



# UC San Diego

## Policy & Procedure Manual

---

[Search](#) | [A-Z Index](#) | [Numerical Index](#) | [Classification Guide](#) | [What's New](#)

### PERSONNEL - GENERAL

#### Section: 200-13

Effective: 11/14/1984

Supersedes: 7/21/1971

Review Date: TBD

Issuance Date: 11/14/1984

Issuing Office: [Conflict of Interest](#)

---

## CONFLICT OF INTEREST

### I. REFERENCES AND RELATED POLICIES

- A. ["Compendium of Specialized University Policies, Guidelines and Regulations Related to Conflict of Interest," Revised April 1984, see Supplement I](#)  
Consult this compendium in addition to this policy should the question of a possible conflict of interest arise.
- B. [Guidelines for Disclosure and Review of Principal Investigator's Financial Interest in Private Sponsors of Research and Independent Substantive Review, Revised April 1984.](#)
- C. UCSD Policy and Procedure Manual (PPM)  
[523-9](#) Employee-Vendor Policy

### II. PURPOSE

To establish procedures for the review of *Principal Investigator's Statements of Economic Interests*, [Exhibit A](#), and identification of designated University officials who are required to file *Statements of Economic Interests*. This policy also incorporates the Employee-Vendor policy as established in August, 1982.

After consulting these policies, guidelines and regulations, if questions have not been answered, consult the Conflict of Interest Coordinator, Ext. 6465.

### III. POLICY

- A. The University's overall policy on conflict of interest is that none of its faculty, staff, managers or officials shall engage in any activities which place them in a conflict of interest between their official activities and any other interest or obligation. [The University's Conflict of Interest Code](#), developed in response to the [Political Reform Act of 1974](#), requires that all University employees and officers disqualify themselves from participating in a University decision when a financial conflict of interest is present.
- B. **Designated Officials**  
  
University employees and officers who are in positions which make decisions or participate in the making of decisions which may foreseeably have a material effect on their financial interest are Designated Officials. These positions are identified by the Fair Political Practices Commission.
- C. The University of California's "[Policy on Disclosure of Financial Interest in Private Sponsors of Research](#)" implements regulations of the California Fair Political Practices Commission. The Policy requires that a Principal Investigator disclose whether he or she has a financial interest in a private sponsor of a research project funded in whole or part through a contract, grant, or gift of \$250 or more from a non-governmental entity. The

required disclosure is made using a *Principal Investigator's Statement of Economic Interests*, Form 730-U, [Exhibit A](#), when a gift has been given and/or a proposal has been submitted to a non-governmental entity.

Accordingly, gifts or contracts/grants awarded to the University are reviewed according to pre-determined principles and to other established policies guiding the conduct of sponsored research. An Independent Review Committee comprised of faculty with varied fields of expertise will apply these principles in their considerations to assure the Principal Investigator, the University community, and the public of the proper conduct of the review process. The following principles apply:

1. Traditional conflict of interest situations should continue to be avoided.
2. Research is appropriate to the University.
3. The teaching and research environment is open.
4. Freedom to publish and to disseminate research results is preserved.
5. Licensing agreements require thorough review.
6. University facilities and resources are used appropriately.

#### **IV. PROCEDURES**

##### **A. All Employees**

###### **1. Conflict of Interest**

A conflict of interest occurs when an employee has a financial interest in a University decision. There is a financial interest if an employee can reasonably foresee that the decision will have a material effect on:

- a. Any business for profit or any real property, located in California, which has a direct or indirect worth over \$1,000.
- b. Any source of income (other than loans made in the regular course of business by a commercial lender) totaling \$250 or more in value received or promised within 12 months before the decision is made.
- c. Any business entity in which an employee is a director, officer, partner, trustee, employee, or holds any management position.

###### **2. Disqualification Requirements**

- a. If an employee determines that a financial conflict of interest does exist; in order to disqualify him/herself from making or participating in the making of a University decision, an employee must:
  1. Notify the Conflict of Interest Coordinator, the department head, and the immediate supervisor in writing, briefly stating the reasons for disqualification.
  2. The disqualification statement will be placed in the employee's personnel file and the supervisor will assign the matter to another employee.
  3. The disqualified employee must refrain from participating in any way in the decision or use employee status to influence any other person with respect to this matter.

**B. Designated Officials**

Designated officials shall file required *Statements of Economic Interests* within time limits prescribed by law.

