PURPOSE

NCSSM seeks to appoint and to retain individuals of exceptional competence in their respective fields of professional endeavor. The school therefore encourages these individuals to participate in professional activities and to maintain professional affiliations based on their areas of knowledge and interest. These activities include service to professional associations; membership on review or advisory panels; presentation of lectures, papers, concerts or exhibits; participation in seminars and conferences; preparation, review, or editing of scholarly publications; and membership on accreditation bodies. In addition, NCSSM employees may have opportunities to use their expertise in secondary employment or ownership in an external business. These activities are encouraged as long as they do not result in a Conflict of Interest or Conflict of Commitment with the employee’s responsibilities at NCSSM.

Conflicts of Interest, in the most conventional sense, arise because NCSSM employees may have the opportunity to influence the school’s business decisions in ways productive of personal gain. Additionally, employees’ outside relationships may compromise the integrity of decisions they make in their positions at NCSSM. These considerations are balanced by the desirability of participation in external activities to benefit society.

NCSSM shall ensure that all affected employees are fully informed as to the policies and procedures pertaining to Conflicts of Interest and Conflicts of Commitment through regular training and distribution of those policies and procedures.

SECTION I. CONFLICTS OF INTEREST

A. Conflicts of Interest relate to situations in which financial or other personal considerations, circumstances, or relationships related to an outside professional or business interest may have the potential for compromising, or the appearance of compromising, a Covered Employee's objectivity in fulfilling their NCSSM duties and responsibilities, including research, service and teaching activities and administrative duties. A Covered Employee may have a Conflict of Interest when he or she, or any member of that person’s Immediate Family, has a personal Financial Interest in an activity that may affect decision making with respect to his or her employment responsibilities.
B. Covered Employees include faculty, administrators, and others in a position to make decisions regarding NCSSM resources.

C. Immediate Family is defined as the employee’s spouse, children, parents, siblings, and others living in the same household.

D. Financial Interest is defined as:

1. Payment for services to the Covered Employee not otherwise defined as institutional salary (e.g., consulting fees, honoraria, paid authorship);

2. Equity or other ownership interest in publicly or non-publicly traded entities (e.g., stock, stock options, or other ownership interest); or

3. Intellectual property rights and interests upon receipt of income related to such interests, held by the Covered Employee or members of his or her Immediate Family.

Income from investment vehicles, such as mutual funds or retirement accounts, in which the Covered Employee or members of his or her Immediate Family do not directly control the investment decisions, and intellectual property rights assigned to NCSSM and agreements to share in royalties related to such rights, are excluded from the definition of Financial Interest. Covered Employees are required to disclose Financial Interests in a timely and accurate manner consistent with this policy and NCSSM procedures.

E. NCSSM employees may have a Conflict of Interest when they, or a member of their Immediate Family, have a financial or personal interest in an activity that may affect decision making with respect to NCSSM's teaching, research or administration. An employee’s professional affiliations and financial interests must be arranged to avoid circumstances that do or may prevent or limit objectivity in the performance of NCSSM responsibilities or that otherwise do or may affect adversely any NCSSM interests. The procedures for the disclosure and management of potential Conflicts of Interest are described in the NCSSM Regulation on Conflicts of Interest.

SECTION II: CONFLICTS OF COMMITMENT

A. Conflicts of Commitment relate to an individual’s distribution of time and effort between obligations to NCSSM employment and participation in other activities outside of NCSSM employment, including such generally encouraged extensions of professional expertise as professional consulting or other External Professional Activities for Pay. Such activities promote professional development and enrich the individual’s contributions to NCSSM, 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 or is conducted at a time that interferes with the employee’s fulfillment of NCSSM Employment Responsibilities.

B. External Professional Activities for Pay is defined as any activity that:
1. Is not included within one’s NCSSM Employment Responsibilities;

2. Is performed for any entity, public or private, other than NCSSM;

3. Is undertaken for compensation; and

4. Is based upon the professional knowledge, experience and abilities of the employee.

External Professional Activities for Pay are to be undertaken only if they do not:

1. Create a Conflict of Commitment by interfering with the obligation of the individual to carry out all NCSSM Employment Responsibilities in a timely and effective manner;

2. Create a Conflict of Interest because of the individual’s status as a Covered Employee of NCSSM;

3. Involve any inappropriate use or exploitation of NCSSM resources;

4. Make use of the name or marks of the University of North Carolina or NCSSM for any purpose other than professional identification; or

5. Claim, explicitly or implicitly, NCSSM responsibility for the conduct or outcome of the External Professional Activities for Pay.

Activities for pay not involving such professional knowledge, experience and abilities are not subject to the advance disclosure and approval requirements of Section II.E. of this policy, although they are subject to the basic requirement that outside activities of any type must not result in the neglect of primary NCSSM duties, creation of Conflicts of Interest, involve inappropriate uses of the NCSSM name or resources, or include claims of NCSSM responsibility for the activity. External activities for pay of employees covered by the State Personnel Act are addressed in the State Personnel Act, Section 3, Employment and Records, Secondary Employment.

C. NCSSM Employment Responsibilities include “Primary Duties” and “Secondary Duties.” Primary Duties consist of assigned teaching, scholarship, research, institutional service requirements, administrative duties and other assigned employment duties. Secondary Duties may include professional affiliations and activities traditionally undertaken by Covered Employees outside of the immediate NCSSM employment context. Secondary Duties may or may not entail the receipt of honoraria, remuneration, or the reimbursement of expenses, and may 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 without receipt of compensation; and service to accreditation bodies. These activities, which demonstrate active participation in a profession, are encouraged, provided they do not
conflict or interfere with the timely and effective performance of the individual’s Primary Duties or NCSSM policies.

D. Inappropriate Use or Exploitation of NCSSM Resources means using any services, facilities, equipment, supplies or personnel which members of the general public may not freely use for other than the conduct of NCSSM responsibilities. A person engaged in External Professional Activities for Pay may not use NCSSM Resources in the course and conduct of externally compensated activities, except as allowed by NCSSM policies. Under no circumstances may any employee use the services of another employee during NCSSM employment time to advance the externally compensated employee’s professional activities for pay.

E. Conflicts with NCSSM Duties and Responsibilities

NCSSM encourages its employees to engage in external professional activities, provided such activities do not interfere with their responsibilities to the school. Covered employees who wish to engage in External Professional Activities for Pay must seek prior approval from their department head, in accordance with the procedure set forth in the NCSSM Regulation on External Professional Activities for Pay.