 committee members: Phillip Horne, Chair, Skip Dunn, Mark Land, Erna Womble Michael Tiemann, ex officio, Susi Hamilton, ex officio

committee staff: Delores Harris, Staff, James Lucas, Staff David Harrison, Staff, Melody Texidor, Staff Council Representative, Elizabeth White, Staff Council Representative, Leslie Kamtman, Faculty Council Representative

agenda

open session

1. Call to Order and Confirm Quorum………………………………………… Chairman Horne
2. Approval of Minutes from the February 8, 2018 Meeting…………………. Chairman Horne
3. Title IX Updates ........................................................................... Delores Harris
4. Policy 603: Conflicts of Interest .................................................... David English
5. Annual Nepotism Report ............................................................... James Lucas

closed session

6. Faculty Rank ................................................................................ David English
7. Film Search Waiver ...................................................................... David English
8. Emeritus Status
9. Annual Compliance Report ......................................................... James Lucas

open session

10. Other Business ........................................................................... Chairman Horne
11. Adjourn ...................................................................................... Chairman Horne
DRAFT OPEN MINUTES

February 8, 2018
University of North Carolina School of the Arts
Hanes Student Commons, Room 301
Winston-Salem, North Carolina

TRUSTEES PRESENT
Phillip Horne (Chair), Mark Land, Erna Womble, Michael Tiemann (ex officio)

TRUSTEES ABSENT
Skip Dunn, Susi Hamilton (ex officio – non-voting)

COMMITTEE STAFF PRESENT
James, Lucas, David Harrison, Charles Leffler, Melony Texidor, Amanda Balwah, Elizabeth White, Leslie Kamtman, David English, Jim DeCristo, Marquetta Smith

CONVENE MEETING AND CONFIRM QUORUM
Phillip Horne convened the February 8, 2018 Finance Committee Meeting at 4:02 p.m. A quorum was confirmed.

APPROVAL OF MINUTES
Phillip Horne asked the committee members to review the minutes from the December 7, 2017 meeting. He then called for a motion to approve the minutes as presented.

MOTION: Michael Tiemann moved to approve the minutes from the December 7, 2017 meeting. Erna Womble seconded and the minutes were unanimously approved.

MODERN THINK UPDATE
Chairman Horne recognized James Lucas to give a Modern Think Survey update. James Lucas discussed the importance of the survey as it relates to employee engagement, recruitment, and benefits. James mentioned Modern Think had been awarded this contract based upon how well UNCSA participated on this survey almost two years ago (74 percent participation rate) He also mentioned that this new survey was mandated by General Administration and this would be a recurring survey over the next five years. There was a robust discussion on the elements of the survey and how this survey was actually part of UNCSA’s strategic planning two years ago. The
committee discussed the different aspects of the survey which include employee engagement, recruitment, benefits and work-life balance. The current participation level is at 50%, however this the number should rise. James thanked the Provost for announcing directly to the art schools which has moved the level of participation to the 50% mark. As previously stated, UNCSA’s participation level was at 74% two years ago and it is our hope we will produce similar numbers again. However, the committee was made aware of the possibility of survey fatigue affecting the overall results. Provost English mentioned this type of survey was originally a part of our Strategic Plan in order to measure UNCSA against other schools across the nation. James mentioned that our participation was at the current level was fully paid by General Administration, however if we wanted to use the data to measure how we compare to our peers, the cost would be around five thousand dollars.

**ANNUAL FACULTY EMPLOYMENT UPDATE**

Provost English spoke to the Rank Promotions and Contract Reappointment processes. He mentioned in regards to rank promotions the numbers were higher in the past years but that was primarily due to rank being initially started at that time. Moving forward we expect that number to be between 9-12 applications annually. These applications will be presented at the April Board Meeting. He mentioned with regard to contract reappointments that we do not recruit faculty right out of Graduate Schools but instead seek more experienced individuals directly from the industry. This directly impacts the length of contracts these individuals would generally receive during their career at UNCSA. It is highly unlikely that these individuals that we are currently recruiting would ever receive a third ten-year contract at UNCSA. Michael Tiemann asked about the projected retirement flux and Provost English mentioned that Faculty Affairs has an internal system to track this information. Erna Womble asked about how we would package the contract information for review. Provost English answered he would create a PDF that would have the core information from the Provost, Deans and Faculty Committee first with the remaining files attached behind the core documents.

