PAYROLL ADMINISTRATION

CONFLICT OF INTEREST

SUMMARY

The Office of the Provost has issued a policy on conflict of interest which is established as an integral part of the University's efforts to ensure that all who act in the University's name will conduct themselves in accordance with high ethical standards. The policy is applicable to officers, faculty, staff, and others who are compensated by the University for their services and act as its agents. The policy embodies the concept of commitment required of each faculty and staff member.

The University's reputation for integrity, and its favored status as an institution exempt from taxation, requires that decisions made on behalf of the University reflect the best interests of the institution and not be motivated by a desire for personal and private gain. Each of us, therefore, is responsible for resolving conflicts between personal and institutional interests in favor of the University.

The Office of Purchasing Services has also issued a specific policy regarding vendors. It states that all faculty and staff are expected to have no personal interest in suggesting or specifying vendors; that there be no personal relationships; and that there be no direct or indirect incentive or reward (financial or otherwise).

Additionally, the Personnel Policy Manual states that immediate family members and members of the same household are not to be employed in a position where one has line authority over personnel actions concerning the other. Immediate family members include all relatives, such as but not limited to the following: spouses, domestic partners, children (including stepchildren and foster children), parents, stepparents, grandparents, grandchildren, in-laws, siblings (including stepbrothers and stepsisters), cousins, nieces, nephews, aunts, and uncles. It is the responsibility of the supervisor to advise the department administrator if such a relationship is established.

Whenever a faculty or staff member wishes to undertake any commitment that may conflict or appear to conflict with their primary commitment to the University, they must prepare a written report as described in the University Policy on Conflict of Interest and Conflict of Commitment. A summary of the conditions for submitting a written report is below:

Review and written approval by an authorizing official (such as a dean) is required whenever the name of The Johns Hopkins University or any of its components might be used by another party.

Review and written approval by a supervisor is required in the following circumstances:

- Outside activities require a written agreement (e.g., letter of understanding, sponsored projects, indemnification agreements).
- A proposed agreement involves the use of facilities or resources belonging to or utilized by The Johns Hopkins University.
- An outside commitment provides for intellectual or tangible property rights in the way of patent ownership or licensing to an organization other than the University.
- An agreement is being considered that restricts a faculty or staff member's public reporting of the existence of the agreement or of intellectual property developed by a faculty or staff member under the agreement.

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- A faculty or staff member's relationship to an outside party might appear to influence either the conduct of the University's business with the outside party or the conduct of research within the University.
- Remuneration is proposed in addition to the faculty or staff member's salary support through the University in consideration for a service which is otherwise provided by the University (e.g., clinical practice, musical instruction, extramural instruction).
- Outside commitments exceed a threshold per year that is established by each division for its faculty.
- Review and approval by a designated divisional representative (such as a dean) is required when proposed activities involve the licensing of a faculty/student invention, royalties from the sales of products from a faculty/student invention, or faculty/student ownership of equity in a company that supports their research.

INTERNAL CONTROLS

OBJECTIVES • To provide effectiveness of operations by the safeguarding of human resources, i.e., faculty and staff members are devoted primarily to University objectives
RISKS • Impairment of the University's reputation • Independent scholarly inquiry threatened • Competition with the University's business interests • Impairment of the individual's ability to perform the duties of his/her University position • Non-compliance with federal regulations

AUDIT CHECKLIST

	Do all faculty and staff members in the department have a copy or have access to the University's policies regarding conflict of interest?
	Do faculty and staff members know the conditions when a written report needs to be prepared before undertaking any commitment that may conflict or appear to conflict with their primary commitment to the University?
	Have faculty and/or staff members made purchases with vendors where there is a personal interest or reward?
	Is the department free of any situations where a staff member supervises or has significant control over the work or career of another staff member who is his/her relative or is someone with whom he/she shares a residence?

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SOURCES FOR POLICY

Conflict of Commitment and Conflict of Interest - School of Medicine
(http://infonet.welch.jhu.edu/policy/fac_pol_man/fac_pol.html)
Conflicts of Interest and Commitment - School of Hygiene and Public Health
(http://www.jhsph.edu/Research/IPG/nsppm4.htm)
Divisional Policies and Procedures for the Academic Schools
Personnel Policy Manual (http://www.jhu.edu/~hr1/pol-man/contents.html)
Policy from the Office of the Provost (http://resource.ca.jhu.edu/conflcin.html)
Purchasing Guidelines, Office of Purchasing Services
(http://www.jhu.edu/~purchasing/policies.html)

RESOURCES FOR ASSISTANCE

Administrative Policy Training Program Courses, 410-516-6800
Divisional Business Offices
Divisional Conflict of Interest Committees
Divisional Human Resource Offices
Divisional Research Administration Offices
(see list of addresses and phone numbers in Offices to Contact section)
Office of the Provost, 410-516-8070