Imagineering a University-Wide Conflict of Interest/Commitment Disclosure Process

Making (What Seems Like) the Impossible, Possible

Presenters

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Public Land Grant

28,596 Acres located on two campuses and across the state
- 1,841-acre campus in Auburn, Alabama
- 500-acre campus in Montgomery, Alabama
- 26,255-acres scattered across Alabama used by Agricultural Experiment Stations and Field Units.
- Additional Extension System offices in 67 Alabama counties

35,648 Total Students (AU/AUM) (Fall 2019)
- 29,117 Undergraduate Students
- 6,531 Graduate & First Professional (Vet Med and Pharmacy)

5695 full-time faculty & staff (Fall 2019)

R1 Research Institution

$1.2 billion expenditures (FY 2018)

Notable Alumni
- Tim Cook
- Octavia Spencer
- Jimmy Wales
- Millard Fuller
- Kathryn Thornton
- Bo Jackson
- Cam Newton
- Etc.

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Office of Audit, Compliance & Privacy

Our Mission

The mission of the Office of Audit, Compliance & Privacy is to assist Auburn University, Auburn University at Montgomery, the Alabama Cooperative Extension System, and the Alabama Agricultural Experiment Station (the “University”) in fulfilling its vision of being a premier comprehensive land-grant university. Our office provides services to these distinct yet related disciplines: audit, compliance, and privacy. In support of Auburn University’s three-pronged mission of teaching, research, and service.

The Office of Audit, Compliance & Privacy functions in partnership with University leadership to:
- improve the internal control system and culture;
- improve and enhance the management of operational, financial, compliance, strategic and reputational risks;
- enhance governance processes;
- ensure strong stewardship and management accountability at all levels of the University.
POLL QUESTION 1

1. What best describes your institution
   a. Doctoral University
   b. Master Colleges and Universities
   c. Baccalaureate Colleges
   d. Associate’s Colleges
   e. Special Focus: Two-Year
   f. Special Focus: Four-Year
   g. Tribal Colleges
   h. Non-College/University attendee
Ethics

• Ethical Theories/Models

• Ethics Research and the Latest Trends

• Case Studies of Recent Major Cases

Instead – Sharing Our Own Story

• Some things we’ve done to try to impact ethics

• A recent experience

• Our move to proactively manage one type of ethical risk
Our Role in Impacting Ethics

• Case in Point

• New Employees

Culture Change

Case in Point: Lessons for the Proactive Manager

Case in Point: Lessons for the Proactive Manager

Quotable

"We believe that everyone's best efforts are entertained.

— Harvey MacKay"
Our recent experience...  
It started like a normal day...  

• The dreaded anonymous letter arrives  

• Sent to board, media, and prominent alumni  
  • With a CC: to me, the governor, and others  

• The letter’s title said:
Our recent experience...
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• The letter’s title said:

Nepotism at Auburn University: Stealing Jobs, Taxpayers Money, and Student Tuition

Our Journey into COI Management

Started with Board interest in the specific COI of nepotism.
  • But nepotism is one form of COI
  • Concluded we needed an AU wide solution to a bigger issue
  • Current administration wants a solution asap

Political Environment
  • Ethics Point increase in COI questions over the past couple years
  • Case in Point analysis
  • Risk discussions with peers
  • Continuing national stories that have ethical underpinnings
Our Charge...

To develop a way to proactively manage conflicts of interest at Auburn University

• A conflict of interest is a situation in which an individual has, or appears to have, competing interests or loyalties because of their duties to more than one person or organization.

• A Conflict of Commitment is a situation in which an employee engages in an outside professional activity, paid or unpaid, that involves a commitment of time that may interfere, or appear to interfere, with fulfillment of the employee’s obligations to the University, even if the outside activity is valuable to the University or contributes to the employee’s professional development and competence.
POLL QUESTION #2

2. What best describes your current COI/C reporting requirements?
   a) Institution-Wide All Employees
   b) Institution-Wide All Full-time employees only
   c) Institution-Wide Researchers Only
   d) Selected Researchers
   e) No current COI/C reporting
   f) Don’t know

Our approach

A golfer must hit an approach shot to the green over a
tree.
(a) What initial velocity must be imparted to the ball so
that it will follow the trajectory indicated in Fig.
3–30?
(b) Find the horizontal distance \( d \) that the ball travels
after it clears the tree before hitting the ground.

1. Talked with peer institutions for advice
2. Developed COI Policy with assistance from General
   Counsel
3. Heard presentations from vendors for solutions, landed
   on what we are already using for the research
   compliance COI requirements
4. Phase in approach beginning with Cabinet

• GOAL – make this simple for employees and provide a
  way they can disclose COI issues to protect themselves
  and the university
Timeline

- State Ethics Commission
- Develop Website FAQ
- New Employee Orientation
- Employee Group Socialization
- Press Release
- Dept. Mtgs
- HRD Course
- Coffee with Compliance
- 98% response rate

Policy
- Selected Software
- Research Questions
- Create Survey
- Beta Test & Revise
- Hire Compliance Manager
- OCM Update reminder
- 95% response rate

The 5 Questions We Asked
Financial Interest

To your knowledge, do you or any members of your immediate family have a financial interest in, receive any form of compensation from, have a leadership role or serve as a board member for any entity (foreign or domestic) that:

a) conducts, or may conduct, business with Auburn University, AUM, ACES, or AAES;
b) is related to your area of professional expertise or your institutional responsibilities; or
c) is related to your sponsored research, technology commercialization or related activities?

