

Conflict of Interest Policy

Definitions

The following definitions are used in this policy:

- **Conflict of Interest** any situation in which an individual or corporation (either private or governmental) is in a position to exploit or influence a professional or official capacity in some way for their personal benefit.
 - **Examples:**
 - Self – Dealing, in which an official who controls an organization causes it to enter into a transaction with the official, or with another organization that benefits the official only. The official is on “both sides of the deal.
 - Outside employment, in which the interests of one job conflict with another.
 - Nepotism, in which a spouse, child, or other close relative is employed (or applies for employment) by an individual, or where goods or services are purchased from a relative or from a firm controlled by a relative. To avoid nepotism in hiring, many employment applications ask if the applicant is related to a current employee of the company. This allows recusal if the employed relative has a role in the hiring process. If this is the case, the relative could then recuse from any hiring decisions.
 - Gifts from friends who also do business with the person receiving the gifts or from individuals or corporations who do business with the organization in which the gift recipient is employed. Such gifts may include non-tangible things of value such as transportation and lodging.
- **Conflict of Commitment** occurs when the time or effort that an employee spends on outside activities takes away from the employee performing his/her job with the College. Or, when an employee uses the College resources for outside activities without the College’s permission.
- **Employee** is an individual who performs part-time or full-time work for the College and receives a salary from the College or an affiliate of the College.
- **Officer** is a member of the Executive Cabinet of the College.

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- **Business relationship or interest** is one in which an officer or employee, his/her family member or friend, as defined below, serves as an officer, director, employee, partner, trustee or stockholder (of more than one percent [1%] of the voting stock or controlling interest) of an organization that does substantial business with Essex County College and derives a substantial benefit or financial interest (either directly or indirectly) from the business transaction.
- **Family member** is a spouse, parent, sibling, child or any other relative.
- **Friend** is a personal or professional colleague that has an actual or potential opportunity to obtain some financial interest or gain from a transaction which is directly or indirectly related to the College.
- **Financial interest** is when an employee has a monetary or other value based relationship with a company or party that the College is doing with business with.
- **Personal interest** means any interest from family or marriage relationships or from close business association.

Fiduciary Responsibilities of College Officers and Employees

Each officer and employee serves the public trust and has an obligation to fulfill their responsibilities utilizing good faith, diligence, fidelity and loyalty. All decisions of the officers and employees should be made on the basis of a desire to advance the best interests of the College and the public good. The integrity and reputation of Essex County College must be protected at all times. To this end, each officer and employee hereby understands and agrees to:

- Adhere to the College Regulations and By-laws;
- Maintain the highest ethical and moral standards, and present themselves in a professional manner; and,
- Treat information received from the College that is known to be confidential or privileged as strictly confidential both during and after the completion of his/her appointment with the College.

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- Those professionals with other organizations (or institutions) using a title or representing the College in any way have the responsibility to make the College aware of their involvement if their personal, family or business relationship could possibly create a conflict of interest.

**Conflict May Occur Under the Following Circumstances:*

1. A conflict of interest occurs when an officer or college employee is in a position to influence a business decision which gives (or may give) either party a benefit (*examples*: gifts, money, vacations, entertainment event tickets, etc.)
 2. A conflict of interest also occurs when an employee's friend, associate or colleague and family member receives gifts based on the employee's influence in making or helping to make a business decision while conducting the College's business.
 3. If an officer or employee has any influence in the decision making process involving purchases, contracts or leases he/she should immediately notify the Human Resources and the Purchasing Department in order for safeguards to be established to protect all parties from a conflict of interest.
- When an officer or employee is unsure whether a conflict of interest exists, it must be brought to the attention of Human Resources.
 - Individuals should only have direct dealings with vendors of the College in accordance with the College's Purchasing and Ethics Policy.
 - Employees with confidential or privileged information which is obtained during the course of their employment may only use that information for College purposes.
 - Outside employment or other activities that interfere with an employee's responsibilities to the College are not appropriate and should be avoided.
 - No officer or employee shall act for or on behalf of the College, nor vote on any matter under consideration if the employee has a conflict of interest with the College.
 - Officers and employees of the College shall not solicit or accept any gift, favor, compensation or benefit from any person or entity that may appear to influence the judgment of the officer or employee. Items of small value (\$25.00) are not included in this policy and do not need to be reported, unless they occur on more than two occasion.



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- Violations of this policy may result in disciplinary actions, up to and including termination.
- Retaliation against an individual who has reported a violation or suspected violation of this policy is prohibited. Retaliation, if proven, will subject an employee to disciplinary action up to and including termination.
- The Office of General Counsel shall be responsible for monitoring compliance with this policy concerning all officers and employees. Human Resources shall circulate a copy of this policy to all officers and employees immediately after it is adopted. Within two (2) weeks thereafter each officer and employee shall sign that they have received a copy of this policy acknowledging the individual's receipt and review of the policy and return it to the Department of Human Resources.