Conflicts of Interest & Outside Activities
Kennesaw State University

All Kennesaw State University employees must avoid or manage real or perceived conflicts of interest regarding their KSU duties. To do so, employees must be able to recognize conflicts of interest, and they should know how to disclose those conflicts of interest. When supervisors receive such disclosures, they must know how to manage those conflicts of interest. And, all employees should know how to report conflicts of interest involving others. This document covers those essential steps, and provides references to our applicable policies.

Recognize conflicts of interest. A conflict of interest exists when you have more than one interest, and those interests could motivate you to further one interest at the expense of the other. For example, all KSU employees have an interest in carrying out their official duties. And, all KSU employees have interests outside of their KSU job that can potentially pull them away from their interest in performing their official duties. There are many ways this could happen, such as:

- **Gifts.** An employee receives a gift from a company that sells products to KSU, when that employee has input into whether KSU uses that vendor. Or, a faculty member receives a holiday gift from a student in their class, before final grades are submitted. Or, a supervisor receives a lavish birthday gift from their subordinate. In all of these cases, the gift could cause you to favor the person/company that gave you the gift. In other words, the employee’s interest in expressing gratitude for the gift, or their interest in encouraging future gifts, could conflict with their interest in carrying out their official duties in the university’s best interests. In some policies, gifts are referred to as “gratuities.”

- **Outside Interests.** A faculty member is a consultant for a company, and that company also sponsors the faculty member’s research. Or, an employee has a second job on the night-shift that causes them to fall asleep when they work at KSU. Or, a manager buys KSU equipment from a company they partly own. Or, an employee moonlights as a tax advisor, and does that work during KSU work time. In each of these cases, the employee’s outside interest has affected, or could affect, their interest in carrying out their official duties appropriately.

- **Personal Relationships.** A faculty member begins dating a student in their class, or a manager begins dating someone who works in their department. Or, an administrative assistant encourages their manager to book their unit’s retreat at a restaurant where the administrative assistant’s spouse is the manager. In these cases, the employee has an interest in a personal relationship that could affect (or has affected) their interest in performing their official duties faithfully.
It is just as important to recognize apparent or perceived conflicts of interest as it is to recognize real conflicts of interest. An example of a real conflict of interest is the manager who owns part of an outside business, and must decide whether to cause KSU to purchase from them or not. In that case, the interests are real, and whatever decision the manager makes, one interest will benefit and the other will not.

An example of an apparent conflict of interest would be if that manager shared the last name of a family that owned a business, but he is a distant relation of the owners, has no interaction with them (and doesn’t wish to), receives no money from the business, and has no expectation of inheriting any interest in the business. In that case, the manager does not have a real outside interest that conflicts with their KSU interest. However, people unfamiliar with all the facts could perceive that they do, and they could (reasonably, from their perspective) question the manager’s decision if they used their distant family’s business. Therefore, that manager needs to address the apparent conflict of interest.

We should also remember that KSU may have institutional conflicts of interest. For example, if KSU took an equity interest in a company founded by one of our faculty members, then KSU would have a conflict of interest (real or apparent) if it were to contract with that company. Institutional conflicts of interest should be recognized, disclosed and managed, just as individual conflicts of interest should be.

**Disclose** conflicts of interest. The first step in addressing a conflict of interest is to disclose it to the appropriate party at KSU. That party then approves a plan to manage the conflict of interest, which is addressed in the next section. To know where to report a conflict of interest, you should consult KSU’s policies, since there are different offices that manage different types of conflicts. For example, our researcher who consults for the company that sponsors their research should report that conflict of interest to their chair, and to the Office of Grants and Contracts, and to the Institutional Review Board if their research involves human subjects. When in doubt, report your conflict of interest to your supervisor, or contact the Division of Legal Affairs or the Internal Audit Department for advice.

Some employees are tempted not to self-disclose a conflict of interest because they believe that the conflict is insignificant, or that they can manage the conflict of interest themselves. This would be a mistake, and a violation of KSU policy. Transparency is a vital element in managing conflicts of interest. Without it, the employees involved, and the university, lose credibility.