**OTHER BUSINESS**

Provost English gave an update on the Vice Chancellor for Finance Search and mentioned that we had a robust pool which included some very strong candidates. The search is currently going very well with the use of LaVallee & Associates Search Firm. On campus interviews are planned to be conducted during the last week of February. They firm will narrow the applicant pool to 10-12 applicants to take to the search committee where they will narrow it down to 4-5 finalist for on campus interviews.

He also mentioned the University Librarian search is in the final stages of the process. One candidate has come to campus for an interview and the next finalist is set to come to campus February 19th.
CLOSING REMARKS/ADJOURNMENT

With no further business to discuss, Chairman Horne asked for a motion to adjourn. Michael Tiemann moved for adjournment and Erna Womble second the motion and the February 8, 2018 Personnel Committee meeting was adjourned at 4:27pm.
**TEAL DAY**

Location: Outside of the Dining Hall; Time: 11:30am-1:30pm

Teal is the official color of SAAM. The teal ribbon is the symbol of sexual violence prevention. **UNCSA Selfie Picture at 1:30pm.**

Join us for a group picture to show you stand against sexual assault violence!
AGENDA ITEM

UNCSA Policy #603: Conflicts of Interest Revision

Summary: UNCSA Policy #603, Conflicts of Interest (Employees) Policy is in need of revision to align with University of North Carolina Board of Governors Policy 300.2.2 and Guideline 300.2.2[G]. Key updates to the UNCSA Policy include the following:

- Limiting applicability of the Policy to employees Exempt from the Human Resources Act (EHRA) in alignment with the UNC System Policy and Guideline
- Revised the Definitions portion of the Policy, moving all guidelines and processes to the Procedures section
- Revised Categories of Conflicts of Interest to align with UNC System Policy and Guideline
- Revised the definition of Financial Interest to comport with UNC System Policy and Guideline
- Removed references to Chief Operating Officer position, and updated references of Chief Academic Officer position to Provost

These policy revisions have been distributed, reviewed, and discussed by the Cabinet, Deans Council, Provost’s Council, Faculty Council, and the individual faculties of all Schools and Divisions.

Included for review in the Board Book are the current policy, the proposed policy, and a redline copy showing the changes.

Action: This item requires a vote.
UNIVERSITY OF NORTH CAROLINA SCHOOL OF THE ARTS
Conflicts of Interest (Employees) Policy
Policy #603

Source of Authority: State Government Ethics Act, N.C.G.S. Chapter 138A;
N.C.G.S. §§ 14-234.1 & 14-243;
UNC CodePolicy § 300.2.2, 300.2.2[G]

Revision Authority: Board of Trustees (with approval of General Administration)

History:
First Issued: February 17, 2011
Revised: April 27, 2018

Related Policies: Additional Employment Policy #601;
Conflicts of Interest (Board of Trustees) #108;
Contracts & Authority to Sign Policy #109;
Employment of Related Persons Policy #608;
External Activities for Pay Policy #610;
Facilities Use Policy #402;
Improper Relations Policy #616;
Research Misconduct Policy #120;
Secondary Employment Policy #626;

Responsible Offices: Chancellor

Effective Date: February 17, 2011

I. Purpose

This policy effectuates Board of Governors’ policy, provides guidance to faculty and staff to avoid conflicts of interest, and positions UNCSA to be eligible to apply for grants from certain federal funding agencies in the future.