(PLEASE NOTE: This requirement to disclose includes financial interests received from a foreign entity including institutions of higher education or the government of another country in addition to financial interests received from U.S./domestic entities.)

Outside Activities

Have you engaged in any outside professional activity during the past 12 months, or do you have plans to do so in the next 12 months, paid or unpaid, for an entity (foreign or domestic) other than Auburn University, AUM, ACES, or AAES?

(PLEASE NOTE: This requirement to disclose includes interests received from or activities involving a foreign entity including institutions of higher education or the government of another country in addition to interests received from or activities involving U.S./domestic entities.)
Related Employees

• Do you have any immediate family that you know of working for Auburn University, Auburn University at Montgomery, the Alabama Cooperative Extension System, or the Alabama Agricultural Experiment Station?

Other Interests

• Do you have any other personal relationships (with non-University individuals) that could affect or appear to affect administrative (including contractual) decisions of the University in which you are participating or have authority over, including but not limited to hiring and purchasing decisions?
In the interest of transparency, are there any other circumstances or interests that could be perceived as potential conflicts?

Acknowledgement

I have used all reasonable diligence in completing this questionnaire and, to the best of my knowledge, it is true, accurate and complete. It is my responsibility to revise this questionnaire within 30 days after a change in a previously-disclosed financial interest or relationship, or after discovering or acquiring a new financial interest or relationship by logging back and making updates. I will comply with the policies, procedures and associated requirements of Auburn University. If engaged in sponsored research, technology commercialization, or related activities, I will comply with sponsor regulations related to conflicts of interest, including the management, reduction or elimination of conflicts of interest.
**Response Rate**

- **Submitted**: 99.52%
- **Not Submitted**: 0.48%

**Disclosures by Category**

- **No disclosures**: 61.83%
- **Outside employment or Consulting**: 17.17%
- **AU Employed Family**: 23.02%
- **Significant Interests**: 5.16%
Review Process

Initially we conducted focused reviews as follows:

- Research-rich colleges
- Family relationships
- Everything else

Review determination categories:

- More information needed
- Potential nepotism
- Potential research nepotism
- Potential conflict identified – need management plan
- Potential conflict of commitment identified
- Foreign Entity identified
- Management plan proposed
- Awaiting management plan
- Management plan accepted
- Conflict managed
- No Conflict

No Disclosures

Management Plans

Written documents that enhance transparency and create separation between an employee’s personal activities and their university work in order to avoid the appearance of impropriety in university decision-making or research.

General contents:

- Recusal from decisions involving conflicted entity
- Limitations on using subordinates or students in outside activities
- Use of equipment, materials, time, lab/space, etc.
- Disclosure of conflicts to collaborators, team members, and the public in writing, scholarly publications and presentations
- Recusal from decisions involving family members

Oversight

Templates:

- General Employee Plan
- Faculty/Investigators/Researchers
- Student-Faculty
- Related researchers working together
- Outside Board Positions
- Conflict of Commitment Statement
### New Question

Do you currently have, or anticipate having in the next 12 months, any of the following affiliations with foreign institutions of higher education, foreign governments, foreign companies, or foreign nationals? Check all that apply:

- Research collaborations
- Agreements or contracts
- Appointments
- Teaching engagements
- Consulting engagements
- Talent recruitment programs
- Financial interests
- Visiting scholars
- Intellectual property
- Advising or mentoring engagements
- Speaking engagements
- Committees or boards
- Laboratories outside the U.S.
- Travel or site visits paid for by a foreign source
- Program evaluations paid for by a foreign source
- Other
- Does not apply/I do not have any foreign professional affiliations

### POLL QUESTION #3

How confident are you that your campus COI process results in full disclosure of potential foreign conflicts of interest?

- a) Extremely confident – We are getting it all!
- b) I feel good, but it’s never going to be perfect
- c) We could probably do better
- d) There is inconsistency across campus
- e) This question makes me deeply uncomfortable
1. Communication is key
2. Tone at the Top
3. Questions will not be perfect
4. Have an agreed upon penalty for non-responses before going live
5. What to do about no disclosures (when maybe there should be)
6. Additional On Demand training needed
7. Management plan stigma
8. Family

Outcomes

• Improved visibility for OACP with a clear mandate from leadership across campus

• Identified policy gaps
  • Nepotism
  • Research Nepotism
  • Foreign Agreements

• Improved Relationship with State Ethics/Research Compliance

• Improve the Culture of Compliance – people are calling and asking before they do things
It takes 20 years to build a reputation and five minutes to ruin it. If you think about that, you’ll do things differently.

— Warren Buffett —

Thank you for attending!
(Drive safely on your way home!)