the responsibilities of faculty or staff members to TRU, that is, their responsibilities to students, the discipline, colleagues, service and support, must be such that their TRU responsibilities are completely satisfied.

**b. Outside Professional Activities - Members of Faculty**

Faculty members shall disclose in writing the extent, nature, and timing of all outside professional activities to the administrative head of their unit annually so that the individual's obligations and the extent of those obligations to outside organizations are known by TRU.

Prior written approval of TRU (granted by the administrative head of the unit) is required in the following cases:

- i. When TRU services and facilities will be used for outside professional activities, except when such uses are already provided for in existing regulations of TRU, faculty or department (such as approved secretarial assistance for a faculty member editing a journal); this approval may be given provided appropriate arrangements for such uses and for their payment (including reimbursement at fair rates for labour, materials, equipment and space) are made;
- ii. When rescheduling of activities (e.g., classes or office hours) will result;
- iii. When the total outside professional activity for a faculty member in any one year becomes substantial, that is, more than an accumulated 26 days per year, exclusive of vacation period. (Subject to approval by the President, departments or faculties may formulate their own definition of "substantial" and formulate more detailed procedures on outside professional activities, consistent with these TRU-wide procedures, concerning the distinction between paid and unpaid professional activity, participation in continuing education courses, the procedures for reporting outside professional activities, and other matters;
- iv. When a faculty member will be off campus for a period of 30 consecutive days (excluding holidays);

- v. When outside professional activities are increased during a period of sabbaticals, professional development time and/or during a period of assisted leave.

**c. Outside Professional Activities - Members of Staff**

Prior written approval of TRU (granted by the administrative head of the unit) is required whenever a staff member wishes to engage in outside professional activities during normal hours of work.

**d. Activities Not Related to The Member's Profession**

Activities of a non-professional nature (such as running a business, or performing voluntary or community work), which do not enhance the competence and effectiveness of faculty and staff members in their work at TRU, will neither interfere in any way with their commitment to full-time employment at TRU nor use any resources of TRU.

**4. DIRECTORSHIPS AND MEMBERSHIPS ON BOARDS**

There are many benefits to be gained by both the individual and TRU from a faculty or staff member's active involvement in community service activities. Such activity enhances the community's awareness of the contribution TRU makes to our society, while providing opportunities for many and varied linkages of members with business and philanthropic organizations and leaders. There is also the concern that duty imposed by membership on the board of another organization could conflict with a faculty or staff member's duty to TRU.

Unless appointed as a representative of TRU, and recognized and recorded as such by TRU, a faculty or staff member serving on the board of an outside organization does so in his or her individual capacity.

A faculty or staff member who is approached to serve, or who is serving, as a member of a board, whether of a for-profit, charitable, or advocacy organization, and who perceives a potential conflict of interest, has the duty to consult with the department head and dean (or vice-president in the case of a non-departmentalized faculty or administrative department, or President in the case of a vice-president, or Chair of the Board of Governors in the case of the President). Such consultation will address the interests of TRU, as well as the benefit that might accrue to the individual, TRU and the outside organization from membership. Following consultation, any concerns of administrators about the board membership will be conveyed in writing to the member.

**5. FINANCIAL AND NON-FINANCIAL GAIN**

**a. Acceptance of Gifts**

In this Policy the following words have the following meanings:

“gift”: means:

- (i) goods or services; or



(ii) the use of property or money;

that is provided by a person or company who does business, or who may potentially do business with TRU, without charge or at less than commercial value, but a gift does not include any prize won in any bona fide raffle, draw or similar event;

“services” includes payment for travel;

“significant value” means a value of \$250 or more.

The giving and receiving of gifts is common in many areas of the University’s operations, particularly when dealing with international partners. However, the acceptance of gifts for personal use from people or companies who do business or who may potentially do business with TRU could impede the objectivity of faculty and staff members and create a conflicting obligation to that person or company contrary to the obligation of faculty and staff members to TRU.

Any faculty or staff member who receives a gift of goods with a significant value shall deliver the goods to the University Secretariat and the goods shall become the property of the University. A faculty or staff member who accepts a gift of significant value while travelling outside of Canada should, upon returning to Canada, pay the applicable duty, and the University will reimburse the employee for such duty. The goods accumulated by the University under this Policy will be disposed of, from time to time, as determined by the University in its discretion.