II. Scope

This policy applies to all full and part-time UNCSA faculty and employees, Exempt from the Human Resources Act (EHRA), including faculty and employees who are on leave if the leave is funded at least partially by UNCSA or UNCSA-related sources.

III. Definitions

A. “Business” means any corporation, partnership, sole proprietorship, firm, franchise, association, organization, holding company, joint stock company, receivership, business or real estate trust, or any other legal entity organized for profit or charitable purposes, excluding University-Related Entities.
Policy #603
Approved: February 17, 2011

B. “Category 1 Conflicts” are activities or relationships that may create technical conflicts of interest but which are allowable because they do not compromise the integrity of faculty–student interactions, the objectivity of research results, or other interests of UNCSA, a funding sponsor, or the public. Generally, these relationships have a minimal impact on the employee or his/her immediate family’s personal financial interests, and otherwise do not represent a potential source of unreasonable bias. The activities below are representative, but not all inclusive, examples of activities constituting Category 1 Conflicts.

1. —
   a. Receiving royalties from publications of books, music, scripts, films, choreography, designs, or the licensure of intellectual property pursuant to UNC’s and UNCSA’s policies concerning intellectual property.
   b. a. 2.  Having an equity or financial interest in a corporation, the exclusive function of which is to accommodate the employee’s external consulting activities.
   c. a. 3. Receiving nominal compensation, in the form of honoraria or expense reimbursement, in connection with services to professional associations, service on review panels, presentation of scholarly or artistic works, and participation in accreditation reviews.

4. Membership in and service on professional or artistic associations, learned or art societies, professional or artistic review or advisory panels and accreditation bodies; presentations of lectures, papers, concerts, or exhibits; participation in seminars and conferences; and reviewing, critiquing or editing scholarly publications or artistic works as permitted under Policy on External Professional Activities for Pay so long as they do not conflict or interfere with the timely performance of the employee’s primary duties.

C. “Category 2 Conflicts” are activities or relationships which suggest a possibility of a conflict of interest, but which may be permissible after disclosure and analysis. At times, the permissibility hinges on creation of certain limitations or monitoring. The activities below are representative, but not all inclusive, examples of activities constituting Category 2 Conflicts.

1. —
   a. Requiring or recommending one’s own or one’s immediate family member’s textbook or other teaching aids, materials or equipment to be used in connection with UNCSA programs, which produces compensation for the employee or family member.

2. —
   a. Receiving compensation or gratuities (other than occasional meals, gifts, desk copies of textbooks, and the like) from any individual or entity doing business with the University or UNCSA. Honoraria in excess of customary business expenses or fees are deemed to be gifts.
   c. a. 3. Serving on the board of directors or scientific or artistic advisory board of an enterprise that provides financial support for UNCSA research, productions, performances, or other creative endeavors, and the employee or a member of his or her immediate family may receive such financial support for research or
an artistic programming under UNCSA auspices.
4. Serving in an executive position in a for-profit or not-for-profit business which conducts research or other activities in an area related to the employee’s university duties.

5. Possessing a significant financial interest in a for-profit business which conducts research or other activities in an area related to the employee’s university duties.

6. Possessing a significant financial interest in a business that competes with services provided by UNCSA or UNC:
   
   f.a. 7. Accepting support for UNCSA research or creative projects under conditions that require research results to be held confidential, unpublished, or inordinately delayed.

8. Engaging in any other activity that has the potential for creating a conflict of interest or commitment as defined herein.

D. “Category 3 Conflicts” consist of activities which create possible conflicts of interest or present obvious opportunities or inducements to favor personal interests over UNCSA’s interests. The activities below are representative, but not all inclusive, examples of activities constituting Category 3 Conflicts:

   g.a. 1. Participating in UNCSA research or creative activities involving technology or intellectual property owned by or contractually obligated to (by license or exercise of an option to license, or otherwise) a business in which the employee or a member of the employee’s immediate family has a consulting relationship, has an ownership interest, or holds an executive position.

   h.a. 2. Participating in UNCSA research or creative activities which are funded by a grant or contract from a business in which the employee or a member of the employee’s immediate family has an ownership interest.

   i.a. 3. Assigning students, graduate students, or other trainees to UNCSA research or creative projects sponsored by a business in which the employee or a member of the employee’s immediate family has an ownership interest.

