

**BOARD OF TRUSTEES OF THE NEBRASKA STATE COLLEGES**  
**ITEMS FOR DISCUSSION AND ACTION\ACADEMIC AND PERSONNEL**

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***ACTION:* First and Final Round Approval of Revisions to Board Policy 5002; Conflict of Interest**

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The primary change for Policy 5002 is the addition of Section 6.1, which addresses conflicts of interest for employees with family members who are students. Employees are prohibited from participating in decisions or awards for any student benefit, financial aid, scholarship, service, or other assistance for students who are family members.

Two other minor changes have been made to the Policy. First, the existing section entitled "Teaching Family members" from section 9.1 to 5.1, in order to more closely align with the new section 6.1 "Providing Services to Student Family Members". Second, the date for submitting the Nebraska Accountability and Disclosure Commission (NADC) Statement of Financial Interest has been changed from April 1 to March 1. This change has been reflected in Section 8.1.

The System Office recommends approval of the Revisions to Board Policy 5002; Conflict of Interest; Employment Requirements.

**ATTACHMENTS:**

- Revisions to Board Policy 5002 (PDF)

## Board of Trustees of the Nebraska State Colleges

### Policy Category

POLICY  
NAME: Conflict of Interest

POLICY  
NUMBER: 5002

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#### **A. PURPOSE**

To provide policy and procedures for employee conflict of interest.

#### **B. DEFINITIONS**

1. **Family Member:** Shall include spouse, child, parent, brother, sister, grandchild, or grandparent, by blood, marriage, or adoption.
2. **Nepotism:** The act of hiring, promoting or advancing a family member within the College or System Office or recommending the hiring, promotion, or advancement of a family member in the College or System Office, including initial appointment and transfer to other positions.

#### **C. POLICY**

##### **1. General Requirements**

No employee shall engage in any activity that conflicts or appears to conflict with their duties and responsibilities at a College or the System Office.

##### 1.1. Employees shall:

- Be informed of conflict of interest perils and remain alert to them in personal activities;
- Make certain that no outside activities interfere with the employee's discharge of their College or System Office obligations;
- Freely, and without delay, disclose outside activities to the Chancellor or President regarding situations that could involve, or be construed as, conflicts of interest;
- Not use, or authorize the use of public resources, personnel, property or funds under their official care, custody, or control for personal financial gain or the financial gain of a family member; and,
- Take action according to Neb. Rev. Stat. §49-1499.02 to disclose potential conflicts of interest when they would be required to take any

action or make any decision in the discharge of official duties that may cause financial benefit or detriment to the employee, the employee's family member, or a business with which the employee is associated.

## 2. Contracts

- 2.1. No employee, employee's family member, or business with which the employee is associated shall enter into a contract valued at two thousand dollars (\$2,000) or more, in any one (1) year, with a governmental body unless the contract is awarded through an open and public process in compliance with Neb. Rev. Stat. §49-14,102.

No employee involved in an advisory or decision-making capacity relating to College or System purchases and no employee's family member shall be financially interested, or have any beneficial personal interest, either directly or indirectly in such purchase or in any bidder, contractor, lessor, or vendor for such purchase.

## 3. Gifts

- 3.1. Employees or employee's family members may not receive or accept, either directly or indirectly, by rebate, gift or otherwise, any money or other specific item of value whatsoever, or any promise, obligation or contract for future reward or compensation from any vendor, person, firm, corporation or other entity which is conducting business with the College or System.

## 4. Nepotism

- 4.1. Employees are prohibited from engaging in nepotism.

No employee shall act as a supervisor to their family member. Acting as a supervisor means having authority to hire, transfer, suspend, lay off, recall, promote, discharge, assign, reward, or discipline employees, responsibility to direct them or to adjust their grievances, or effectively to recommend any such action.

The Chancellor may, upon a written showing of good cause, grant an exception to these prohibitions. The written showing of good cause shall be filed with the Accountability and Disclosure Commission and shall be considered a public record.

An employee who becomes a supervisor to their family member other than by means of nepotism shall notify the Chancellor within seven (7) days of such occurrence and may continue to act as a supervisor until the Chancellor remedies the situation or grants an exception to the prohibition. The Chancellor shall act as soon as practicable.

## 5. Teaching Family Members

- 5.1. Faculty members are discouraged from teaching family members. If a family member enrolls in their assigned class, the faculty member shall report the situation to the Vice President for Academic Affairs. Due to the

potential conflict of interest and potential appearance of impropriety, the Vice President for Academic Affairs has the authority and discretion to make alternative arrangements for the family member to take the class from another faculty member or have the family member's graded work reviewed by a qualified, independent third party.

## **6. Providing Services to Student Family Members**

- 6.1. Employees should not participate in decisions or awards for any student benefit, financial aid, scholarship, service, or other assistance for students who are family members. If a student is a family member, the employee shall report the situation to their supervising Vice President. Due to the potential conflict of interest and potential appearance of impropriety, the supervising Vice President has the authority to either; (a) provide oversight to the decision-making process, or (b) make arrangements for an alternative process to take action.

## **7. Outside Employment**

- 7.1. Employees may engage in outside employment unless it is expressly stipulated to the contrary in the conditions of employment. Outside employment shall not interfere with the employee's job duties and assigned obligations.

All outside employment activities must occur on the employee's own time and not on work time or when the employee is engaged in assigned duties for the College or System Office. College or System Office resources, personnel, property or funds may not be used in connection with outside employment and confidential information received through the employee's position cannot be used. Public resources may only be used by employees for personal activities and/or outside employment to the same extent and on the same basis that the resource is available to the general public.

Employees cannot contract to perform services or activities for personal gain or benefit, if the service or activity is required as part of the employee's job at the College or System Office.

## **8. Statements to Financial Interests**

- 8.1 The Chancellor, Vice Chancellors, Presidents, Vice Presidents, purchasing agents and other designated College business employees are required to file annual Statements of Financial Interests with the Nebraska Accountability and Disclosure Commission (NADC) on or before ~~April~~ 4March 1 of each year, according to NADC state regulations found in Title 4, Nebraska Administrative Code, Chapter 2.

## **~~9. Teaching Family Members~~**

- ~~9.1 — Faculty members are discouraged from teaching family members. If a family member enrolls in their assigned class, the faculty member shall report the situation to the Vice President for Academic Affairs. Due to the~~

~~potential conflict of interest and potential appearance of impropriety, the Vice President for Academic Affairs has the authority and discretion to make alternative arrangements for the family member to take the class from another faculty member or have the family member's graded work reviewed by a qualified, independent third party.~~

## FORMS / APPENDICES:

None

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## SOURCE:

<b>Legal Reference:</b>	RRS §49-1499.02	Executive branch; discharge of official duties; potential conflict; actions required
	RRS §49-1499.07	Executive branch; nepotism prohibited; restrictions on supervisors; legislative intent for legislative branch and judicial branch
	RRS §49-14,102	Contracts with government bodies; procedure; powers of certain cities; purpose

**Policy Adopted:** June 1993

**Policy Revised:** November 2008, September 2009, June 2011, June 2012, [April 2022](#)