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## MEMORANDUM

TO: Faculty Senators/Alternates  
Unit Code Administrators  
Board of Trustee Members

FROM: Patricia J. Anderson *Patricia J. Anderson*  
Chair of the Faculty

DATE: October 4, 1993

SUBJECT: Reports from the Faculty Affairs Committee

Attached are the complete reports from the Faculty Affairs Committee concerning **Conflicts of Interest** and **Commitment Policy Statement and Procedures** and the **Faculty Opinion Survey on Merit Pay**.

I ask you to please post these reports in an area convenient for your colleagues to also review. You will notice that several editorial corrections have been made to the Faculty Opinion Survey on Merit Pay.

Both of these reports will be discussed at the October 19, Faculty Senate meeting.

:lal



PLEASE POST FOR ALL FACULTY TO READ!

**FACULTY AFFAIRS COMMITTEE REPORT**  
**CONFLICTS OF INTEREST AND COMMITMENT**  
**POLICY STATEMENT AND PROCEDURES**

The following information is being distributed to unit code administrators, Faculty Senators, Alternates, Board of Trustees, and upon request. This information will be discussed at the October 19, Faculty Senate meeting.

**C O N T E N T S**

- Introduction
- The Concepts at Issue
- Procedures
- Annual Faculty/Professional Staff Disclosure Form
- Relevant Policies of the Board of Governors:
  - 1. Policies and Guidelines of the Board of Governors Concerning Conflicts of Interest and Commitment Affecting University Employment
  - 2. Policy Statement on External Professional Activities of Faculty and Other Professional Staff
- Specific Forms for Disclosures and Notices:
  - 1. Disclosure of Directorships and other Corporate Interdependencies
  - 2. Notice of Intent to Engage in External Professional Activities for Pay
  - 3. Activity During Past Fiscal Year
  - 4. Administrative Action on Notice of Intent
  - 5. Disclosure of Potential Conflicts of Interest Relating to Teaching and Ownership of other Intellectual Property.

**INTRODUCTION**

Effective July 1, 1993, all EPA faculty and other professional staff of East Carolina University are subject to new or revised policies concerning conflicts of interest and conflicts of commitment affecting University employment and external professional activities. These policies were approved by the Board of Governors of the University of North Carolina on April 16, 1993, and are for implementation during the 1993-94 academic year.

The following sections of this policy :

- ◆ REVIEW the concepts at issue in the policies,
- ◆ LIST the procedures to be followed in implementing these policies,
- ◆ PROVIDE a copy of the "Annual Faculty/Professional Staff Disclosure Form" which is the focus of those procedures,
- ◆ CONVEY the complete text of the relevant Board of Governors' policies on these matters, and
- ◆ ILLUSTRATE the three specific forms that must be used when appropriate to record administrative oversight of these activities.

Any questions regarding these procedures or the Board of Governor's policies upon which they are based should be directed to the Office of the University Attorney.

**THE CONCEPTS AT ISSUE**

The distinction between conflicts of commitment and interest is not always clear. In general, conflict of commitment relates to allocation of time and should become apparent in the annual review process conducted by the administrative superior. Conflict of interest involves matters which might unduly influence employee judgment in the conduct of employee affairs, such that some merely personal advantage is or might be unduly gained.

More specifically, CONFLICT OF COMMITMENT occurs when the pursuit of outside activities involve an inordinate investment of time that interferes with the faculty or professional staff member's obligations to students, to colleagues, and/or to the missions of the University. CONFLICT OF INTEREST occurs when financial or other personal considerations compromise the faculty or professional staff member's objectivity in fulfilling University duties or responsibilities, including research activities.



The purpose of asserting policies concerning these concepts is not to limit responsible external activities, but rather to ensure that all activities are accurately disclosed and to reduce the probability of the occurrence of inappropriate activities.

#### PROCEDURES

Effective July 1, 1993, each faculty member as well as all other EPA employees will be required to disclose the extent of their relevant activities each year. To facilitate disclosure and to ensure appropriate uniformity across the University, each individual will complete the "Annual Faculty/Professional Staff Disclosure Form." Each administrator will distribute this form [see sample below] to all faculty and professional staff [EPA non-faculty] under his or her supervision.

