Category: Personnel

Division: HUMAN RESOURCES

Department: Click here to enter text.

Policy Title: **CONFLICT OF INTEREST/ OUTSIDE EMPLOYMENT**

Policy Statement: The Garden City Community College (GCCC or College) Board of Trustees, administrators, faculty and staff share the responsibility to protect the integrity of the institution and to conduct business according to the highest legal and ethical standards. No employee may engage in any activity either within or outside the college that is in conflict with their primary duty to the college. Employees are required to adhere to standards and principles that are legal, ethical and morally correct to avoid actual, potential or perceived conflicts of interest.

For the purpose of these regulations and procedures, the following definition applies. “Conflict of interest” is defined as an actual or perceived action that results in, or has the appearance of resulting in personal, organizational or professional gain that may, or may appear to, impair or compromise the performance of the employee or Board member’s duties for or on behalf of GCCC. The action may cause the College or the Board to be legally or otherwise vulnerable to criticism, embarrassment or litigation in the opinion of the public.

Employee must notify the President of any outside employment. The primary obligation and responsibility of employees at GCCC is the performance of their duties at the College. Outside employment will present a conflict of interest if it has an adverse impact on GCCC or the employee’s work performance.

Procedures: Click here to enter text.

**Types of Conflict**

A conflict of interest is a situation where an employee or Board member exploits relationships with the College for personal, financial or other gain, which may compromise or have the appearance of compromising professional judgment when making decisions or influencing the decisions of other employees.

- An apparent conflict of interest is a situation where others would think that professional judgment may be compromised.
- A potential conflict of interest is a situation that may develop into an apparent conflict of interest.

Conflicts of interest are broadly divided into two categories:
- Tangible, meaning the gain is financial. Widely recognized types of tangible conflict of interest are those caused by money and financial relationships, e.g., monetary value or award, equity (stock) interests, dividends, royalties and intellectual-property rights.
• Intangible, meaning the gain is professional or non-material. Widely recognized types of intangible conflict of interest are those driven by self-promotion, fame or prestige.

Other types of intangible conflicts of interest include the following.

• When work time is spent on a secondary personal activity, known as a conflict of effort, or a conflict of commitment.
• When personal, political or religious views influence objectivity, known as a conflict of conscience.

These are broad statements that reflect some, but not all of the actual and potential conflicts of interest prohibited by College policy.

Personal Gain

The following are examples of conduct that present a conflict of interest when personal gain accrues to the employee, Board member, or a member of their family or others with whom he/she is associated. A person has a direct or indirect financial interest if they, directly or indirectly through business, investment, or family uses or attempts to use:

• Their position with the College to achieve a material and/or financial benefit for themselves or others;
• College property, resources or services, for personal and private purposes to achieve a material or financial benefit for themselves or others;
• College employees, students, contractors, or volunteers to achieve a material or financial benefit for themselves or others;
• An actual or potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the College is negotiating a transaction or arrangement; or,
• Any confidential information, acquired in connection with College activities or College employment, to achieve material or financial benefit for themselves or others, or for other unauthorized purposes.

Other Employment and Activity

Employees must seek approval annually from the President for any outside employment. Employees must complete form “Notification of Outside Employment” and submit to the President by September 1 of each year. Additionally, employees have a duty to disclose in writing to the Vice President for Administrative Services any actual or potential conflict with goods or services purchased by the College or under a Federal contract.

The following are examples of other employment (outside or in addition to College employment) or activity, either with or without compensations, which impair the ability of an individual to perform his/her obligations as an employee or representative of the College. Other employment will not be considered an excuse for poor job performance, absenteeism, tardiness, leaving early, refusal to travel or refusal to work overtime or different hours. If the College determines that the other employment or activity is not in the best interests of the College, the employee may be asked to terminate the other employment or activity.
• Employment or other activity that occurs at times during which the employee normally is to perform his/her obligations for the College.
• Employment, without the approval of the employee’s immediate supervisor and the College President.
• Employment or activity individually or with another person or entity providing goods or services that are in competition with goods and/or services provided by the College.
• GCCC Disclaimer: In all employment or activities outside of an employee’s College employment, each employee functions in his or her individual capacity, without the support of the College and is solely responsible for his/her acts.
• All persons considering other employment or other activity that may create a conflict of interest have a duty to disclose any actual or potential conflict. Employees must complete a Notification of Outside Employment form annually.

Examples of conflict of interest:

1. Attempting to sell products, property, or services to the College, which would have the effect or appearance of taking advantage of his/her position as College employee with inside information.
2. Seeking or accepting employment that is in direct competition with services provided by the college.
3. Accepting compensation for performance of official College duties, other than what they are entitled to from the College.
4. Soliciting or accepting any items of value for personal gain from any person known to have a business or professional relationship with the College.
5. Tutoring for pay any students assigned to his/her classes.
6. An outside interest or employment that encroaches on an employee’s time and/or energy to the point where he/she is unable to devote his/her full abilities to the performance of assigned duties.
7. Using College facilities and/or materials in any commercial venture for which the employee receives remuneration.

Disclosure

Duty to Disclose

Purpose: Identify and review conflicts of interest and the appearance of conflicts of interest.

