



UNIVERSITY OF TORONTO

University of Toronto
Governing Council

Policy on Conflict of Interest - Academic Staff

June 22, 1994

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Policy on Conflict of Interest - Academic Staff

1. Preamble

Faculty members at the University of Toronto are committed to the pursuit of truth, the advancement of learning, and the dissemination of knowledge. While the pattern of a faculty member's teaching, research (which includes both scholarly and creative professional activity), and service to the University may vary from individual to individual, these three activities constitute a faculty member's principal responsibilities, except where a faculty member has been appointed to a non-professorial academic position in which teaching and service only are the principal responsibilities. A full-time academic appointment entails a year-round commitment to these responsibilities, unless the individual faculty member has a written agreement with the University to the contrary.

It is often intrinsic to this commitment that faculty members will engage in professional activities from which they may derive supplementary income. These activities represent an important mechanism for disseminating the knowledge and expertise of faculty members to the community and for contributing to the faculty members' and students' intellectual and professional development.

The freedom that faculty members properly enjoy to engage in these activities and to earn supplementary income means that, on occasion, their personal interests might seem to conflict with those of the University. All faculty members have an obligation to report and discuss with the person to whom they report all real or apparent significant conflicts of interest; that is, all conflicts that the faculty member believes--or an objective observer would believe--to be significant. The purpose of this Policy is, therefore, to set out what constitutes a conflict of interest, to describe the procedures to be followed when faculty members engage in professional work from which they derive supplementary income, and to establish procedures for other situations which could give rise to an apparent conflict of interest.

2. Conflict of Interest

No faculty member shall engage in activities which create for that faculty member a conflict of interest as defined in this Policy; however, where approval of an activity has been sought and received from the person with the authority to grant such approval, the activity shall be deemed not to be a conflict of interest.

3. Definitions

Academic Year

"Academic Year" means the period from July 1 of any calendar year to June 30 of the following calendar year.

Conflict of Interest

A conflict of interest exists when:

- (a) a faculty member's paid professional activities undermine rather than enhance the faculty member's ability to meet the faculty member's responsibilities to the University; or
- (b) a faculty member's non-professional activities which are engaged in for personal gain undermine rather than enhance the faculty member's ability to meet the faculty member's responsibilities to the University; or
- (c) a faculty member's personal or financial interest conflicts with the faculty member's responsibilities to the University.

Division Head or Chair

Wherever this phrase is used in this Policy, it means not one or the other, but instead means:

- (a) in multi-departmental faculties, the chair of the department;
- (b) at Erindale College, the associate dean of the division;
- (c) in unitary faculties, the dean;
- (d) in Institutes or the like, the director; and
- (e) in circumstances in which a faculty member reports directly to a principal of a college, the principal of that college.

Gifts

"Gifts" includes not only articles of value, but also includes, and is not limited to, travel, accommodation, extravagant meals, and the like, including those that might be provided by commercial external sponsors of continuing education programs or conferences in which the faculty member is playing no role other than that of an attendee, or by external organizations which offer products or services related to the faculty member's profession in situations in which the faculty member may be in a position to influence others to use the external organization's products or services.

Paid Professional Activity

A paid professional activity is an activity funded by sources other than the University which (1) arises from the faculty member's academic position and expertise, and (2) confers a financial benefit.

Major Paid Professional Activity

A paid professional activity is a *major* paid professional activity if it involves:

- (a) teaching for remuneration outside the University, other than occasional lectures, whether at another academic institution or for a professional development programme; or
- (b) a commitment to any individual project totaling more than 20 days in an academic year; or
- (c) any combination of paid professional activities that are likely to exceed 45 days during an academic year.

Minor Paid Professional Activity

A minor paid professional activity is any paid professional activity that is not a major one but which, nevertheless, involves more than a minimal amount of the faculty member's time.

Secondary Research Contract

A Secondary Research Contract is a contract between the University and an individual faculty member, outside the faculty member's normal employment contract, which is pursuant to a primary research contract between the University and a third party and authorizes payment of self-employment income to the faculty member(s) responsible for the research under the primary contract.