The purpose of this form is to identify employees' activities which may lead to actual or perceived conflicts of commitment or interest such that appropriate administrative intervention can resolve any problem. The employee and the administrative superior are to complete and sign the annual disclosure form, which implies that the administrative superior has reviewed the form. The forms will be maintained in the administrative office and no further action will be required if all questions are answered "no."

Further disclosure and review is required if activities elicit any "yes" responses on the annual form. The employee must then complete and sign the appropriate additional forms and these forms must also be reviewed and signed by the administrative superior. These completed forms must be forwarded to the next higher administrator for final approval [e.g., to the dean where a chairperson was the original administrative superior, or to the appropriate vice chancellor where a dean was the original administrative superior]. These disclosure forms will be maintained in the originating administrative office.

If after review by the designated administrative officer, questions remain regarding ethical issues or if disagreement exists between the employee and the administrator regarding the permissibility of any activity, the case shall be referred to the appropriate vice chancellor who would then consult with the associate vice chancellor for research, and other deans and faculty as deemed appropriate, before rendering the administrative decision.

#### ANNUAL FACULTY/PROFESSIONAL STAFF DISCLOSURE FORM

Completion of this form is required annually of all faculty and EPA nonfaculty employees of the University. Further, specific forms must be completed, respectively, if any questions listed in Sections A, B, and C below are answered in the affirmative.

Moreover, if you intend to undertake activities for pay which do not involve the professional knowledge for which the University retains your services, your signature and the signature of your administrative superior are taken to indicate that you and that superior have discussed these activities and that such activities have been deemed consistent with proper fulfillment of your University duties and, therefore, cause no conflict of commitment.

**SECTION A:** If the answer to any of questions 1 through 5 are "yes," then complete the specific form entitled "Disclosure of Directorships and other Corporate Interdependencies."

1. Are you or a member of your immediate family on the Board of Directors of a company that sponsors research, outreach, extension, testing, or service projects in which you are a participant?
2. Are you or a member of your immediate family an officer of a company that sponsors research, outreach, extension, testing, or service projects in which you are a participant?
3. Do you or a member of your immediate family have an ownership/equity interest/expectancy in a company that sponsors research, outreach, extension, testing, or service projects in which you are a participant?
4. Are you or a member of your immediate family an employee of a company that sponsors research, outreach, extension, testing, or service projects in which you are a participant?
5. Are you in a position which may supervise, select, or otherwise evaluate services provided to the University by a company in which you or a member of your immediate family have an ownership interest?

**SECTION B:** If the answer to any of questions 6 through 8 is "yes," then complete the specific form entitled "Notice of Intent to Engage in External Professional Activities for Pay."

6. Are you or a member of your immediate family engaged in professional activities for pay with a company that sponsors research, outreach, extension, testing, or service projects in which you are a participant?
7. Do you supervise any graduate students that work for a company in which you are on the board of directors, an officer, have ownership interest, or are employed by for professional activities for pay?
8. Do you employ any graduate students in your external professional activities for pay?

**SECTION C:** If the answer to question 9 or 10 is "yes," then complete the specific form entitled "Disclosure of Potential Conflicts of Interests Relating to Teaching and Ownership of other Intellectual Property."



9. Are you the author of a textbook, course pack, lab manual or other material, for which you receive royalties or other compensation from sources other than the University, that is required for any class that you teach?
10. Are you the owner of any intellectual property [patent, trademark, copyright, software, or trade secret] that the University uses?

#### SIGNATURES

EPA Employee \_\_\_\_\_ Date \_\_\_\_\_

Title \_\_\_\_\_

Department/Office \_\_\_\_\_

Administrative Superior \_\_\_\_\_ Date \_\_\_\_\_

Next Higher Administrator \_\_\_\_\_ Date \_\_\_\_\_

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#### RELEVANT POLICIES OF THE BOARD OF GOVERNORS

##### POLICIES AND GUIDELINES OF THE BOARD OF GOVERNORS CONCERNING CONFLICTS OF INTEREST AND COMMITMENT AFFECTING UNIVERSITY EMPLOYMENT

(Adopted by the Board of Governors, April 16, 1993)

The Code of The University of North Carolina affirms that the basic mission of the faculty is "the transmission and advancement of knowledge and understanding." Faculty employment entails the three responsibilities of teaching, scholarly research and publication, and other professional service to the institution and to society. Realization of those objectives is facilitated and encouraged by certain distinctive characteristics of employment within an academic community, which differs markedly from the conventional work-day and work-week employment models in most business and industrial settings.