Remember that KSU policy requires all full-time employees to obtain prior approval for all outside activities. This process ensures disclosure of potential conflicts of interest related to the outside activity, and enables the university to recognize and manage those conflicts. The process also ensures that the outside activity does not interfere with the employee’s ability to fulfill their official duties (i.e., that it does not create a conflict of commitment). For more information on outside activities, see the policies referenced below.

Also, remember that Georgia law requires all state employees (including KSU employees) to submit a report before January 31st of each year that discloses all business transactions between that employee (or any business in which they or their family have a substantial interest) and the
State of Georgia. This is the State Business Transaction Disclosure Report. If an employee has not transacted business with the State of Georgia, then they are not required to submit a report. For more information, and the form that should be used for these reports, see: http://www.usg.edu/assets/legal/docs/bus_transact.pdf

Manage conflicts of interest. Once a conflict of interest has been recognized and disclosed, it must be managed. To successfully manage a conflict of interest, we must take actions that eliminate the conflict of interest, or that minimize the potential impact of the conflict of interest so that KSU’s official interests are properly honored. An appropriate conflict of interest management plan can take different forms, depending upon the facts of a given situation. Sometimes, the management plan is to avoid the conflict of interest altogether. In other cases, the conflict of interest can be managed by arranging for impartial monitoring or review of a decision. In cases where the conflict of interest and its potential impact are minimal, the management plan may simply be to disclose the conflict of interest to all concerned, and to monitor the situation.

Report conflicts of interest. If you see that someone else (or KSU as an institution) has a conflict of interest, and you are not aware that it has been properly disclosed and managed, then you should report that conflict of interest. Where you should report that depends on the type of conflict of interest. For guidance, you should consult KSU’s policies, or speak with your supervisor, or contact KSU’s Director of Ethics and Compliance (470.578.3562, or cdean15@kennesaw.edu) the Division of Legal Affairs (470.578.3562, or asklegal@kennesaw.edu) or the Internal Audit Department (470.578.4737, or InternalAudit@kennesaw.edu) for advice. You may also report conflicts of interest (anonymously, if you choose) using the University System of Georgia’s hotline. See: https://bor.alertline.com/gcs/welcome or, call 1-877-516-3466.

References. These are some relevant policies and laws.

Board of Regents of the University System of Georgia

USG Ethics Policy: http://www.usg.edu/audit/compliance/ethics

Board of Regents Policy Manual: http://www.usg.edu/policymanual/

In particular, see sections:

8.2.3 (Nepotism / Employment of Relatives)

8.2.13.1 (Gifts and Gratuities)

8.2.13.2 (Appearance of Conflicts of Interest)

8.2.13.3 (Ongoing Diligence Regarding Conflicts of Interest)

8.2.15 (Outside Activities)

8.2.20 (Ethics)
USG Academic Affairs Policies:  http://www.usg.edu/academic_affairs_handbook/
In particular, see section 2.19 (Conflicts of Interest in Choosing Textbooks)

USG Human Resources Administrative Practice Manual:  http://www.usg.edu/hr/manual/
In particular, see these sections:
Conflicts of Interest – http://www.usg.edu/hr/manual/conflict_of_interest
Employment of Relatives – http://www.usg.edu/hr/manual/employment_of_relatives

In particular, see section 16.4 (Reporting Wrongdoing, including Conflicts of Interest)

State Business Transactions Annual Report:
http://www.usg.edu/assets/legal/docs/bus_transact.pdf

Kennesaw State University

KSU University Handbook:
http://handbooks.kennesaw.edu/docs/universityhandbook/university_handbook.pdf
In particular, see sections:
5.2.3 (Allegations of Scholarly Misconduct, p. 78)
5.2.15 (Amorous Relationships, p. 96)

KSU Faculty Handbook:  http://handbooks.kennesaw.edu/docs/faculty_handbook.pdf
In particular, see sections:
2.7A (Textbooks and Conflicts of Interest, p. 52)
4.2.4.2 (Overloads and Potential Conflicts of Interest, p. 139)
4.3.1 (Outside Employment, p. 150)
4.3.3 (Amorous Relationships, p. 153)

KSU Employee Handbook:

In particular, see sections:
1.1.7 (Conflict of Interest/Outside Employment, p. 19)
1.1.9 (Gratuities/Receipt of Gifts, p. 20)
1.1.12 (Amorous Relationships, p. 21)
5.4 (Use of University Services and Property, p.77)