4. Activities Requiring Prior Approval

The following activities require the prior written approval of the person to whom the faculty member reports:

- (a) All major paid professional activities;

- (b) The use of University facilities, supplies, University support staff, or students whenever privately undertaken work or work of a paid professional activity entails more than trivial use of those facilities, supplies, support staff or students.
- (c) Where the funds involved are administered by the University, the hiring, supervising, or evaluating of, purchasing from, selling to, engaging in any commercial transaction with, or conferring or denying any financial or commercial benefit on any member of the faculty member's immediate family or a person with whom there exists, or has recently existed, an intimate personal relationship;
- (d) The academic evaluation of, or the conferring or denying of any academic or administrative benefit on any member of the faculty member's immediate family or a person with whom there exists, or has recently existed, an intimate personal relationship; and
- (e) Where the funds involved are administered by the University, any research undertaken by a faculty member for a company or organization in which a significant financial interest is held by the faculty member, any member of the faculty member's immediate family, or any person with whom there exists, or has recently existed, an intimate personal relationship.

5. The Approvals Process

Major Paid Professional Activities

- (a) The request for approval of a major paid professional activity shall be made in writing to the person to whom the faculty member reports and shall specify:
 - (i) the category or type of client;
 - (ii) the nature of the work;
 - (iii) an estimate of the time required to perform the work;
 - (iv) the extent, if any, of the use of University facilities, supplies, support staff or students;
 - (v) any other major paid professional activities that have already been approved in that year or which are continuing from an earlier year; and
 - (vi) the impact the activity will have on teaching, research, and service responsibilities.
- (b) Notwithstanding clause (a), above, where the work is to be done under a Secondary Research Contract, the Secondary Research Contract/Payment Form itself shall be the basis for the requested approval along with the additional information required under 5(a)(iv) and (v), above.
- (c) In exceptional circumstances and with the written approval of the Provost, the division head or chair may require that the identity of the client and any pertinent financial details of any specific activity be revealed by the faculty member to the division head or chair on a strictly confidential basis.
- (d) The division head or chair shall evaluate the request in light of the extent to which the activity will undermine rather than enhance the teaching, research, and service responsibilities of the faculty member, while at the same time recognizing that faculty members are not to be discouraged from nor unduly restricted in this sort of activity, as it represents an important mechanism for disseminating the knowledge and expertise of faculty members to the community and for contributing to the faculty member's intellectual and professional development.
- (e) In evaluating the request, the division head or chair may seek the advice of an advisory committee, although information received under 5(c), above, may not be revealed by the division head or chair to anyone, including members of any advisory committee. Members of such a committee shall be directed by the division head or chair to comply strictly with the rule on confidentiality set out in section 13, below.

- (f) The division head or chair shall consider the request for approval as soon as possible and shall render a decision in writing within 10 days. The decision must, of course, reflect consistency of treatment among the faculty members in the division or department.
- (g) If it is advisable for a faculty member to be permitted to undertake a major paid professional activity that would undermine the meeting of the faculty member's primary obligations and responsibilities, the division head or chair may require in granting approval that the faculty member take full or partial released time without pay; moreover, if a faculty member wishes to continue such activity indefinitely, the faculty member may be required to relinquish his or her status as a full-time appointee.
- (h) If approval is denied, the faculty member shall be provided with the reasons for the denial in the letter of denial. The reasons for the denial shall be expressed in the same terms as the evaluation criteria set out in 5(d), above.

Use of University Resources

- (a) A faculty member who wishes to carry out any of the activities listed in 4(b), above, shall make a request to do so in writing to the person to whom the faculty member reports. The request shall outline the nature of the use to be made of the facilities, supplies, support staff, or students.
- (b) The division head or chair shall evaluate the request in light of the extent to which the request can be accommodated without interfering with work being carried out by others as part of their University work.
- (c) The division head or chair shall consider the request for approval as soon as possible and shall render a decision in writing within 10 days.
- (d) Absent exceptional circumstances, the division head or chair shall require payment to the University by the faculty member for the use of the facilities, supplies, or support staff, but only to the extent of the actual cost, including overhead, to the University of the use of the facilities, supplies, support staff, or students.

