



## RUTGERS POLICY

**Section:** 60.5.8

**Section Title:** HR/Faculty

**Policy Name:** Conflicts of Interest – Faculty  
Professional Activities Outside the University and Outside Employment for Academic Personnel

**Formerly Books:** 3.3.9 and 3.3.10

**Approval Authority:** Board of Governors

**Responsible Executive:** Executive Vice President for Academic Affairs

**Responsible Office:** Office of Academic Affairs

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### **60.5.8 CONFLICTS OF INTEREST – FACULTY - PROFESSIONAL ACTIVITIES OUTSIDE THE UNIVERSITY - OUTSIDE EMPLOYMENT FOR ACADEMIC PERSONNEL**

- A. In carrying out their University responsibilities and professional activities, faculty members may be presented with the opportunity of representing the interests of both the University and other individuals, organizations, or institutions. It is the policy of the University that all faculty members avoid any conflict of interest or appearance of conflict of interest, as defined by the provisions of the New Jersey Conflicts of Interest Law as well as the relevant regulations and written policies of the University. Whenever a potential for conflict of interest exists, faculty members have an obligation to inform the University of the potential conflict through their department chairs or unit heads and to consult with them to determine whether a conflict of interest actually exists and, if so, what appropriate steps may be required to eliminate the conflict.
- B. Faculty members must not represent, appear for, or negotiate on behalf of any individuals, organizations, or institutions outside the University in connection with any contract, grant application, cause, proceeding, or other matter pending before the University. Faculty members must not act on behalf of the University in any matter involving outside organizations in which they have decision-making authority or a direct or indirect financial interest that might reasonably be expected to impair objectivity or independence of judgment (ownership or control of more than ten percent of the profits, assets, or stock in an outside organization shall automatically be regarded as constituting impairment of objectivity or independence of judgment). Faculty members must also inform the University through their department chairs or unit heads of their association, direct or indirect, with any outside

organization with which the University has, or is actively negotiating for, contractual relationships, if that association includes decision-making authority or a direct or indirect financial interest that might reasonably be expected to impair objectivity or independence of judgment.

- C. Faculty members must not use or attempt to use their University positions to secure inappropriate privileges or advantages for themselves or others.
- D. Some examples of conflict of interest are as follows:
  - 1. Orienting University research, teaching, or other University activity for inappropriate private advantage or, without disclosure to the University, to serve the needs of outside individuals, organizations, or institutions with which the faculty member is associated for financial gain.
  - 2. Transmitting, without disclosure to and approval by the University, to outside individuals, organizations, or institutions with which the faculty member is associated for financial gain, or other inappropriate nonacademic use for financial gain or other private advantage, of University-sponsored work products, results, materials, records, or information that are not made generally available.
  - 3. Undertaking for financial gain or other private advantage, and without permission from the University, either in the employment of oneself or in that of outside individuals, organizations, or institutions, contracted research or other similar contracted professional activity that the faculty member would normally engage in under University auspices.
  - 4. Participating in or influencing the purchase or lease of equipment, instruments, materials, or other items for University use from individuals, organizations, or institutions with which the faculty member is associated for financial gain without disclosure of the association to the University.
  - 5. Using University equipment, materials, services, students, or facilities without proper authorization, and compensation where appropriate, for the faculty member's own benefit or for the benefit of other individuals, organizations, or institutions with which the faculty member is associated for financial gain.
  - 6. Accepting gifts, favors, or services having value from individuals, organizations, or institutions seeking access to University facilities or programs, or with which the University does business, under circumstances that might reasonably be interpreted as an attempt to influence the recipient in the conduct of his or her duties.
- E. The University retains the right to require a faculty member to withdraw from any outside association that it judges to constitute a conflict of interest with the faculty member's obligations to the University. This right shall be exercised by the dean of the academic unit to which the faculty member is assigned. Before exercising this right, the dean shall provide the faculty member with an opportunity to demonstrate that no conflict of interest exists and shall seek advice from the unit committee of review. A faculty member who has been directed to withdraw from outside associations may appeal the decision of the dean to the campus chancellor in Camden and Newark, and in New Brunswick to the Executive Vice President for Academic Affairs, who will render a final decision.