Within the academy, time-specific assignments, such as classroom contact hours, constitute only a limited part of the workload. Typically, actual teaching hours account for no more than one quarter of a professor's time. However, activity directly affecting the education of students also includes class preparation and student evaluation, scheduled and unscheduled office hours for individual student counseling, and meetings of committees within departments, divisions and schools of the institution which are responsible for curriculum development, syllabus preparation, and program evaluation. In addition, the collective faculty has extensive authority and responsibility for the governance of the institution. Such work usually is accomplished through membership on various committees, at the department, division, school and institutional levels, which address personnel, financial and other administrative issues. Finally, every member of the faculty is expected to pursue research in his or her area of specialization. Such scholarly activity may be specifically relevant to instruction, it may add generally to the body of information and understanding in a particular field, or it may have direct practical applications, as in business, industry, government, primary and secondary education, public health and national defense.

Faculty members also pursue their specialized professional interests in other contexts, collateral to their immediate university employment. They hold memberships in and attend meetings of professional associations and learned societies; they serve on review or advisory panels; they present lectures, papers, concerts and exhibits; they participate in seminars and conferences; they review and edit scholarly publications; and they participate in accreditation reviews.

Many faculty members also have opportunities to use their specialized competencies in secondary professional employment, as paid consultants to public and private agencies, and thereby contribute to the transfer and application of knowledge.

The role of a scholar, encompassing both institutional employment responsibilities and broader applications of specialized professional interests, is complex. The university employment environment is designed to accommodate such complexity. For many purposes the faculty member is allowed, and indeed encouraged, to function more independently than employees in other settings. Aside from assigned teaching responsibilities and committee memberships, a faculty member establishes his or her own agenda and schedule in selecting and pursuing scholarly emphases. A substantial part of the value received by society in exchange for its investment in a scholar's career is attributable to that freedom of inquiry, whether the inquiry consists of basic scientific research, applied or performing art, analysis and criticism of literature, or explication of economic principles. Members of the faculty are paid to be imaginative, inquisitive and creative..

The freedom accorded faculty members carries with it a substantial responsibility. Those who display notable talent and are conscientious and productive in their pursuit of knowledge and learning are invited to establish



long-term affiliations with the institution, through the award of tenure. There is the possibility, however, that members of the faculty may abuse the essential freedom attending faculty employment and neglect their responsibilities to the institution. Such neglect may become an issue when decisions are being made about reappointment or tenure, or it may require attention at other times during the employment relationship. The problem may consist of what may be denominated either a *conflict of commitment* or a *conflict of interest*.

*Conflict Of Commitment* relates to an individual's distribution of effort between obligations to one's university employment and one's participation in other activities outside of university employment. The latter may include such generally encouraged extensions of professional expertise as professional consulting. Such activities 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 the pursuit of such outside activities involves an inordinate investment of time that interferes with the faculty member's obligations to students, to colleagues, and to the missions of the university.

*Conflict of Interest* relates to situations in which financial or other personal considerations may compromise, may involve the potential for compromising, or may have the appearance of compromising a faculty member's objectivity in meeting university duties or responsibilities, including research activities. The bias that such conflicts may impart can affect many university duties, including decisions about personnel, the purchase of equipment and other supplies, the collection, analysis and interpretation of data, the sharing of research results, the choice of research protocols, and the use of statistical methods. A faculty member may have a conflict of interest when he or she, or any member of that person's immediate family, has a personal interest in an activity that may affect decision making with respect to university teaching, research or administration.

As relationships between university faculty members and private industry, federal and state governments, and nonprofit agencies have grown in number and scope, there has been a corresponding increase in concern about conflicts of commitment and interest. While members of the faculty are encouraged to engage in appropriate relationships with public and private agencies outside of the university, there is a need for commonly understood principles and corresponding procedures that will identify and address conflicts that would detract from or interfere with a faculty member's dedication of primary professional loyalty, time and energy to university teaching, research and service. Although faculty members are the primary subject of concern, all other university employees similarly must avoid conflicts of time and commitment.