4. Assigning or allowing currently matriculating students, graduate students, or other trainees to participate (whether or not for pay) in activities of any entity in which the employee has a significant financial interest. (This provision does not apply to students following graduation or similar discontinuation of studies at UNCSA.)

5. Assuming or retaining direct supervisory authority over one who is currently receiving financial support for any UNCSA project from a business in which the supervisor or a member of the supervisor’s immediate family has a significant financial interest or a consulting relationship.

   j.a. 6. Making referrals of UNCSA business to an external business in which the employee or a member of the employee’s immediate family has a financial interest.
7. Associating the employee’s own name or work with an external activity, or making such an association in a way as to profit financially by trading on the reputation or goodwill of UNCSA or UNC, or implying sponsorship or endorsement by UNCSA or UNC. Mere identification of UNCSA or UNC as one’s employer or of one’s position at UNCSA is permitted, provided that such identification is not used in a manner that implies sponsorship or endorsement by UNCSA or UNC.

8. Making unauthorized use of privileged information acquired in connection with one’s UNCSA employment responsibilities.

9. Assuming an executive position in a for-profit business engaged in commercial, creative or research activities in an area related to the employee’s university responsibilities.

10. Taking administrative action in the course and scope of UNCSA employment responsibilities that is beneficial to a business in which the employee or a member of the employee’s immediate family has a significant financial interest or a significant consulting relationship.

11. Influencing the negotiation of contracts between UNCSA or UNC and an outside organization with which the employee or a member of the employee’s immediate family has a significant financial interest or a significant consulting relationship.

12. Serving on a committee, a governmental agency, or private entity and simultaneously participating in the consideration by such a committee of the regulation or application of a technology that is owned by or contractually obligated (by license or exercise of an option to license) to a business in which that employee, or a member of the employee’s immediate family or household, has a significant financial interest or a significant consulting relationship.

E. “Conflicts of Commitment” relates to an individual’s distribution of efforts between obligations to one’s UNCSA employment responsibilities and one’s participation in other activities outside of their one’s UNCSA employment, including such generally encouraged extensions of professional expertise as professional consulting. A conflict of commitment occurs when the pursuit of such outside activities involves an inordinate investment of time that interferes with the employee’s obligations to students, colleagues, and to UNCSA’s missions. At UNCSA, conflicts of commitment are governed by the External Professional Activities for Pay policy #610.

F. “Conflicts of Interest” relate to situations in which financial or other personal considerations may compromise, or have the appearance of compromising, an employee’s professional objectivity in meeting the employee’s UNCSA duties or responsibilities, including decisions about personnel, the purchase of equipment and other supplies, the collection, analysis and interpretation of data, the selection of pieces for performances, and other artistic activities. A conflict of interest may occur when the employee, or any member of the employee’s immediate family or household, has a personal interest in an activity that may affect the employee’s decision making with respect to UNCSA teaching, research, service or administration.

G. “Covered Position” means Employee is defined as any faculty or EHRA non-faculty person employed by the Chancellor.
H. “Executive Position” means any position that includes responsibilities for a material segment of the operation or management of a business, including Board membership.

I. “Financial Interest” is defined as:
   1. Payment for services to the Covered Employee not otherwise defined as institutional salary (e.g., consulting fees, honoraria, paid authorship);
   2. Equity or other ownership interest in a publicly or non-publicly traded entities (e.g., stock, stock options, or other ownership interest); or
   3. Intellectual property rights and interests upon receipt of income related to such rights and interest, held by the Covered Employee or members of his/her immediate family.