KSU Research Conflict of Interest Disclosure Forms:
https://www.kennesaw.edu/research/compliance/policies/coi.html
https://www.kennesaw.edu/research/compliance/policies/phs.html

State Law (the Official Code of Georgia Annotated):

In particular, see sections:
O.C.G.A. 16-10-2 (bribery)
O.C.G.A. 45-1-6 (regarding gifts and gratuities)
O.C.G.A. 45-10-1 (Code of Ethics for Government Service)
O.C.G.A. 45-10-23, et seq. (regarding conflicts of interest, and state employees transacting business with the State)
Kennesaw State University
Conflict of Interest & Outside Activity Disclosure Form

This form allows Kennesaw State University (KSU) employees to disclose conflicts of interest, outside activities, and related matters.

### Conflicts of Interest

All Kennesaw State University employees must disclose any conflicts of interest, so that they may be avoided or otherwise managed. Do you have any real or apparent conflicts of interest with your official KSU duties?

- [ ] I have no conflicts of interest to disclose.
- [ ] I have the following conflict(s) of interest to disclose: *Please provide on attached sheet.*

### Gifts & Gratuities

All KSU employees are prohibited from knowingly accepting, directly or indirectly, a gift from any vendor or lobbyist, unless the gift falls within an exception in BOR Policy Manual 8.2.13.1. Have you or your spouse, domestic partner, or dependent(s) received a gift or benefit (e.g., funds, equipment, donations, services, salary, products, entertainment, expense reimbursement, meals, travel, compensation, or anything else of value) from a company, entity or person that does business with KSU, or from a lobbyist, except for those specifically excepted under BOR policy?

- [ ] I have no gifts to disclose.
- [ ] I have the following gifts to disclose: *Please provide on attached sheet.*

### Outside Activities

All full-time KSU employees must obtain prior approval of their outside activities. In the last year, have you engaged in any outside activities, or do you plan to engage in any outside activities in the next year:

- [ ] I have no Outside Activities to disclose.
- [ ] I have the following Outside Activities to disclose. *Please provide on attached sheet. You may attach copies of prior disclosures (and approvals), in lieu of creating a new list.*

### State Business Transaction Reporting

KSU employees must, before January 31st of each year, report any business that they (or any business in which they or their family hold a substantial interest) have transacted with the State of Georgia. This form should not be used for those reports. Instead, use this form: [http://www.usg.edu/assets/legal/docs/bus_transact.pdf](http://www.usg.edu/assets/legal/docs/bus_transact.pdf)
Attestation & Certification

By my signature below, I hereby certify that the above information is true and correct to the best of my knowledge, that I have read, understand and agree to fully comply with USG policies regarding Conflict of Interest, Gratuities and Outside Activities*. I further acknowledge my obligation to obtain prior written approval for outside activities.

Name: ______________________________     Signature: _______________________________

Date: ________________________________

Employees should provide this form to their supervisor.

Supervisory Review & Approval

Review by the employee’s immediate supervisor is required to ensure compliance with all USG and KSU Policies and Procedures. By my signature below I certify that I have reviewed the disclosures and certifications above and that to the best of my knowledge and in my judgement:

- ☐ No conflict of interest exists, no improper gifts have been received, and any listed outside activity is approved.
- ☐ A real or potential conflict of interest exists and a management plan to address the COI is attached. In addition, no improper gifts have been received, and any listed outside activity is approved.
- ☐ Further discussion is necessary before approval can be granted.

Name: ______________________________     Signature: _____________________________

Date: ________________________________

Supervisors should send this form to KSU’s Director of Ethics & Compliance @ cdean15@kennesaw.edu

* USG Ethics Policy:  http://www.usg.edu/audit/compliance/ethics

Board of Regents Policy Manual:  http://www.usg.edu/policymanual/

In particular, see sections:

- 8.2.3 (Nepotism / Employment of Relatives)
- 8.2.13.1 (Gifts and Gratuities)
- 8.2.13.2 (Appearance of Conflicts of Interest)
- 8.2.13.3 (Ongoing Diligence Regarding Conflicts of Interest)
- 8.2.15 (Outside Activities)
- 8.2.20 (Ethics)