#### A. Conflicts of commitment

Questions about conflict of commitment are more easily resolved than questions about conflicting interests. Although full-time faculty employment is not amenable to precise, time- clock analysis and monitoring, administrators at the department and school levels are able to and regularly do evaluate the work of employees within their jurisdiction. The formal occasions for determining whether an individual is devoting sufficient time and energy to university employment include regular reviews of performance in connection with annual salary decisions and scheduled reviews incident to promotion, reappointment or tenure decisions. In addition, complaints from students, colleagues or administrators about possible failures to meet assigned responsibilities may arise and require investigation. The issue, in each case, is whether the faculty member is meeting the requirements of the job. If presented with evidence that he or she is not meeting full-time responsibilities to the university, the Code prescribes that "neglect of duty" is a ground for disciplinary action, including the possibility of discharge. In one particularly relevant context the Board of Governors has established special policies and procedures for monitoring possible conflicts of commitment. A university employee who wishes to engage in external professional activity for pay must make a full disclosure, in advance, of the planned outside involvement and must provide satisfactory assurances that such activity will not interfere with university employment obligations. In another example of special legislation, the Board has established rules for monitoring and regulating the involvement of university employees in political candidacy and office holding that could interfere with full-time commitment to university duties.

There is no apparent need to adopt new or additional policies or procedures to address concerns about conflicts of commitment. Existing regulations and procedures provide adequate assurances.

#### B. Conflicts of interest

Conflicts of interest are more difficult to define, detect and resolve. The challenge is to establish some basic parameters, of general applicability throughout the University of North Carolina, that will permit institutions and their faculties to recognize more readily and clearly those situations that are improper or that may be questionable, and to institute basic procedures for avoiding or rectifying any problems. Thereafter, the constituent institutions, through collaborative faculty and administrative efforts, should develop more detailed policies and procedures that will accommodate any special conditions and needs of a particular campus or particular faculty.

A faculty member's professional activities and financial interests must be arranged to avoid circumstances that do or may prevent or limit objectivity in the performance of university responsibilities or that otherwise do or may affect adversely any university interests.

### 1. CATEGORIES OF POTENTIAL CONFLICTS OF INTEREST

Activities that may involve conflicts of interest can be categorized under three general headings: First, those that otherwise might appear to involve such a conflict but that in fact do not, are



allowable, and need not be reported; second, those that are questionable and must be reported, but that may be allowable with administrative approval; and third, those that generally are not allowable. The following examples are merely illustrative and do not purport to include all possible situations within the three categories:

a. Activities Allowable With No Reporting Required

The cited examples do involve activities external to university employment, and thus may present the appearance of a technical conflict, but they in fact do not have the potential for affecting the objectivity of the faculty member's performance of university responsibilities; at most, some such situations could prompt questions about conflicts of commitment.

- ◆ A university employee receiving royalties from the publication of books or for the licensure of patented inventions subject to the UNC Patent and Copyright Policies.
- ◆ A university employee having an equity interest in a corporation, the exclusive function of which is to accommodate the employee's external consulting activities
- ◆ A university employee receiving nominal 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. Activities Requiring Disclosure For Administrative Review

The cited examples suggest a possibility of conflicting loyalties that can impair objectivity, but disclosure and resulting analysis of relationships may render the activity permissible, perhaps with certain types of limitation or monitoring.

- ◆ A university employee requiring students to purchase the textbook or related instructional materials of the employee or members of his or her immediate family, which produces compensation for the employee or family member.
- ◆ A university employee receiving compensation or gratuities (other than occasional meals, gifts of desk copies of textbooks, and the like) from any individual or entity doing business with the university.
- ◆ A university employee serving on the board of directors or scientific advisory board of an enterprise that provides financial support for university research, and the employee or a member of his or her immediate family may receive such financial support.
- ◆ A university employee serving in an executive position in a for-profit or not-for-profit business which conducts research or other activities in an area related to the university duties of the employee.
- ◆ A university employee having significant equity in a for-profit business which conducts research or other activities in an area related to the employee's university duties.
- ◆ A university employee having a financial interest in a business that competes with services provided by the university.

c. Activities Or Relationships That Generally Are Not Allowable

The cited examples involve situations that are not generally permissible, because they involve potential conflicts of interest or they present obvious opportunities or inducements to favor personal interests over institutional interests. Before proceeding with such an endeavor, the faculty member would have to sustain the burden of demonstrating that in fact his or her objectivity would not be affected or university interests otherwise would not be damaged.