Income from investment vehicles, such as mutual funds or retirement accounts, in which the Covered Employee or member of his/her immediate family do not directly control the investment decisions and intellectual property rights assigned to the Institution and agreements to share in royalties related to such rights are excluded from the definition of Financial Interest. Covered Employees are required to disclose Financial Interests in a timely and accurate manner consistent with the implementing policies of UNCSA.

F. “Immediate Family” means the employee’s spouse, domestic partner, children, parents, or siblings.

G. “Reviewing Officer” means the employee’s supervisor.

H. “UNCSA Employment Responsibilities” include both "primary duties" and "secondary duties." Primary Duties” consist of assigned teaching, scholarship, research, institutional service requirements, and other assigned employment duties.

K. “Reviewing Officer” means the employee’s supervisor.

L. “Secondary Duties” consist of professional affiliations and activities traditionally undertaken by EPA employees outside of the immediate University employment context that contribute to the benefit of the profession and to higher education in general. Such endeavors, which may or may not entail the receipt of honoraria or the reimbursement of expenses, include membership in and service to professional associations and learned societies; membership on professional review or advisory panels; presentation of lectures, papers, concerts or exhibits; participation in seminars and conferences; reviewing or editing scholarly publications and books; and service to accreditation bodies.

M. “Significant Financial Interest” means anything of monetary value, including but not limited to, salary or other payments for services (e.g., consulting fees or honoraria); equity interests (e.g., stocks, stock options or other ownership interests); and intellectual property rights (e.g., patents, copyrights and royalties from such rights) except
   1. Salary, royalties, or other remuneration from UNCSA;
   2. Income from seminars, lectures, or teaching engagements sponsored by public or nonprofit entities;
   3. Income from service on advisory committees or review panels for public or nonprofit-
entities;

4. An equity interest that when aggregated for the employee and the employee’s family, does not exceed $10,000 in value as determined through reference to public prices or other reasonable measures of fair market value, and does not represent more than a five percent ownership interest in any single entity; OR

5. Salary, royalties or other payments that when aggregated for the employee and the employee’s immediate family over the next twelve months, are not expected to exceed $10,000.

N. “Technology” means any process, method, product, compound, instrument, device, or any procedure developed using UNCSA time, facilities, equipment, or funds whether intended for commercial use or not.

O. “UNCSA Employment Responsibilities” include both “primary duties” and “secondary duties.”

PI. “University-Related Entities” means the University of North Carolina, UNCSA, or any other entity controlled by, affiliated with, controlling, or under common control with the UNCSA.

IV. Policy

A. Generally General Overview

1. UNCSA employees must avoid conflicts of interest that have the potential to adversely affect UNCSA’s or UNC’s interests, to compromise objectivity in carrying out UNCSA responsibilities, or otherwise to compromise the performance of UNCSA’s responsibilities.

2. UNCSA employee’s personal activities and financial interests must be arranged so as to avoid conflicts of interest.

B. Permissibility of Conflicts

1. Category 1 conflicts are routinely allowable and no disclosure is required. These are activities or relationships that may create technical conflicts of interest but which are allowable because they do not compromise the integrity of faculty-student interactions, the objectivity of research results, or other interests of UNCSA, a funding sponsor, or the public.

2. Category 2 conflicts may be allowable following disclosure to UNCSA. These are activities or relationships which suggest a possibility of a conflict of interest, but which may be permissible after disclosure, analysis, and, when necessary, the implementation of appropriate monitoring of the conflict.

3. Category 3 conflicts are presumptively prohibited. These consist of activities which create possible conflicts of interest or present obvious opportunities or inducements to favor personal interests over UNCSA’s interests. Before proceeding with such an endeavor which constitutes a Category 3 conflict, the employee must obtain a valid waiver of the conflict from UNCSA.

4. Under no circumstances may a UNCSA employee serve on UNCSA’s Board of Trustees.
4. Category 4 conflicts are not allowable under any circumstance.

