

# Conflicts of Commitment

## HR



### About This Policy

Effective Date:

06-01-2004

Last Updated:

Responsible University Office:

University Human Resources

Responsible University Administrator:

Vice President and Chief Financial Officer

Policy Contact:

University Human Resources

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### Related Information

- \* IU Policy on Financial Conflicts of Interest in Research Employees engaged in research programs may also be subject to the university's policy regarding financial conflicts of interest. Employees should consult the campus Sponsored Research office or campus Academic Affairs office with any questions.
- \* Policy on Conflicts of Interest Employees should avoid potential conflicts of interest, or otherwise disclose them for review and resolution by their unit head in accordance with the university's policy on Conflicts of Interest for Staff and Temporary employees.
- \* IU Purchasing Policies Employees shall not use their purchasing authority for personal gain.

## Scope

### Policy Statement

### Reason For Policy

### Procedure

### Definitions

### Sanctions

[Back to top](#) ↗

## Scope

This policy applies to all Staff and Temporary employees of Indiana University, whether part-time or full-time.

[Back to top](#) ↗

## Policy Statement

1. It is the policy of Indiana University that its employees conduct the affairs of the university in accordance with the highest legal, ethical and moral standards.
2. It is the policy of Indiana University that employees are expected to devote their university work activities to official functions of the university, and to use university resources only in the interest of the university. An employee may not commit university resources to activities not in the interest of the university.
3. It is the policy of Indiana University that employees should not allow external activities to impede the fulfillment of university responsibilities.
4. Nothing in this policy shall be construed to permit any activity that is prohibited by law.
5. There are federal and state laws regarding the reporting of suspected illegal activity, including federal whistleblower laws.
  - a. Indiana state law

- i. **Indiana Code (IC 35-44.1-1-3, Ghost Employment)** indicates that ghost employment can result in civil and criminal action against the supervisor and employee, as a Class D felony. Examples of when ghost employment occurs under state law:
  1. A supervisor fails to assign an employee duties or assigns to an employee any duties not related to the operation of the university.
  2. An employee knows that he or she has not been assigned any duties or assigned duties not related to the operation of the university and accepts compensation or property from the university.
  3. Any person who permits the payment of compensation or property in violation of this law is jointly liable.

[Back to top ↗](#)

## Reason For Policy

1. The participation of employees in external activities that enhance their professional skills and constitute public service can be beneficial to Indiana University as well as the individual employee. External activities provide an opportunity to discover and pass on knowledge, with the formation of alliances that enhance the university's academic and research missions.
2. Employees are encouraged to participate and provide leadership in professional organizations, panels, committees, and other broadly defined public and professional service opportunities. These interactions can enhance relationships with a wide variety of governmental, business and not-for-profit entities that enhance the university's academic and research missions.
3. External activities can lead to conflicts of commitment with regard to an employee's university responsibilities, along with the misuse of university resources. As such, this policy is intended to serve as a guide for recognizing and managing employee conflicts of commitment, and whenever possible, to prevent even the appearance of conflicts of commitment.

[Back to top ↗](#)

