

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

ACTION: **First and Final Round Approval of Revisions to Board Policy 5002; Conflict of Interest and Deletion of Board Policy 5003; Conflict of Interest; Faculty, Sale of Books and Supplies to Students; Copyrights and Royalties; Patents**

Information from Policy 5003 will be consolidated into Policy 5002 which already covers other conflict of interest issues. Moving the directions to employees regarding the sale of books and supplies into Section 8 of Policy 5002 will allow Policy 5003 to be deleted.

The System Office recommends approval of the Revisions to Board Policy 5002 and Deletion of Board Policy 5003.

ATTACHMENTS:

- Revisions to Board Policy 5002 (PDF)
- Deletion of Board Policy 5003 (PDF)

Board of Trustees of the Nebraska State Colleges

Personnel

POLICY NAME: Conflict of Interest

POLICY NUMBER: 5002

A. PURPOSE

To establish employment conflict of interest expectations for all employees.

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. 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

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

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. Prohibitions

- 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.

4.2. Exceptions

- 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 and Providing Services to Family Members

5.1. Teaching Family Members

- 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 (VPAA).
- Due to the potential conflict of interest and potential appearance of impropriety, the VPAA 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.

5.2. Providing Services to Student Family Members

- 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.

6. Outside Employment

6.1. General Requirements

- 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.
- 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.

6.2. Use of Public Resources

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.

7. Statements to Financial Interests

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 March 1 of each year, according to NADC state regulations found in Title 4, Nebraska Administrative Code, Chapter 2.

8. Sale of Books and Supplies to Students

No employee shall have any financial interest in or receive any compensation from the sale of books and other educational materials and supplies used by students at the Colleges except royalties on books or other educational material from publishing houses of standing when copyright has been secured.

It shall be the joint responsibility of the President and academic administrators to approve the adoption of teaching materials authored by the instructor and to prevent any exploitation of students.

FORMS / APPENDICES:

None

SOURCE:

Legal Reference:	Neb. Rev. Stat. 49-1499.02	Executive branch; discharge of official duties; potential conflict; actions required.
	Neb. Rev. Stat. 49-1499.07	Executive branch; nepotism prohibited; restrictions on supervisors; legislative intent for legislative branch and judicial branch.
	Neb. Rev. Stat. 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, May 2022, March 2023

~~PERSONNEL, NEBRASKA STATE COLLEGES~~

~~POLICY: 5003 Conflict of Interest; Faculty;
Sale of Books and Supplies to Students;
Copyrights and Royalties; Patents Page 1 of 1~~

~~BOARD POLICY~~

~~No member of the staff of the three State Colleges shall have any financial interest in or receive any compensation from the sale of books and other educational materials and supplies used by students at the State Colleges except royalties on books or other educational material from publishing houses of standing when copyright has been secured. It shall be the joint responsibility of the President, departmental head, the dean of instruction, and academic officer to approve the adoption of teaching materials authored by the instructor and to prevent any exploitation of students.~~

~~The Board encourages members of the staff to seek patents on discoveries and inventions as a method of bringing recognition and remuneration to the employee and to the State College System. Patentable discoveries by staff members that result from the performance of duties owed to the College, or from the use of College properties or facilities, except where such use is minimal, shall be offered to the Board in writing prior to making a patent application.~~

~~If the Board accepts the offer within six (6) months, it shall pursue the patent application with the help of the inventor at no cost to the inventor. Royalties and other proceeds occurring from any successful patent shall be decided according to a mutually agreed on formula, but in no case shall the inventor's share be less than 15% of the net revenue.~~

~~If the Board rejects the offer, the inventor is free to pursue the patent application at his or her own expense. In the event that a third party assists the Board and the inventor in pursuing the patentability of a discovery or invention, the conditions and financial arrangements shall be specified by contracts signed by all parties to the agreement.~~

~~Policy Adopted: 1/28/77
Policy Revised: 2/7/83
Policy Revised: 6/5/93~~