C. Disclosure of Conflicts

1. All UNCSA employees are required to complete and submit a Conflicts of Interest disclosure form on an annual basis on a schedule announced by the Provost and described in the Procedures. The Provost will remind all UNCSA employees to complete and return the disclosure forms on an annual basis.

2. Updated disclosure forms must be submitted throughout the year if a change arises that the employee believes may:
   a. give rise to a potential Category 2 or Category 3 conflict of interest;
   b. eliminate a previously disclosed conflict of interest; OR
   c. results in an affirmative answer to any question previously answered in the negative on a conflicts disclosure form.

3. Disclosure forms must be submitted to the appropriate reviewing officer.

D. Conflicts Management. Once a conflict of interest has been identified through either the submission of a disclosure form or otherwise, the reviewing official must collect all of the relevant information and decide how to address the conflict.

E. Appeals. An employee may appeal any decision under this policy and its associated procedures regarding a conflict of commitment or interest pursuant to the procedures associated with this policy.

F. Record Keeping & Confidentiality

1. Completed Conflicts of Interest disclosure forms are confidential personnel records as defined by the State Personnel Human Resources Act and are treated as such.

2. Upon completion of the review process, the reviewing official will retain a copy of the disclosure and send the original for filing in the employee’s official personnel file.

G. Relevant Laws & Policies

1. Criminal Laws. UNCSA employees may be subject to criminal liability under N.C.G.S. §§ 14-234 & 14-324.1 for actions involving conflicts of interest in contracting or the exploitation of certain confidential information.

2. State Government Ethics Act Requirements
   a. Covered, Some covered positions must comply with the State Government Ethics Act by filing a statement of economic interest with the State Ethics Commission as required by law.

   b. Prohibited Conduct: In addition to the requirements and prohibitions of UNCSA’s Conflicts of Interest—Employees Policy, the Chancellor is subject to the ethical standards set forth in the Article 4 of the State Government Ethics Act (N.C.G.S. §§ 138A-31 to 138A-44).

4.3. **Certain Grants:** Individuals receiving grants from certain federal agencies, such as the National Science Foundation and the National Institute of Health, must comply with all rules and regulations promulgated by the federal agency, and the Board of Governors Policy 300.2.2[G].

H. **Failure to Comply**

1. Failure to comply with this policy, including the failure to file a necessary annual disclosure of conflicts, may constitute misconduct or neglect of duty, and may subject the employee to discipline, up to and including termination of employment.

2. If an employee’s failure to comply with this policy has biased the design, conduct, or reporting of research funded by the U.S. Department of Health and Human Services or the National Science Foundation, the CAO is responsible for taking appropriate action to address the matter within UNCSA and for promptly notifying the awarding agency of the corrective action(s) taken or to be taken.

I. **Presidential Approval.** The Chancellor will submit this policy, and its associated procedures and forms, to the President for review before implementation on a schedule established by the President.

V. **Revision History**

   A. **February 17, 2011** – Adopted by Board of Trustees as part of UNCSA Policy Manual

   B. **April 27, 2018**
UNIVERSITY OF NORTH CAROLINA SCHOOL OF THE ARTS
Conflicts of Interest (Employees) Procedures Procedure #603

I. Annual Review of Disclosure Forms and Approval of Waivers for all EHRA Employees

A. Description of Categories. All faculty and EHRA non-faculty employees must submit disclosures in accordance with the timelines identified in these policies and procedures and promulgated by the Provost. Conflicts are categorized as Category 1, Category 2, Category 3, and Category 4.