## Procedure

1. University employees are expected to devote their university work activities to official functions of the university. Employees may engage in external activities provided that such activities do not detract from the performance of their university duties and responsibilities; for nonexempt Staff this also means that external activities must be performed outside of the employee's work time. With supervisory approval and in accordance with university policies, employees may take paid time off or a leave without pay to engage in external activities.
2. External activities not related to university responsibilities shall take place outside of the employee's designated work activities or during periods of authorized leave. External activities for which paid or unpaid leave should be used include, but are not limited to:
  - a. Providing non-university related services to another entity, including a corporation, business, association, government agency or not-for-profit organization, as an officer, director, owner, agent, consultant, or employee
  - b. Providing services as a voluntary or paid expert witness in any civil or criminal case
  - c. Providing private lessons in art, music or any field of study
  - d. Providing private counseling for financial aid, career development, and academic considerations
  - e. Providing services as an editor or reviewer for professional journals, unless authorized by the employee's supervisor
3. Employees shall not accept any compensation from another agency or entity or individual for work performed in the course of their employment at the university, except under very limited circumstances such as payments from government or not-for-profit entities for participation on advisory committees or review panels.
4. Employees shall not use any resource (facilities, supplies, equipment or other resources) for external activities that has a material cost to the university.
5. Except as approved in advance by the employee's unit head and the Advanced Research and Technology Institute's **Office of Licensing and Trademarks**, employees shall not use the university's name or trademark in such a manner to suggest institutional endorsement or support of an outside activity or non-university product or service, nor use university business cards or stationery in such a manner to suggest institutional endorsement or support of an outside activity or non-university product or service.
6. Employees shall make clear, when engaging in external activities, that they are acting and speaking in their individual capacity and not as representatives or agents of the university.
7. Employees shall not disclose any non-public or confidential information concerning the university's operations, employees, or students, except that this provision shall not affect any person's right to report suspected illegal activity under applicable law.
8. Employee responsibilities
  - a. Employees shall comply with the provisions of this policy.
  - b. Employees shall report any known or suspected violation of this policy to the associated unit head.
  - c. If there is any question whatsoever about an external activity representing a conflict of commitment or interfering with the fulfillment of university responsibilities, then the employee should consult with his or her supervisor for directions. If the employee's supervisor is not available within a reasonable period of time, then the employee should contact the associated unit head for directions.
9. Unit head responsibilities
  - a. Unit heads and supervisors shall ensure that all new employees are informed of this policy.
  - b. Unit heads and supervisors shall ensure that all current employees are reminded of this policy on a periodic basis, but no less frequently than every two years.

- c. Unit heads and supervisors shall ensure there is appropriate monitoring and oversight to ensure that an employee's university responsibilities are fulfilled and that university resources are used only in the interests of the university.
- d. Supervisors shall monitor employee work activities for compliance with this policy and related Indiana state laws; Unit heads shall ensure that this supervisory responsibility is an expectation assigned to supervisors.
- e. Unit heads and supervisors shall take diligent efforts to maintain confidentiality of reports, remedies and sanctions, to the extent allowed by university policies and state laws.
- f. Unit heads and supervisors shall establish and maintain a work environment that encourages employees to ask questions about real or potential conflicts of commitment.
- g. If the unit head has any question whatsoever about an external activity representing a conflict of commitment or interfering with the fulfillment of university responsibilities, then he or she should consult with the next higher level of university management.

[Back to top ↗](#)

## Definitions

1. *Conflicts of commitment* occur when the time or effort that an employee devotes to external activities interferes with the employee's fulfillment of assigned university responsibilities, or when an employee makes unauthorized use of university resources in the course of an external activity.
2. *External activity* means involvement with any person, trust, organization, enterprise, government agency, or other entity that is not an entity associated with or under the control of Indiana University. (Associated entities include the IU Foundation, ARTI, and physician practice plans.) University appointment or assignment of an employee to an external board or committee does not constitute an "external activity" for the employee. External activity for the purpose of this policy also does not mean to reference family activities or authorized professional development activities.
3. *Unit head* means the applicable dean, vice chancellor, chancellor, provost, associate or assistant vice president, vice president, or president, who has executive management responsibilities for supervising the employee.
4. *University* means Indiana University.
5. *University responsibilities* are defined as the responsibilities of a university employee to perform university activities as defined by university management, contract, or collective bargaining agreement.

[Back to top ↗](#)

## Sanctions

1. This policy references an [Indiana Code \(IC 35-44.1-1-3\)](#), which makes it a criminal offense to assign non-university work to another employee or for a university employee to accept compensation for the performance of non-university work. It also is a criminal offense not to assign an employee any duties for any period of work time.
2. Violations of university policies, including the failure to avoid a conflict of commitment in accordance with this policy, will be dealt with in accordance with applicable university policies and procedures; which may include disciplinary actions up to and including termination from the university.
3. Unit head decisions regarding a reported conflict of commitment may be appealed to the next higher unit head, in accordance with the university's normal problem-grievance resolution procedures.
4. Refer to the personnel policies for the associated employee group.