1. Designated Officials must:
  - a. File a financial disclosure statement within 30 days of assuming office;
  - b. Disqualify themselves from participating in decisions in which they have a personal financial interest;
  - c. File an annual statement provided by the Office of the President; and
  - d. File a financial disclosure statement within 30 days of leaving office.
2. Staff and Academic Personnel Offices must:
  - a. Notify the Conflict of Interest Coordinator of changes in personnel in designated positions;
  - b. Include information on the Conflict of Interest Code in job announcements for designated positions.
  - c. Provide the “Political Reform Act Disqualification Requirements” pamphlet to all new career employees as well as to each career employee every other year; and
  - d. Review all new classifications with the Conflict of Interest Coordinator to determine if the classifications are eligible for submittal to the Fair Political Practices Commission as designated positions.
3. Conflict of Interest Coordinator must:
  - a. Personnel Offices of designated positions on an annual basis.
  - b. Notify and provide forms to designated officials to file on assuming or leaving office.
  - c. Annually update Designated Officials list to submit to the Office of the President.
  - d. Submit to the Office of the President new classifications (position descriptions) deemed appropriate to be presented to the Fair Political Practices Commission for consideration as designated positions.

**C. Principal Investigators**

Principal Investigators must disclose any financial interest in private sponsors of research. The term “financial interest” means:

1. A direct or indirect investment in the sponsor worth more than \$1,000 (also known as “Equity (Ownership) Interest”), or if a Principal Investigator’s spouse or dependent child has a financial interest in the sponsor; or spouse, or dependent children own directly, indirectly or beneficially a 10 percent interest or greater in any business entity.
2. A position as director, officer, partner, trustee, employee of or any other position of management in the sponsor, or

3. Income from the sponsor (including consulting income) of \$250 or more in value, or \$50 if the income was a gift, received by or promised to the Principal Investigator within 12 months prior to the time an award is made.

**D. Statement of Economic Interests, Exhibit A**

1. Principal Investigator (PI)
  - a. Completes a *Principal Investigator's Statement of Economic Interests*, Form 730-U, [Exhibit A](#), obtained from the Office of Contract and Grant Administration or Development in the following situations:
    1. Before final acceptance of a contract or grant proposal (\$250 or more) from a non- governmental entity; or
    2. Before final acceptance of a gift from a non-governmental entity which is earmarked by the donor for a specific research project or a specific Principal Investigator; or
    3. Before final acceptance of renewed contract or grant funding from a non-governmental entity; or
    4. A contract or grant has expired; or
    5. Gift funds have been completely expended.
  - b. Forwards completed *Principal Investigator's Statement of Economic Interests* to Office of Contract and Grant Administration along with contract or grant proposal, or to Development Office along with *Gift/Private Grant Acceptance Report*.
  - c. *Principal Investigator's Statement of Economic Interest* is not required if the donor is on the Exceptions List of Non-Governmental Sponsors of Research issued by the Vice President- Academic Affairs. The exceptions list is on file at the Office of Contracts and Grants and the Gifts and Endowments Office.
2. Office of Contract and Grant Administration or Development
  - a. Sends *Statement of Economic Interests* to Principal Investigator before a contract, grant or gift is accepted.
  - b. Reviews returned *Statement of Economic Interests* for completeness.
  - c. Then forwards *Statement of Economic Interests* to Conflict of Interest Office with a copy of the proposal if a positive statement is received.
  - d. When grant/contract project is completed, requests *Statement of Economic Interests* from Principal Investigator.
3. Conflict of Interest Office
  - a. Reviews *Statement of Economic Interests* for completeness.
  - b. If answers to questions in section C and D are “No” (recorded as a “negative statement”), maintains the official public record of the *Statement of Economic Interests*.
  - c. If answers to any questions in section C and D are “Yes” (recorded as a

“positive statement”), requests additional information from the Principal Investigator through a supplemental questionnaire or other inquiries. If a positive statement, any monies received under a contract, grant or gift may not be expended until the Independent Review Committee and the Chancellor have formally reviewed and approved such acceptance. Such monies received prior to the above approval shall be retained by the Accounting Office in a Cash Received Undistributed or Interest Bearing account.