- ◆ A university employee participating in university research involving a technology owned by or contractually obligated to (by license or exercise of an option to license, or otherwise) a business in which the individual or a member of his or her immediate family has a consulting relationship, has an ownership interest, or holds an executive position.
- ◆ A university employee participating in university research which is funded by a grant or contract from a business in which the individual or a member of his or her immediate family has an ownership interest.
- ◆ A university employee assigning students, post-doctoral fellows or other trainees to university research projects sponsored by a business in which the individual or a member of his or her immediate family has an ownership interest.
- ◆ A university employee accepting support for university research under conditions that require research results to be held confidential, unpublished, or inordinately delayed in publication (other than as allowed by University Patent and Copyright Policies or by policy of the Board of Governors dated February 12, 1988, Administrative Memorandum No. 260).
- ◆ A university employee making referrals of university business to an external enterprise in which the individual or a member of his or her immediate family has a financial interest.
- ◆ A university employee associating his or her own name with the university in such a way as to profit financially by trading on the reputation or goodwill of the university.
- ◆ A university employee making unauthorized use of privileged information acquired in connection with one's university responsibilities.



## 2. AVOIDING CONFLICTS OF INTEREST

Each constituent institution must adopt procedures (a) that effectively impart a clear understanding of impermissible or questionable conduct and (b) that provide for advance disclosure and periodic audits designed to permit analysis and avoidance of potential problems.

Critical to the success of any program established to address conflicts of interest is employee understanding of the problem, so that individuals are equipped to avoid such conflicts on their own initiative. While in many situations the conflict of interest would be obvious to all, in other situations the potential difficulty would not be so apparent. Since concern about conflicts of interest appropriately embraces situations in which there is a potential for or appearance of conflict, as well as actual conflict, there may be differing views about what is or is not a problematic activity or affiliation. Thus, the faculty and administration of each constituent institution first must reach agreement on and promulgate basic definitions, of the type suggested herein, and then must insure that all affected employees are fully informed, on a regular and continuing basis.

Obviously it is preferable to anticipate and avoid conflicts of interest rather than belatedly discover an existing conflict that requires remedial action, involving the possibility of charges of misconduct, the severance of institutional affiliations or the discontinuation of external activities, or other disruptions of professional or financial arrangements. Thus, an effective method of evaluating possible conflicts of interest, in advance, is indispensable. Before the beginning of each academic year, every faculty member and other affected professional employees should be required to answer a questionnaire that would elicit pertinent information about proposed or existing arrangements, coterminous with university employment, that require attention. Designated administrative and faculty officers and committees then would be equipped to analyze with the employee any apparent problem and decide whether the activity or affiliation in question actually presents a conflict of interest and, if so, what safeguards or remedial actions should be taken. Employees further would be required to supplement the information elicited by the questionnaire at any time during the academic year when a contemplated new venture might entail conflicts of interest. In each case a designated administrative officer would provide a final ruling, subject to prescribed rights of appeal.

In combination, the required advance definition and publicity and advance screening should help all faculty members avoid any difficulties in the area of conflicts of interest.

Each chancellor shall submit to the President, for review, a copy of proposed institutional policies and procedures, including definitions of conflicts of interest, methods for publicizing institutional definitions and requirements, and procedures and forms for disclosing relationships and circumstances that may raise questions about conflicts of interest. Such proposals shall be submitted and, subject to presidential approval, shall be implemented on a schedule to be established by the President.