Officers of GCCC, its Board, all employees Coordinator level and above, and all employees with the responsibility of maintaining financial records, shall submit a completed Conflict of Interest Disclosure Form. If changes in circumstances arise that (a) create a new conflict of interest or (b) change or eliminate a Conflict of Interest previously disclosed, an updated disclosure is required. The process of disclosure includes the following actions:

• Submission of an Conflict of Interest Disclosure Form to the immediate supervisor.
Review of the disclosure by supervisor with a secondary review performed by the President or his/her designee. These officials will determine whether a conflict of interest exists and what conditions or restrictions, if any, should be imposed to manage, reduce or eliminate the conflict of interest.

If a Board member’s or employee’s family or any firm, corporation, partnership, individual, trust, estate, or business in which the Board member, employee or a member of the employee’s family has any financial or beneficial interest is involved in a transaction which could be construed as a conflict of interest if the Board member or employee was involved, full disclosure is required.

**Grant-related Disclosure**

No employee, officer or agent may participate in the selection, award or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer or agent, any member of their immediate family, their partner, or an organization which employees or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a Federal contract.

GCCC shall disclose in writing any potential conflict of interest to the Federal awarding agency or pass-through entity in accordance with applicable Federal awarding agency policy.

The College must disclose, in a timely manner, in writing to the Federal awarding agency or pass-through entity all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award. Failure to make required disclosures can result in any of the remedies described in § 200.338 Remedies for noncompliance, including suspension or debarment.

Potential conflicts of Interest (real or perceived) must be reported at the following times:

- Board members/employees planning to apply for a grant or contract must disclose their significant financial interest (and those of their immediate family) prior to the time of application for the grant. Board members/employees must certify whether they have a significant financial interest prior to proposal submission.

- Once a grant or contract has been awarded, all grant related personnel shall certify whether they have a significant financial interest at the time of hiring, assignment to the position, and annually thereafter for the duration of the grant or contract.

- The Project Director will submit relevant documentation to the Vice President for Administrative Services and maintain copies in the project files.

**Creation of College Financial Obligations Disclosure**

All persons recommending or involved in creating any financial obligation of the College including but not limited to the purchase of goods or services, contracts obligating the College, and leases, shall disclose to their supervisor the nature of any relationship whatsoever they may have with any vendor,
contractor, or lessor. A financial obligation in which an employee or representative of the College has an interest will only be entered into if:

- It is deemed to be in the best interests of the College; and,
- Such person’s interest with the other party will not conflict substantially or materially with such person’s discharge of their College responsibilities.

Having a financial interest does not necessarily constitute a conflict of interest. However, in order to ensure propriety and avoid even the semblance of wrongdoing, each employee and Board member will:

- Immediately disclose any association, relationship, business arrangement, or circumstance that might suggest to disinterested and objective individuals that decisions were made contrary to the best interest of the College. (For personal gain or gain of the family, close friends, or non-College business associates at the expense of the College.)

- Complete an Conflict of Interest Disclosure Form and submit to the Vice President for Administrative Services for review and action as warranted. Completed forms shall be retained in the office of the Vice President for Administrative Services until such time as the conflict no longer exists (e.g., change in employment status or change in relationship status).

- Refrain from participation in any discussion, selection, award, vote or administration of purchase or contract with which the employee or Board member has a potential conflict of interest.

- Comply fully and promptly. Instances of deliberate breach of policy, including failure to file or knowingly filing incomplete, erroneous, or misleading disclosure forms, violations of the guidelines, will be reported to the Vice President for Administrative Services. Failure to appropriately disclose any conflict of interest may result in disciplinary action up to and including termination. Failure to appropriately disclose any conflict of interest may also subject the employee and the College to criminal penalties.

Furthermore, the College must disclose in writing any potential conflict of interest to the cognizant federal awarding agency or pass-through entity in accordance with agency requirements.

**Enforcement and Sanctions**

A copy of this policy will be sent to each employee and Board member along with an Annual Conflict of Interest Disclosure Form. The completed form shall be returned to the Vice President for Administrative Services within 10 calendar days. Any conflict of interest or potential conflict of interest will be reported immediately by any employee regardless of position in the College.

The ultimate responsibility for the enforcement of the policies and regulations on conflicts of interest is that of the President who may delegate authority for enforcement to other College officials.

Violations of the policy or regulations, include, but are not limited to:

- The failure to submit timely disclosures;
• Submission of an incomplete, erroneous or misleading annual or ad hoc disclosure statement;
• Failure to disclose information as required by this policy; and
• Failure to comply with prescribed monitoring procedures for managing or resolving conflicts or potential conflicts of interest.

Failure to appropriately disclose any conflict of interest may result in disciplinary action up to and including termination. Failure to appropriately disclose any conflict of interest may also subject the employee and/or the College to criminal penalties.

Availability of Assistance

Any person who is in doubt whether they are confronted with an actual or potential conflict of interest should seek the advice of their supervisor to determine if the interest could conflict impermissibly with the person’s obligation to the College.

Family: spouse or domestic partner, child or stepchild, parent, sibling, grandparent, grandchild or in-law.

Contacts: Director of Human Resources

Approved Date: 9/1/2016


Keywords: conflict of interest, outside employment, solicitation, federal

Related Form: Conflict of Interest Disclosure Form