- d. Refers positive *Statement* to the Independent Review Committee on Conflict of Interest.
  - e. Advises the Office of Contract Administration and/or the Development Office of the outcome of the review.
  - f. Supplies updates of exception list to Gifts & Endowments and Contracts and Grants Offices.
4. Independent Review Committee on Conflict of Interest
- a. Reviews the *Statement of Economic Interests* and accompanying documents, guided by the following practices and applying them as appropriate:
    1. Assures adherence to relevant University policies, guidelines, and regulations.
    2. Considers to the extent possible, the nature and extent of the financial interests in the relationship of the Principal Investigator to the sponsoring entity.
    3. Gives special consideration to conditions of research agreements and the relationship between the Principal Investigator and the sponsor.
    4. Obtains additional information from the Principal Investigator when necessary.
  - b. Incorporates into the review the principles as determined by policy which are:
    1. Traditional conflict of interest situations should continue to be avoided.

In the conventional sense, conflict of interest refers to situations in which employees may have the opportunity to influence the University's business decisions in ways that could lead to personal gain or give advantage to firms in which employees have an interest. Principal Investigators, like all University employees, are expected to continue to separate their University and private interest in accordance with existing University policies and State law.
    2. Research is appropriate to the University

The research must be appropriate to the mission of the University, i.e., promising significant contributions to scholarship and knowledge and, when possible, providing appropriate opportunities for students. The suitability of the research should be judged according to the standards of the discipline and should

be guided by the principles and policies of Regulation 4, Special Services to Individuals and Organizations.

3. The teaching and research environment is open  
The teaching and research environment should continue to promote the free exchange of ideas, information, and materials among students and faculty in all of their forums- classrooms, laboratories, meetings, and anywhere in the University. Selection of students for participation in the research project should not be inappropriately influenced by the interest of the sponsoring firm.
4. Freedom to publish and to disseminate research results is preserved

Consistent with current University policies, there should be no limits placed on the freedom to publish, except for short periods of delay that permit a sponsor to comment or to permit filing of patent applications in coordination with University of California patent policies.

5. Licensing agreements require thorough review

If the principal investigator has a financial interest in the sponsoring firm, justification for granting of an exclusive license to the sponsoring firm will require careful review to ensure that the best interests of the public and the University are served. This review should be coordinated with the Office of Contracts and Grant Administration for consideration in the negotiation of patent rights. If necessary, the Office of Contracts and Grants will contact the Patent Administrator for assistance.

6. University facilities and resources are used appropriately

As is currently the policy, University resources-supplies, equipment, and facilities, as well as staff time-must not be used for the benefit of the firm without proper compensation

**V. Employee-Vendor Policy** (see [PPM 523-9](#))

It is University policy to separate an employee's University and private interests and to safeguard the University and its employees against charges of favoritism in the purchase of goods and services. No purchase of goods or services shall be made from any employee or near relative thereof unless there has been a specific determination that such goods or services are not available from either commercial sources or the University's own facilities.

1. An employee must submit a report to his/her department when making a proposal, or learning that one has been made, and when any of the following circumstances exists:
  - a. The employee acting alone proposes for a consideration to rent or sell goods or to provide services to the University.
  - b. The employee owns or controls more than 10% interest in any business which proposes for a consideration to rent or sell goods or to provide services to the University.
  - c. A near relative of the employee, acting alone or under the direct or indirect suggestion of the employee, proposes for a consideration to rent or sell goods or to provide services to the University.
  - d. A near relative of the employee owns or controls more than 10% interest in any

business which proposes for a consideration to rent or sell goods or provide services to the University.

2. If the requesting department determines that the described goods and services are available from commercial sources or campus facilities, but due to unusual or extenuating circumstances desires an exception to the Employee-Vendor Policy, the department then submits a request for exception to the Purchasing Division.
3. Purchasing Division then reviews the departmental request and recommends to the Material Manager that an exception be granted where such request provides sufficient justification.
4. The request for exception is then approved or disapproved by the Material Manager.



# UC San Diego Policy & Procedure Manual

[Search](#) | [A-Z Index](#) | [Numerical Index](#) | [Classification Guide](#) | [What's New](#)

## PERSONNEL - GENERAL

### Section: 200-13 EXHIBIT A

Effective: 11/14/1984

Supersedes: 7/21/1971

Review Date: TBD

Issuance Date: 11/14/1984

Issuing Office: [Conflict of Interest](#)

## EXHIBIT A

### UCSD POLICY AND PROCEDURE MANUAL PERSONNEL—GENERAL

### SECTION 200-13 PAGE 11

Issuing Office: Conflict of Interest Ofc

Effective: 11/14/84  
Supersedes: 7/21/71  
EXHIBIT A  
(Back)

3. Gifts from any entity listed in A of \$50 or more?

..... No ..... Yes — describe gift and state value .....