Dealings With Family Members

- (a) A faculty member who wishes to carry out any of the activities listed in 4(c) or (d), above, shall request permission to do so in writing from the person to whom the faculty member reports. The request shall set out the activity to be carried out and shall indicate why it is desirable for the activity to be carried out, despite the apparent conflict of interest.
- (b) The division head or chair shall evaluate the request having regard to the extent to which special procedures could be instituted in the particular circumstances which would ameliorate the effects of the conflict of interest.
- (c) The division head or chair shall consider the request for approval as soon as possible and shall render a decision in writing within 10 days.

Research in Which the Faculty Member Has a Financial Interest

- (a) A faculty member who wishes to carry out University-administered research as described in 4(e), above, shall request permission to do so in writing from the person to whom the faculty member reports. The request shall specify the nature of the research and the extent of the interest held in the company or organization for which the research is to be done by the faculty member or the faculty member's immediate family or person with whom there exists or has recently existed an intimate relationship.
- (b) The division head or chair shall consider the request for approval as soon as possible and shall render a decision in writing within 10 days.

6. Conflict of Interest for Supervisor

If the person to whom reports are normally made has a personal interest in the matter to be discussed or approved, that supervisor shall refer the matter in writing to the person at the next higher level of authority, who shall respond in writing within 10 days.

7. Activities Requiring Disclosure

If a faculty member has recently received or is receiving supplementary income from a company, or if the faculty member, any member of the faculty member's immediate family, or a person with whom there exists, or has recently existed, an intimate personal relationship has a significant financial interest in a company, the faculty member must disclose the nature of the involvement with the company in any situation in which the faculty member is in a position to influence whether or not University funds will be used to purchase goods and services from that company or where the company may otherwise receive some benefit from the University.

8. Sources of Support for Research

When publishing the results of any research for which funding was supplied, the faculty member shall name the source or sources of funding in the publication, unless explicit approval to do otherwise has been obtained from the person to whom the faculty member reports.

9. Paid Activities Report

Every faculty member shall submit a Paid Activities Report as part of the general annual activity report. The Paid Activities Report shall include:

- (a) the total time involved in each major paid professional activity, if any major activities were undertaken;
- (b) the aggregate number of days devoted to minor activities, if any, and, if greater than 12 days in total, a brief description of the activities involved;
- (c) any use other than trivial made of University resources in any paid professional activity; and
- (d) the faculty member's paid activities, if any, which do not arise from the faculty member's academic position or expertise but which require more than 30 days a year of the faculty member's time.

10. Approval of Expenses

All expense claims made by faculty members involving funds administered by the University require the signature of the person to whom the faculty member reports.

11. Acceptance of Gifts

The acceptance of gifts from individuals or organizations which are associated with the University activities of the faculty member, with the exception of minor gifts as token courtesies, is not normally permitted. If a faculty member has any doubts about the propriety of accepting a particular gift, the faculty member should discuss the matter with the person to whom the faculty member reports.

12. Prohibition on Advertising

If an external sponsor funds a continuing education event, the funding may be acknowledged, but care must be taken that the sponsor's products are not actively promoted at the event. If an external sponsor provides teaching aids to a faculty member, such aids may only be used in the classroom if they display no more than the name or logo of the donor; specifically, such aids may not carry any reference to a specific product or therapeutic agent.

13. Confidentiality

Any information gathered about an individual faculty member under this Policy shall be held in strict confidence and shall not be divulged to any other person, except for internal University administrative purposes, without the express written consent of the faculty member or under compulsion of law.

14. Application

All faculty members must abide by this Policy; however:

- (a) part-time faculty members (75% FTE or less) are not required to seek approval for major paid professional activities; and
- (b) part-time faculty members with an appointment of less than 50% are not required to file Paid Activity Reports; but
- (c) all faculty members, regardless of appointment FTE, are required to seek permission for and to report any use, other than trivial, of University resources.

15. Grievances

Any complaint by a faculty member about the application of this Policy may be raised in accordance with Article 7 of the *Memorandum of Agreement* between the University of Toronto Faculty Association and the Governing Council of the University of Toronto.

16. Distribution

This Policy shall be distributed to each faculty member upon initial appointment.

(signed)

Michael G. Finlayson

Vice-President, Human Resources

Approved by UTFA and recommended for approval by the Academic Board - June 16, 1994.