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### POLICY STATEMENT ON EXTERNAL PROFESSIONAL ACTIVITIES OF FACULTY AND OTHER PROFESSIONAL STAFF (Adopted by the Board of Governors, April 16, 1993)

#### SECTION 1. UNIVERSITY POLICY

The University of North Carolina and its constituent institutions seek to appoint and to retain, as faculty and other professional staff members, individuals of exceptional competence in their respective fields of professional endeavor. Because of their specialized knowledge and experience, such persons have opportunities to apply their professional expertise to activities outside of their University employment, including secondary employment consisting of paid consultation with or other service to various public and private entities. Through such practical, compensated applications of their professional qualifications, University employees enhance their own capabilities in teaching and research. Thus, participation of faculty and other professional staff members in external professional activities for pay, typically in the form of consulting, is an important characteristic of academic employment that often leads to significant societal benefits, including economic development through technology transfer. However, such external professional activities for pay are to be undertaken only if they do not:

- a. Create a conflict of commitment by interfering with the obligation of the individual to carry out all primary University duties in a timely and effective manner
- b. Create a conflict of interest vis-à-vis the individual's status as an employee of the University; or
- c. Involve any inappropriate use or exploitation of University resources; or
- d. Make any use of the name of the University of North Carolina or any of its constituent institutions for any purpose other than professional identification; or
- e. Claim, explicitly or implicitly, any University or institutional responsibility for the conduct or outcome of such activities.

#### SECTION 2. DEFINITIONS



- a. "External professional activities for pay" means any activity that 1) is not included within one's University employment responsibilities; 2) is performed for any entity, public or private, other than the University employer; 3) is undertaken for compensation; and 4) is based upon the professional knowledge, experience and abilities of the faculty or other professional staff member. Activities for pay not involving such professional knowledge, experience and abilities are not subject to the advance disclosure and approval requirements of Section 3 of this Policy, although they are subject to the basic requirement that outside activities of any type not result in neglect of primary University duties, conflicts of interest, inappropriate uses of the University name, or claims of University responsibility for the activity.
- b. "University employment responsibilities" include both "primary duties" and "secondary duties." Primary duties consist of assigned teaching, scholarship, and all other institutional service requirements. Secondary duties consist of professional affiliations and activities traditionally undertaken by faculty and other professional staff members outside of the immediate University employment context that redound to the benefit of the profession and to higher education in general. Such endeavors, which may or may not entail the receipt of honoraria or the reimbursement of expenses, include 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. Such integral manifestations of one's membership in a profession are encouraged, as extensions of University employment, so long as they do not conflict or interfere with the timely and effective performance of the individual's primary University duties.
- c. "Faculty or other professional staff member" means any person who is employed full-time by the University of North Carolina or a constituent institution or other agency or unit of the University of North Carolina and who is not subject to the State Personnel Act.
- d. "Department" means an academic department, a professional school without formally established departments, or any other administrative unit designated by the Chancellor of an institution or by the President for the Office of General Administration, for the purposes of implementing this policy.
- e. "Inappropriate use or exploitation of University resources" means using any services, facilities, equipment, supplies or personnel which members of the general public may not freely use. A person engaged in external professional activities for pay may use, in that connection, his or her office and publicly accessible facilities such as University libraries; however, an office shall not be used as the site for compensated appointments with clients, e.g., for counseling or instruction. Under no circumstances may a supervisory employee use the services of a supervised employee during University employment time to advance the supervisor's external professional activities for pay.
- f. "Conflict of interest" relates to situations in which financial or other personal considerations may compromise, may have the potential for compromising, or may have the appearance of compromising an employee's objectivity in meeting university duties or responsibilities, including research activities.