4. Outstanding loans.

a. Loans\*\* received from any entity listed in A for which the outstanding balance has exceeded \$250 in the past 12 months?

..... No ..... Yes — amount owed did not exceed \$1,000

..... Yes — amount owed exceeded \$1,000 but did not exceed \$10,000

..... Yes — amount owed exceeded \$10,000

b. If you answered yes (any yes box checked) to 4a:

was the loan ..... secured or ..... unsecured?

What was the interest rate of the loan? .....%

Was the loan entirely repaid within the past 12 months? ..... No ..... Yes

E. If you listed more than one entity in A, and have answered yes to C or to any question in D, indicate in which entity you, your spouse or dependent child has each financial interest disclosed.

.....

\*\* (Do not include a loan from commercial lending institution made in the ordinary course of business on terms available to the public without regard to the official status of the loan; (1) was used to purchase your principal place of residence, or (2) is less than \$10,000, including indebtedness from an installment sale or contract.)

### Verification

I declare under penalty of perjury that I have used all reasonable diligence in preparing this Statement and to the best of my knowledge it is true and complete.

Executed on ..... 19..... at .....  
(date) (location)

Signature: .....

All of the information on this form is mandatory, is required by the provisions of the Political Reform Act, Government Code Sections 81000, et seq., and will be available to any member of the public upon request. This information is to be used to reveal to public scrutiny certain financial interests of public officials and employees in order to disclose potential conflicts of interest and to aid in the prevention of actual conflicts of interests.

1/83 Fair Political Practices Commission  
Disposition Schedule: Original—7 years  
Copies—4 years



UCSD POLICY AND PROCEDURE MANUAL  
PERSONNEL—GENERAL

SECTION 200-13 PAGE 10

Issuing Office: Conflict of Interest Ofc

Effective: 11/14/84  
Supersedes: 7/21/71  
EXHIBIT A  
(Front)

Form 730-U  
**Principal Investigator's  
Statement of Economic Interests**

To be completed for all research projects which have been or will be funded, in whole, or in part: (1) through a contract or grant of \$250 or more with a non-governmental entity; or (2) by a gift from a non-governmental entity which is earmarked by the donor for a specific research project or a specific principal investigator, provided the amount of the gift, or the aggregate over a 12 month period, from the same donor is \$250 or more.

Title of Research Project: .....

Name of Principal Investigator: .....

Department: .....

University of California at: .....

A. Provide the following information about each non-governmental entity which will fund (or has funded) this project, in whole or in part: \*

Name of entity: .....

Address of entity: .....

Principal business of entity: .....

Amount of funding: \$..... Estimated ..... Actual

B. This statement is:

..... APPLICATION STATEMENT: This is an application for initial funding, or for renewal of funding for the research project.

..... PROJECT COMPLETION STATEMENT: The research project expired on .....

C. Are you a director, officer, partner, trustee, or employee of, or do you hold any position of management in, any entity listed in A?

..... No ..... Yes Title: .....

D. Do you, or does your spouse or dependent child, have:

1. An investment of \$1,000 or more in any entity listed in A above?

..... No ..... Yes — value does not exceed \$10,000

..... Yes — value exceeds \$10,000 but does not exceed \$100,000

..... Yes — value exceeds \$100,000

2. Income (including any payment, such as salary or consulting fees) of \$250 or more received from any entity listed in A within the last 12 months? (Do not include any salary or summer salary paid by the University with funds provided by an entity listed in A.)

..... No ..... Yes — value does not exceed \$1,000

..... Yes — value exceeds \$1,000, but does not exceed \$10,000

..... Yes — value exceeds \$10,000

\* If more space is needed for listing multiple entities, add these on a separate piece of paper labeled "Section A, continued" and attach to this form.