1. Category 1 Conflicts are activities or relationships that may create technical conflicts of interest but which are allowable because they do not compromise the integrity of faculty-student interactions, the objectivity of research results, or other interests of UNCSA, a funding sponsor, or the public. The examples cited below involve activities external to University employment, and thus may present the appearance of a financial conflict of interest, but have little or no potential for affecting the objectivity of the Covered Employee’s performance of Institutional Employment Responsibilities; at most, some such situations could prompt questions about conflicts of commitment. The activities below are representative, but not all-inclusive examples of activities constituting Category 1 Conflicts:

   a. Receiving royalties from publications of books, music, scripts, films, choreography, designs or the licensure of intellectual property pursuant to UNC’s and UNCSA’s policies concerning intellectual property.

   b. Having an equity or financial interest in a corporation, the exclusive function of which is to accommodate the employee’s external consulting activities.

   c. Receiving nominal compensation, in the form of honoraria or expense reimbursement, in connection with services to professional associations, service on review panels, presentation of scholarly or artistic works, and participation in accreditation reviews.

2. Category 2 Conflicts are activities or relationships which may be permissible after disclosure and analysis. At times the permissibility hinges on creation of certain limitations or monitoring, and may result in the establishment of an approved management plan. The activities below are representative, but not all-inclusive examples of activities constituting Category 2 Conflicts:

   a. Requiring or recommending one’s own or one’s immediate family member’s textbook or other teaching aids, materials or equipment to be used in connection with UNCSA programs, which produces compensation for the employee or family member.

   b. Receiving compensation or gratuities (other than occasional meals, gifts, desk copies of textbooks, and the like) from any individual or entity doing business with the University or UNCSA. Honoraria in excess of customary business expenses or fees are deemed to be gifts.
c. Serving on the board of directors or scientific or artistic advisory board of an enterprise that provides financial support for UNCSA research, productions, performances, or other creative endeavors, and the employee or a member of his or her immediate family may receive such financial support for research or an artistic programming under UNCSA auspices.

d. Accepting support for UNCSA research or creative projects under conditions that require research results to be held confidential, unpublished, or inordinately delayed.

3. **Category 3 Conflicts** consist of activities that are generally not allowable or permitted unless an approved conflict of interest management plan is in place. The activities below are representative, but not all-inclusive, examples of activities constituting Category 3 Conflicts:

   a. Participating in UNCSA research or creative activities involving technology or intellectual property owned by or contractually obligated to (by license or exercise of an option to license, or otherwise) a business in which the employee or a member of the employee’s immediate family has a consulting relationship, has an ownership interest, or holds an executive position.

   b. Participating in UNCSA research or creative activities which are funded by a grant or contract from a business in which the employee or a member of the employee’s immediate family an ownership interest.

   c. Assigning students, graduate students, or other trainees to UNCSA research or creative projects sponsored by a business in which the employee or a member of the employee’s immediate family has an ownership interest.

4. **Category 4 Conflicts** are not allowable under any circumstance. The activities below are representative, but not all-inclusive examples of activities constituting Category 4 Conflicts:

   a. Making referrals of UNCSA business to an external business in which the employee or a member of the employee’s immediate family has a financial interest.

   b. Associating the employee’s own name or work with an external activity with UNCSA in such a way as to profit financially by trading on the reputation or goodwill of UNCSA or UNC, or implying sponsorship or endorsement by UNCSA or UNC. Mere identification of UNCSA or UNC as one’s employer or of one’s position at UNCSA is permitted, provided that such identification is not used in a manner that implies sponsorship or endorsement by UNCSA or UNC.

   c. Making unauthorized use of privileged information acquired in connection with one’s UNCSA employment responsibilities.

   d. A Covered Employee signing agreements that assign Institution patent and other intellectual property rights to third parties without prior Institutional approval.

   e. Any activity otherwise prohibited by law or university policy.
A. **Initial Review.** The reviewing official has the initial responsibility to review the submitted form and to determine compliance with this policy. **He/She/They** must determine if:

1. **1—All** of the appropriate information has been properly and fully submitted; AND
2. **2—The** information provided reveals any conflicts or potential Category 2, 3, or Category 3 Conflict.