- F. Notwithstanding the provisions of the New Jersey Conflicts of Interest Law, a faculty or staff member or his/her partners or any corporation or firm in which he/she owns or controls more than 1% of the stock, assets or profits may enter into a contract or agreement with the University, where the contract or agreement is for the development of scientific or technological discoveries or innovations in which the University has a property right, if the faculty or staff member receives approval to do so in accordance with the administrative procedure adopted for this purpose. That procedure is set forth in University Regulation 3.3.11.
- G. Professional Activities Outside the University. The primary professional obligation of every full-time faculty member is to fulfill his or her responsibilities to the University in the areas of teaching, research, scholarly and creative activity, and service to the University and the public. At the same time, the participation of a faculty member in professional activities outside the University often serves both the faculty member and the University, and therefore such participation is encouraged; but, it is the obligation of all faculty members to be alert to the possible effects of outside activities on their commitment to the University, the objectivity of their decisions, the University's responsibilities to the State of New Jersey, and any pertinent laws of the State of New Jersey.
- H. Outside Employment. "Outside Employment" is defined as all work for which one is compensated by any source other than Rutgers, The State University of New Jersey. Such work includes self-employment as well as part-time employment, consulting, advising, research, and teaching for other employers. Not included in "outside employment" is compensation for published or creative works in one's field or honoraria for commissioned papers and occasional lectures. Any outside employment should, if possible, enhance the faculty member's role as a member of the University faculty. In no case should it diminish the faculty member's ability to fulfill that role. The procedures that follow provide the means for review and regulation of outside employment of members of the Rutgers faculty.
- I. Without regard to time requirements or the nature of the work, a full-time faculty member may not be employed in a full-time obligation outside the University.
- J. A faculty member whose outside employment averages five or more days per month during the period of his or her contractual obligation to the University shall report such employment. For the purposes of this and the following regulations, a "day" is defined as any calendar day devoted to outside employment or any portions of days so devoted, the sum of which equals eight hours. Because of the nature of academic activities, the schedule of a faculty member is flexible and to a considerable extent self-determined; therefore, it is impossible to define a standard work-week appropriate to all faculty members, some of whom may well fulfill their obligations to the University on a Monday-through-Friday, daytime-hours basis, while others, in fulfilling these obligations, draw more fully on the entire calendar day and the entire calendar week. Accordingly, for the purposes of this and the following regulations, all days of the month are relevant, including weekends, holidays, and recesses, but excluding the period from Commencement through August 31 for those on academic-year appointments.
- K. Twice a year, normally in September and January, a faculty member whose outside employment has averaged five or more days per month during the immediately past reporting period shall report such employment to his or her department chair or unit head. At these same times, a faculty member whose anticipated outside-employment commitments for the immediately coming reporting period average five or more days per month shall report the anticipated commitments. For faculty members on academic-year appointments, the reporting periods are from September 1 to December 31 and from January 1 to Commencement, or equivalent time periods if the academic-year appointment has different contractual date specifications. For faculty members on calendar-year appointments, the reporting periods are from July 1 to December 31 and from January 1 to June 30, although a faculty member on a calendar-year appointment need not report employment held during his or her contractual vacation period.

- L. Reporting requirements shall include the number of days of outside employment, the identity of the employer, and the general nature of the employment but shall not include the amount of compensation.
- M. Upon receipt of the faculty members' reports, the department chair or unit head shall forward to the dean or director of the academic unit the reports of past and anticipated outside employment in his or her unit. The department chair or unit head shall also recommend to the dean or director any limiting of outside employment in particular cases, if he or she determines the outside employment in question to be detrimental to the quality or extent of the fulfillment of the faculty member's obligations to the University.
- N. Should the dean or director of an academic unit wish to consider limiting outside employment in a particular case, he or she shall first provide the faculty member an opportunity to demonstrate that his or her outside employment does not interfere with the fulfillment of his or her obligations to the University. Before acting to limit outside employment in particular cases, the dean or director shall also seek the advice of the unit Committee of Review. The dean or director shall limit outside employment in particular cases only after following these procedures and only if he or she determines the outside employment in question to be detrimental to the quality or extent of the fulfillment of the faculty member's obligations to the University.
- O. A faculty member whose outside employment has been so limited may appeal the decision to the campus chancellor in Camden and Newark, and in New Brunswick to the Executive Vice President for Academic Affairs, who will render a final decision.