1. An employee must submit a report to his/her department when making a proposal, or learning that one has been made, and when any of the following circumstances exists:
  - a. The employee acting alone proposes for a consideration to rent or sell goods or to provide services to the University.
  - b. The employee owns or controls more than 10% interest in any business which proposes for a consideration to rent or sell goods or to provide services to the University.
  - c. A near relative of the employee, acting alone or under the direct or indirect suggestion of the employee, proposes for a consideration to rent or sell goods or to provide services to the University.
  - d. A near relative of the employee owns or controls more than 10% interest in any business which proposes for a consideration to rent or sell goods or provide services to the University.
2. If the requesting department determines that the described goods and services are available from commercial sources or campus facilities, but due to unusual or extenuating circumstances desires an exception to the Employee—Vendor Policy, the department then submits a request for exception to the Purchasing Division.
3. Purchasing Division then reviews the departmental request and recommends to the ~~Vice Chancellor—Business and Finance~~ that an exception be granted where such request provides sufficient justification.  
*Material Manager*
4. The request for exception is then approved or disapproved by the ~~Vice Chancellor—Business and Finance~~.  
*Material Manager*

*Sum*  
*# 85-8*

*Sum*  
*# 85-8*



# UC San Diego Policy & Procedure Manual

[Search](#) | [A-Z Index](#) | [Numerical Index](#) | [Classification Guide](#) | [What's New](#)

## PERSONNEL - GENERAL

### Section: 200-13 SUPPLEMENT I

Effective: 11/14/1984

Supersedes: 7/21/1971

Review Date: TBD

Issuance Date: 11/14/1984

Issuing Office: [Conflict of Interest](#)

## SUPPLEMENT I

### COMPENDIUM OF SPECIALIZED UNIVERSITY POLICIES GUIDELINES AND REGULATIONS RELATED TO CONFLICT OF INTEREST

1. <a href="#">Standing order of the Regents 103.1 (b), Special Provisions Concerning Officers, Faculty Members, and Employees of the University-Service Obligations</a>	2
2. <a href="#">University Regulation No. 3, Privileges and Duties of Members of the Faculty</a>	2
3. <a href="#">University Regulation No. 4, Special Services to Individuals and Organizations</a>	2
4. <a href="#">University Regulation No. 5, Academic Freedom</a>	2
5. <a href="#">University Policy on Faculty Conduct and Administration of Discipline, including The Faculty Code of Conduct</a>	2
6. <a href="#">Policy on Outside Professional Activities of Faculty Members</a>	3
7. <a href="#">Policy on Additional Compensation for Services as Faculty Consultant, Academic Personnel Manual</a>	3
8. Statement on Conflict of Interest	3
9. <a href="#">Instructions to Review and Appraisal Committees, Academic Personnel Manual</a>	3
10. <a href="#">Policies Regarding Patents</a>	3
11. Policies on Appointment of Near Relatives	4
12. <a href="#">Policy on Acceptance or Offering of Gifts and Gratuities by University Employees</a>	4
13. <a href="#">Policies Applying to Campus Activities, Organizations, and Students</a> (use of university facilities)	4
14. <a href="#">Conflict of Interest Code (financial)</a>	4
15. <a href="#">Policy Regarding Employee-Vendor Relationships</a>	4
16. <a href="#">Materiel Management, Business and Finance Bulletin BUS-43</a>	5
17. Independent Consultants, Business and Finance Bulletin BUS-43	5
18. Internal Audit Code of Ethics 6	6
19. <a href="#">University of California Police Rules and Regulations</a>	6
20. <a href="#">Policy on Disclosure of Financial Interest in Private Sponsors of Research</a>	6

**1. Standing Order of The Regents of the University of California 103.1(b), Special Provisions Concerning Officers, Faculty Members, and Employees of the University-Service Obligations (January 22, 1971).**

Summary: No portion of time due the University shall be devoted to private purposes and no outside employment shall interfere with performance of university duties.

**2. University Regulation No. 3, Privileges and Duties of Members of the Faculty. Section 3a (February 15, 1935).**

Summary: Faculty are assumed to devote full “working” time to the university. Service includes classroom teaching, conference with students, studying and writing, research, committee work, administration, and public service, with time devoted to each varying with, and dependent upon, involvement with each type of activity.