It is incumbent on the individual faculty or staff member to initiate a discussion with the University Secretariat if feasible whenever the individual is about to be offered gifts of significant value so that the issues surrounding obligation may be completely disclosed and approval obtained before a personal benefit is received. It is recognized that there will be circumstances in which individuals will have to decide at a moment's notice whether or not to accept a gift of significant value. In these cases, individuals are to: (i) in the case of a gift of goods of significant value, deliver the goods to the University Secretariat; and (ii) in the case of a gift other than goods report in writing to the University Secretariat at the earliest possible opportunity.

In considering requests for advance approval to accept gifts of significant value, the Secretariat will take into consideration the source, value, purpose and frequency of offering in assessing the case. Any potential detriment to TRU should be grounds for denial of the request to receive a gift. Tokens of appreciation of insignificant value may be accepted at the discretion of the individual. Faculty or staff members may not accept a gift of money.

Any faculty or staff member who receives gifts during any academic year (September 1 to August 31) with an aggregate value of over \$250 from any one source must report each gift along with its estimated value to the University Secretariat.

With regard to the giving of gifts by TRU, please see Policy ADM 19-0, Travel Expenses.

**b. Personal Financial Benefit**

Concerns about personal financial benefit when dealing with students:

- i. Frequently the best text for a course is a book written by the faculty or staff member giving the course. While there is a personal benefit from the sale of such books, the selection of textbooks and other instructional aids for the course is to be based on the best for the course of study, and not on the personal benefit to the faculty or staff member;
- ii. The sale of lecture notes by the faculty member rather than through the Bookstore;
- iii. The acceptance of money from a student for tutoring by a faculty or staff member or the acceptance of money or significant gifts from any student or potential student;
- iv. The conferring of money, privileges or benefits upon students with whom the faculty or staff member has an extra-TRU connection. An example of this would be to choose, from the student body, a relative to be a research assistant.

**c. Business Decisions**

A conflict of interest appears to exist when faculty and staff members take part in decisions to transact TRU business with a company in which they have a material interest. Therefore, the responsibility rests with individuals to disclose whenever they have influence over a decision about a proposed contact between TRU and a company in which they have substantial holdings and to withdraw from the TRU decision-making process.

**d. Client Solicitation**

Many faculty and staff members are remunerated for consultation in their professions, and to avoid the appearance of conflict of interest, should refrain from soliciting clients for private practice through connections at TRU. This applies not only to government agencies, private companies and the public, but also to students and fellow members of faculty and staff. For example, a perception on the part of a student that he/she is being coerced/exploited through referral for assistance could be of detriment to TRU and the student.

Student requests to their instructors/advisors for professional service should be referred to other experts. When such requests are of an exceptional nature such that the instructor/advisor believes he or she should provide the professional service this should only be done after discussion of the matter with the administrative head of the unit to further explore alternate sources.

**6. CONFIDENTIAL INFORMATION**

Unless the individual has proprietary rights (usually enforceable through copyright or patent), it is deemed to be unprofessional conduct to make use of knowledge gained through employment at TRU which is not generally available to the public for non-TRU

purposes or investments. It is a conflict of interest, and, therefore not permitted, to use for personal gain information not in the public domain acquired as a result of a faculty or staff member's TRU-supported activities.

**a. Misuse of Information**

While an important function of a university is dissemination of knowledge and transfer of information and while much information about the operation of TRU is in the public domain, there are situations when certain information about the affairs of TRU within knowledge of members of faculty and staff is confidential and is not to be disclosed to others.

Examples of confidential information include, but are not limited to, most personnel matters, matters relating to a student's performance and status, and donor information. For instance, personal information such as earnings, address, marital status, social insurance number, etc., about any employee of TRU may not be released to inquirers by either the Department of Human Resources or by any other TRU department, without prior written authorization from the individual employee in question.

Since many committees are charged with responsibilities for confidential matters, participants on such committees are alerted to the importance of maintaining the confidentiality of details of the discussion and decisions made. Examples include personnel committees involved in the selection or appointment of candidates for employment, committees involved in the academic assessment of students, and administrative committees dealing with such matters as financial management and control, procurement and tendering, the selection of architects, etc.

The responsibility for maintaining the confidentiality of information of documents includes the responsibility for ensuring, as far as is reasonable and practicable, that such information or documents are not directly or indirectly made available to unauthorized persons.

**b. Use of TRU's Name**

Members of the TRU community may express their opinions outside TRU with the same freedom as other citizens. Such expressions are solely the responsibility of the individual, and TRU assumes no responsibility for them, except for statements issued on behalf of TRU by those so authorized to act under TRU Policy and Regulations ADM 1-1.