B. **Review of Category 2 Conflicts.** If the initial review determines that an employee has a Category 2 conflict, the following options are available, depending on the circumstances:

1. The employee may take necessary steps to eliminate the conflict through divestiture or severance of significant financial interest or through cessation of the activity; or
2. The reviewing official may grant a waiver with or without specified conditions, such as public disclosure of significant financial interests, modification of the project plan, or monitoring requirements, and may result in the establishment of an approved conflict of interest management plan.

C. **Review of Category 3 Conflicts.** If the initial review determines that an employee has a Category 3 conflict, the employee must, upon receipt of notice from the reviewing official, take immediate steps to eliminate the conflict or apply for a waiver:

1. **1—In** order to obtain a waiver, the employee must demonstrate that, in fact, neither the employee’s objectivity nor UNCSA’s interests would be adversely affected.
2. **2—If** the initial reviewing official decides to grant a waiver, with or without conditions, of a Category 3 conflict, the decision and the reasons for it must be forwarded to and reviewed by the next highest administrator who may accept, reject, or modify the decision. If deemed allowable, an approved conflict of interest management plan must be established.

D. **Review of Category 4 Conflicts.** Category 4 conflicts are not allowable under any circumstance.

E. **Appeal.** An employee may appeal the reviewing official’s decision to the CAO/COOProvost. In the event that the reviewing official was the CAO/COOProvost, the appeal will be heard by the Chancellor. The decision of the administrator hearing the appeal will be final.

II. **Possible Appropriate Responses to a Conflict of Interest.** The following are an incomprehensive list of appropriate responses to a conflict of interest:

A. Concluding that while a conflict appears to exist, the nature and degree of the conflict found to be present are not significant and do not warrant action beyond the initial disclosure.

B. Requiring public disclosure of significant financial interests.

C. Requiring that the research, creative endeavor, or other activity is monitored by neutral, independent reviewers.

D. Requiring modification of the work or production plan.
E. Requiring that an employee with a conflicting interest be disqualified from participation in a particular project or activity or specified parts of the project or activity.

F. Requiring divestiture or severance of significant financial interest or other interests which create conflict with the employee’s UNCSA work.

III. Distribution. This policy, and its associated procedure and forms, will be included in the UNCSA policy manual, as well as on the UNCSA website and in the UNCSA Faculty Manual. The CAO’s annual reminder to complete the conflicts of interest disclosure forms will also include a link directing employees to this policy, and its associate procedures and forms.

IV. Guidelines for Covered Employees Pursuing Certain Federally Funded Research

Certification of Compliance for Public Health Service Funding. Pursuant to 42 C.F.R. § 50.604(g), each application for Public Health Service funding must contain the following certification:

“The University of North Carolina School of the Arts has in effect a written and enforced administrative process to identify and manage, reduce, or eliminate conflicting interests with respect to all research projects for which funding is sought from Public Health Service.

Prior to UNCSA’s expenditure of any funds under the award, UNCSA will report to the Public Health Service awarding component the existence of a conflicting interest (but not the nature of the interest or other details) found by UNCSA and assure that the interest has been managed, reduced, or eliminated in accordance with 42 CFR Part 50; and, for any interest that UNCSA identifies as conflicting subsequent to the initial report under that award, the report will be made and the conflicting interest managed, reduced, or eliminated, at least on an interim basis, within sixty days of that identification.

Further, the University of North Carolina School of the Arts agrees to make information available, upon request, to the U.S. Department of Health and Human Services regarding all conflicting interests identified by UNCSA and how those interests have been managed, reduced, or eliminated to protect the research from bias. UNCSA will otherwise comply with 42 C.F.R., Part 50.”
AGENDA ITEM

UNCSA Policy # 608: Nepotism

In accordance with UNCSA policy #608 Nepotism is reported on annually during the April board meeting. During the 17-18 school year there were no hires or realignment of supervision that raised any concerns of nepotism for the UNCSA campus.