**3. University Regulation No. 4, Special Services to Individuals and Organizations (June 23, 1958) and Principles Underlying Regulation No. 4 (June 23, 1958).**

Summary: Faculty may render professional or scholarly services for compensation and may engage in the practice of their professions to maintain professional competency if such service does not interfere with university commitments and if it gives experience and knowledge of value to his teaching or research; is suitable research through which he may make worthy contributions to knowledge; or is appropriate public service. When consultants or outside services are such as to interfere with recognized university duties, they may be undertaken only on the basis of a leave of absence. University laboratories, bureaus, and facilities are not to be used for work of a purely commercial character except when it can be shown conclusively that satisfactory facilities for such services do not exist elsewhere.

**4. University Regulation No. 5, Academic Freedom (June 15, 1944).**

Summary: The function of the university is to train students in process whereby truth is to be made known. Its obligation is to see that conditions under which questions are examined are those which give play to intellect. To convert or make convert is alien and hostile to this dispassionate duty. When considering political, social, or sectarian movements, they are to be dissected and examined-not taught-and the conclusion left to the logic of the facts.

**5. University Policy on Faculty Conduct and Administration of Discipline (June, 1974), including The Faculty Code of Conduct (May, 1974)**

Summary: The policy includes in its statement on ethical principles that the professor “determines the amount and character of the work he does outside his institution with due regard to his paramount responsibilities with it—.” The policy also lists as one type of unacceptable conduct the “unauthorized use of university resources or facilities on a significant scale for personal, commercial, political, or religious purposes” and contains sanctions where abuse is demonstrated.

**6. Policy on Outside Professional Activities of Faculty Members (April 13, 1979).**

Summary: Amplifies previously issued policies on expected duties of a faculty member and clarifies expectations of performance of compensated or uncompensated outside professional activities which relate to a faculty member's academic specialty. Requires annual reports on such activities to departmental chairpersons.

**7. Policy on Additional Compensation for Services as Faculty Consultant, Academic Personnel Manual Section 664 (October 1, 1981).**

Summary: If not regularly engaged on the project concerned, a member of the faculty may, on occasion, receive additional compensation for consultant services on projects

conducted under the auspices of the university

**8. Statement on Conflict of Interest (issued by the President, October 5, 1967 and October 12, 1967).**

Summary: The statement recognizes the potential conflict of interest from sponsored research, consulting contracts, and staff involvement in the management of private companies and illustrates for guidance the kinds of situations which may give rise to conflicts of interest (excerpted from a 1964 joint statement of the American Council on Education and the American Association of University Professors).

**9. Instructions to Review and Appraisal Committees, Academic Personnel Manual Section 210 (June 21, 1977).**

Summary: The instructions state the "Superior intellectual attainment, as evidenced both in teaching and in research or other creative achievement, is an indispensable qualification for appointment or promotion to tenure positions." Creative work includes recognized artistic production in architectural or engineering design; professional competence; demonstrated distinction in the profession; and public service, service to the community, state, and nation.

**10. University Policy Regarding Patents (April 1, 1980).**

Summary: In order to equitably administer intellectual property, the discoveries and inventions of members of the faculties, employees, and others associated with the university are subject to the patent policy. The use of university facilities or services, particular assignments of duties, possible claims of a cooperating agency where research is supported from extramural funds, and other situations may give rise to a complex of interrelated equities or rights. Specific requirements of the policy are set forth, including No. 4, which states: "An agreement to assign inventions and patents to The Regents, except those resulting from permissible consulting activities without use of university facilities, shall be mandatory for all employees---" By letters of March 13, 1980, January 14, 1976, and July 14, 1976, and their attachments, President Saxon extended patent policy regulations to non-compensated researchers, certain visiting scholars and consultants, and graduate students.

**11. Policies on Appointment of Near Relatives, Academic Personnel Manual Section 520, revised 1971, and Staff Personnel Policy 211.26 (January 1, 1980).**

Summary: Appointment of near relatives in the same department is permitted, subject to reasonable safeguards against conflict of interest.

**12. Policy on Acceptance or Offering of Gifts and Gratuities by University Employees (February 6, 1980).**

Summary: No officer or employee should accept any gift or gratuity from any source which is offered or appears to be offered because of the university position held by the officer or employee. This document also prohibits offers of a gift or gratuity by university officers or employees and defines gifts and gratuities.

**13. Policies Applying to Campus Activities, Organizations, and Students (January 3, 1979).**

Summary: Included in this document is the policy that university facilities may be used only for university- related purposes or in furtherance of such purposes.