**7. FAVOURITISM IN EMPLOYMENT**

Many organizations recognize the need for policies governing the employment of members of the same family. Some employment policies proscribe the employment of members of the same family or require some form of independent approval where such conflicts of interest occur. The problem of this approach is to define as familial all the personal relationships that could lead to preferential treatment in the hiring of particular individuals. As an example, the hiring of a next door neighbour or a fellow club member, for that reason alone, may be just as unfair and damaging to an organization's reputation and public image as the hiring of a member of the same family in similar circumstances.

TRU, as an equal opportunity employer, takes every precaution to guard against favouritism of every kind in hiring. Faculty and staff members must be scrupulously fair and honest in ensuring that positions are well advertised and that appointments are offered always to the best-qualified available candidates. TRU must also ensure that selection committee members are not perceived as being in a potential conflict of interest situation. An example could be the case where a person on the committee is filling the position temporarily; and, if the selection committee does not fill the position then the person on the selection committee could continue on in that position for a further period. TRU does acknowledge that, occasionally and in unique circumstances, there are cases in which, to fulfill the mission of TRU, potential conflicts of interest may arise.

In selection decisions, the administrative head of the unit has the responsibility of recommending whether approval will be given to make an offer of employment. Among other considerations, the administrative head should seek assurance that a reasonable search has been made, taking into account the nature of the work to be done and that the applicant is the best available candidate for the job.

When a faculty or staff member is in a position to influence personnel decisions (such as the recruitment, offer of employment, evaluation of performance, or termination of employment) with respect to another with whom the faculty or staff member has a relationship which might reasonably be construed as a conflict or potential conflict of interest, then the faculty or staff member has a duty to disclose the situation to the administrative head of the unit and withdraw completely from the decision making process. The administrative head of the unit has the responsibility to ensure that the selection of faculty or staff, and the evaluation of faculty or staff work performance will avoid apparent and actual conflict of interest situations.

There are, however, cases in which this is not possible, such as that of a researcher who employs a research assistant on a grant. If, in such a situation, the faculty or staff member and/or administrative head of unit deem that a disclosed potential conflict of interest may warrant monitoring rather than avoidance, the administrative head will consult with the Director Human Resources who will determine procedures to be followed to ensure the systematic monitoring of the potential conflict of interest throughout the period of employment. The process by which monitoring occurs shall be consistent, fair, unbiased and documented in order to protect both the individual(s) and TRU and will normally include events such as recruitment, offer of employment, performance evaluation, discipline and termination of employment.

A record of each case will be documented and kept on file in the office of the Director, Human Resources for the duration of the employment and in accordance with legislated requirements governing employment records. Each record must contain a signed statement of agreement between the individual(s) and TRU which permits TRU to: release information concerning the process used to monitor the potential conflict of interest: and, with the written permission of the individual(s) for whom there is a potential conflict of interest, release information concerning the substantive elements of the case.

Members of faculty and staff will be asked to review their current relations with other employees at TRU and to disclose any potential conflicts of interest which might presently exist to the administrative head of their unit.

## 8. PURCHASING/SELLING PROCEDURES

TRU's approach to avoiding conflicts of interest in purchasing and selling is to deal at arm's length with suppliers and customers by appointing agents authorized to make decisions on purchasing and selling who are separate from units and individuals standing to benefit from the purchase/sale.

### a. Purchasing

All faculty and staff members who have decision-making authority or who are in a position to influence a decision about a purchase or contract must disclose in writing any personal material interest in a prospective vendor to the Manager of Purchasing Services and withdraw from the decision-making process, if that is deemed appropriate.

Caution should be exercised dealing with vendors during the decision-making process, and acceptance of gifts, travel or other incentives is prohibited.

In order to obtain the best possible value for TRU's dollar, specifications should be constructed in as generic a way as possible. This will avoid the appearance of tailoring a purchase request to favour a particular supplier. However, it is entirely appropriate to specify considerations relevant to the purchase, such as the quality of service expected, delivery time, and method and timing of billing.

### b. Selling

A conflict is considered to exist whenever a personal consideration, benefit or material interest could potentially interfere with optimizing the dollar return to TRU on its goods or services sold. For this reason, the establishment of prices at fair market value and the dissemination of information about the availability for sale of goods and services are critical.

All faculty and staff members who have decision-making authority or who are in a position to influence a decision about a sale must disclose any personal material interest in the transaction to the Vice-President, Administration and Finance, copying their administrative heads and/or deans, and withdraw from the sale process if deemed appropriate.