### SECTION 3. Procedures Governing External Professional Activity For Pay

- a. A faculty or other professional staff member who plans to engage in external professional activity for pay shall complete the "Notice of Intent to Engage in External Professional Activity for Pay" (hereinafter referred to as "Notice of Intent," Attachment A), which shall be filed with the head of the department in which the individual is employed. A separate "Notice of Intent" shall be filed for each such activity in which an employee proposes to engage. Unless there are exceptional circumstances, the "Notice of Intent" shall be filed not less than ten (10) calendar days before the date the proposed external professional activity for pay is to begin.
- b. Approval of a "Notice of Intent" may be granted for a period not to exceed the balance of either (1) the fiscal year (in the case of 12-month employees and employees with contract service periods that include the summer session) or (2) the academic year (in the case of 9-month employees with no summer session contract period) remaining as of the date of approval; if the approved activity will continue beyond the end of the relevant fiscal or academic year in which it was begun, an additional "Notice of Intent" must be filed at least ten days before engaging in such activity in the succeeding relevant year.
- c. Except as set out in paragraph "d" below, the "Notice of Intent" shall be considered as follows: If, after a review of the "Notice of Intent" and consultation with the faculty or other professional staff member, the department head determines that the proposed activity is not consistent with this policy statement of the Board of Governors, the faculty or other professional staff member shall be notified of that determination within ten (10) calendar days of the date the "Notice of Intent" is filed. In the event of such notification by the department head, the faculty or other professional staff member shall not proceed with the proposed activity but may appeal that decision to the administrative officer to whom the department head reports, and then to the Chancellor (or, in the General Administration, to the President). A decision on any such appeal shall be given to the faculty or other professional staff member within ten (10) calendar days of the date on which the appeal is received. The decision of the Chancellor (or of the President) shall be final. Appeals shall be made in writing on the "Notice of Intent" form.
- d. If question 8, question 9a, or question 9b on the "Notice of Intent" is answered in the affirmative, the procedure set out in paragraph 3.c above shall be modified as follows: The decision of the department head to approve the activity shall be reviewed promptly and approved or disapproved within ten (10) days



of receipt by the administrative officer to whom the department head reports, and appeal of a disapproval by that officer shall be to the Chancellor (or, in the General Administration, to the President).

e. Departmental summaries of all "Notices of Intent" filed and of actions taken in response to such "Notices of Intent" during the preceding fiscal year shall be submitted by department heads to the Chancellor (or, in the General Administration, to the President) each July. The Chancellors shall provide annual summary reports to the President by September 1 of each year.

f. University employees not complying with these procedures will be subject to disciplinary action. Department heads are held responsible for proper reporting.

#### SECTION 4. Special Provisions

a. External professional activities for pay performed for another institution or agency of the State of North Carolina also must comply with State policies governing dual employment and compensation, unless an exception to those State policies is expressly authorized by the Chancellor or the President.

b. The procedures in Section 3 shall not be required of faculty and other professional staff members serving on academic year contracts, if the external professional activity for pay is wholly performed and completed between the day following spring commencement and the first day of registration for the fall semester, provided that the activity does not conflict with this policy statement of the Board of Governors and is not conducted concurrently with a contract service period for teaching, research, or other services to the institution during a summer session.

#### SECTION 5. Effective Date

This policy statement shall become effective on July 1, 1993.

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### SPECIFIC FORMS FOR DISCLOSURES AND NOTICES

#### DISCLOSURE OF DIRECTORSHIPS AND OTHER CORPORATE INTERDEPENDENCIES

Year \_\_\_\_\_

Name(s) of individual(s) who is an officer, employee, member of the Board of Directors or have an ownership/equity interest/expectancy in a company that sponsors research, outreach, extension, testing or service project in which you are a participant?

Relationship to faculty member/EPA professional? \_\_\_\_\_

Position(s) held by individual(s) \_\_\_\_\_

Name of Company \_\_\_\_\_

Major Business Activities of Company:

Briefly describe research, outreach, extension, testing or service project sponsored by Company:

Type of ownership/equity interest/expectancy held by faculty member/EPA professional or family member.

Percentage of ownership in Company: (If less than 5%, no need to report)

Less than 5% \_\_\_\_\_  
(yes or no)

5% or more \_\_\_\_\_  
(specify)

Signatures

EPA Employee \_\_\_\_\_

Date \_\_\_\_\_

Title \_\_\_\_\_

Department \_\_\_\_\_

Department Head \_\_\_\_\_

Date \_\_\_\_\_

Dean \_\_\_\_\_

Date \_\_\_\_\_



NOTICE OF INTENT TO ENGAGE IN EXTERNAL PROFESSIONAL ACTIVITIES FOR PAY

Date: \_\_\_\_\_

\_\_\_\_\_, (name)  
intends to engage in external professional activity for pay under the following conditions:

1. Name and address of contracting organization:
2. Nature of proposed activity:
3. Beginning date and anticipated duration of activity:
4. On average, how many hours per week will be devoted to this activity?
  - a. For 12-month employees, for the anticipated duration of the activity, within the current fiscal year ending June 30: \_\_\_\_\_
  - b. For 9-month employees, for each component part of the academic year, as applicable, within the current fiscal year ending June 30 (see Policy section 3.b.):
    - (1) Second summer session (post July 1) \_\_\_\_\_
    - (2) Fall semester \_\_\_\_\_
    - (3) Spring semester \_\_\_\_\_
    - (4) First summer session (pre July 1) \_\_\_\_\_
5. Total number of hours to be devoted to activity:
6. Identify any classes, meetings or other University duties that will be missed because of involvement in the proposed activity (respond separately for each applicable component part of the academic calendar if 9-month employee) and state what arrangements have been made to cover any such duties:

Duties Missed	Arrangements to Cover
_____	_____
_____	_____
7. Use of University resources in connection with proposed activity:
  - a. Will the activity entail the use of any University resources (see discussion at section 2.e. of Policy)?  
( ) Yes      ( ) No
  - b. If yes, describe what resources will be used.
8. To your knowledge, does the contracting organization above provide funding which directly supports any of your University duties or activities?  
( ) Yes      ( ) No
9. To be completed if the contracting organization is a private firm:
  - a. Do you or any member of your immediate family own an equity interest in the contracting organization?  
( ) Yes      ( ) No
  - b. Do you hold an office in the contracting organization?  
( ) Yes      ( ) No
10. Performance of the above described activity is consistent with the Board of Governors Policy on External Professional Activities.

Signatures

Signature \_\_\_\_\_

Department \_\_\_\_\_

Academic Rank or Job Title \_\_\_\_\_

Administrative Title (if any) \_\_\_\_\_



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#### ACTIVITY DURING PAST FISCAL YEAR

Provide the following information for each External Professional Activity for Pay in which you engaged during the last fiscal year preceding the date of filing of this "Notice of Intent."

1. Contracting organization:

\_\_\_\_\_  
\_\_\_\_\_

2. Beginning and ending date of activity (if completed):

\_\_\_\_\_  
\_\_\_\_\_

3. Average hours per week devoted to this activity:

\_\_\_\_\_  
\_\_\_\_\_

4. Total number of hours devoted to this activity: \_\_\_\_\_

5. Nature of Professional Activity:

\_\_\_\_\_  
\_\_\_\_\_

6. Date Notice of Intent was filed: \_\_\_\_\_

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#### ADMINISTRATIVE ACTION ON NOTICE OF INTENT

1. Reviewed; activity determined to be consistent with University policy.

Date \_\_\_\_\_ Department Head \_\_\_\_\_

Other action (as required):

Date \_\_\_\_\_ Dean or Other Administrative Officer\* \_\_\_\_\_

\* Approval by Dean or other administrative officer to whom Department Head reports is required if question 8 or question 9.a. or 9.b. is answered in the affirmative.

2. Reviewed; activity determined NOT to be consistent with University policy.

Date \_\_\_\_\_ Department Head \_\_\_\_\_

Action on appeal (if any):

Date \_\_\_\_\_ Action Taken \_\_\_\_\_

Dean or Other Administrative Officer \_\_\_\_\_

Date \_\_\_\_\_ Action Taken \_\_\_\_\_

Chancellor \_\_\_\_\_



Any administrative action approving a "Notice of Intent" shall be effective only for the remaining balance of the fiscal year (in the case of 12-month employees) or for the balance of the academic year (for 9-month employees); see Policy Section 3.b.

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST RELATED TO TEACHING AND OWNERSHIP OF OTHER INTELLECTUAL PROPERTY

Year \_\_\_\_\_

Publications

Give title and date of publication of any textbook, course pack, lab manual or other materials for which you receive compensation (including royalties) and which is required for any class you teach.

Are there co-authors? If so, state names and place of employment.

Other Intellectual Property

Describe the intellectual property that you own which is utilized by the University.

Signatures

EPA Employee _____	Date _____
Title _____	Department _____
Department Head _____	Date _____
Dean _____	Date _____