**14. Conflict of Interest Code (financial), approved by the Fair Political Practices Commission, January 26, 1978, with requirement of April 1, 1980, as the date for initial filing.**

Summary: The Code requires public filing of financial disclosure statements by designated officials and disqualification from governmental decision-making of any employee

who has a financial interest. Programmatic teaching and research decisions under the Code.

**15. Policy Regarding Employee-Vendor Relationships (August 19, 1982).**

Summary: Goods or services shall not be purchased from a university officer, employee, or near relative unless there is a specific determination that the goods or services are not available otherwise.

**16. Materiel Management, Business and Finance Bulletin BUS-43 (October 22, 1979).**

**Part 2: Responsibility and Authority, Section X (p. 15a), Personal Purchases.**

Summary: University credit, purchasing power, and facilities shall not be used to purchase goods or services for individuals or non-university activities. Organizations and activities closely allied to or officially associated with the university (such as a faculty club or an ASUC), with the approval of the chancellor, may be permitted to purchase materials that are not subject to federal tax through the campus Materiel Management Office.

**Part 9: Employee-Vendor Relationships (pp. 35-37).**

Summary: Determination-No purchase, lease of goods, or contract for service shall be made from any employee or near relative unless there has been a specific determination by the Materiel Manager or designee that goods or service are not available either from commercial sources or from the university's own facilities.

Inspection-The responsible administrative officer or representative whenever necessary to ensure an understanding of facts presented shall inspect the business premises and records of an employee- vendor or near relative-vendor from whom the university is considering acquiring goods or services.

Exceptions-Each responsible administrative officer is delegated authority, within constraints imposed by the Political Reform Act, for approving exceptions to policy when there are unusual or extenuating circumstances. This delegation may be redelegated to specific designees, but this authority may not be further redelegated.

**Introduction (pg. 1) and Appendix B, Principles and Standards of Purchasing Practice Advocated by National Association of Purchasing Management, and Code of Ethics of National Association of Educational Buyers.**

Summary: The University is committed to maintaining high standards of performance based upon fair, ethical and professional business practices. It, therefore, expects each Materiel Manager and anyone else authorized to make purchases to abide by the purchasing codes of conduct attached in Appendix B.

**17. Independent Consultants, Business and Finance Bulletin BUS-43 (July 8, 1981).**

Summary: Proposals from independent consultants shall include the name and university position of any officer, faculty member, or other employee of the university who holds a position of director, officer, partner, trustee, manager, or employee in the consultant organizations. Selection of the independent consultant shall be made on the basis of qualifications, resources, experience, needs of the university, and cost to the university. In the selection process, any officer or employee participating in the decision must keep in mind the disqualification requirements for financial conflict of interest of the State of California Political Reform Act of 1974. The university policy regarding employee-vendor relationships applies to services as an independent consultant. If an employee-vendor relationship exists, the reporting requirements of Business and Finance Bulletin BUS-43 shall be followed. (NOTE: These provisions apply also to independent contractors.)

**18. Ethical Professional Conduct: Internal Audit Code of Ethics**

Summary: The University subscribes to the Code of Certified Internal Auditors, which subscribes to avoidance of any conflict of interest or manifestation of bribery.

**19. University of California Police Rules and Regulations (March 1, 1974).**

Summary: The regulations include the Law Enforcement Code of Ethics as an introduction and a section on Code of Conduct for University Police employees. Specifically, employees shall conduct their private and professional lives in such a manner as to avoid bringing discredit upon the department or upon themselves and, for example, shall not solicit or accept gratuities, use one's position to obtain privileges, or permit endorsement for advertising purposes based upon the employee's university position.

**20. Policy on Disclosure of Financial Interest in Private Sponsors of Research (April 8, 1982).**

Summary: University Policy on Disclosure of Financial Interest in Private Sponsors of Research issued by President Saxon on April 9, 1982, and State regulations mandated by the Fair Political Practices Commission under the Political Reform Act (2 Cal. Admin. Code Section 18705) require that a principal investigator must disclose whether or not he has a direct or indirect financial interest in the sponsor of research which is funded in whole or in part: 1) through a contract or grant of \$250 or more with a non-governmental entity; or 2) by a gift from a non-governmental entity which is earmarked by the donor for a specific research project or a specific principal investigator, provided the amount of the gift, or the aggregate over a 12 month period, from the same donor is \$250 or more.

When an interest by a principal investigator in the sponsor is disclosed, a campus committee must review whether or not the contract, grant or gift can be accepted.