

## Conflict of Interest

### I. Policy Section

6.0 Human Resources

### II. Policy Subsection

6.7 Conflict of interest

### III. Policy Statement

Grand Rapids Community College employees must adhere to ethical standards and principles to preserve the College's reputation and integrity in the community. Activities that create a conflict between the interests of the College and an employee are unacceptable.

GRCC employees shall make no unauthorized commitments or promises of any kind claiming to bind GRCC.

Conflicts of interest may arise in many areas, including but not limited to:

- a. Personal or financial interests.
- b. Nepotism and personal relationships in the workplace.
- c. Use of college resources in connection with private business, consulting or for unauthorized personal purposes.
- d. Supplemental employment.
- e. Conduct in the community that impacts the College's reputation in a negative way.
- f. Misuse of confidential information.
- g. Misconduct.

A potential or actual conflict of interest occurs whenever an employee is in a position to influence a decision that may result in a personal gain for the employee or an immediate family member (i.e., spouse or significant other, children, parents, siblings).

The ethical standards outlined in this policy shall apply to all persons employed by GRCC regardless of rank or position.

GRCC employees shall adhere to all laws, regulations, and policies that provide equal opportunity for all persons regardless of age, race, color, religion, marital

status, sex /gender, pregnancy, sexual orientation, gender identity, gender expression, height, weight, national origin, disability, political affiliation, veteran status, or genetics.

GRCC employees shall endeavor to avoid any actions that would create the appearance that they are violating the law or the ethical standards of GRCC.

Violations of this policy could result in immediate discipline, up to and including termination.

#### IV. Reason for the Policy

The purpose of the Conflict of Interest Policy is to outline what employee activities constitute a conflict of interest that might jeopardize the College's mission and interfere with GRCC's highest standards of excellence and integrity, and to notify employees of potential ramifications of policy violations.

Grand Rapids Community College has made an effort to conform to AAUP, The American Association of University Professors, guidelines regarding Conflict of Interest.

#### V. Entities Affected by This Policy

All Grand Rapids Community College employees.

#### VI. Who Should Read This Policy

All Grand Rapids Community College employees, independent contractors, volunteers and purchasing vendors.

#### VII. Related Documents

- a. All GRCC Policies
- b. Employee Collective Bargaining Agreements
- c. Meet and Confer Employee Handbook
- d. Statement of Principles of Good Practices, National Association of College Admissions Counseling.
- e. Statement of Ethical Principles, National Association of Student Financial Aid Administrators.
- f. Statement of Professional Ethics and Practice, American Association of Collegiate Registrars and Admissions Officers

- g. Association of Fundraising Professionals Code of Ethical Standards
- h. National Academic Advising Association Statement of Core Values for Academic Advising
- i. American Counseling Association Code of Ethics
- j. Council for Advancement of Standards Guidelines for Academic Advisors
- k. Acceptable Use Agreement
- l. Board of Trustee's Conflict of Interest Policy
- m. GRCC Foundation Conflict of Interest Policy
- n. Contracting Policy

## VIII. Contacts

- a. Policy Owner: Office of General Counsel
- b. Executive Director of Human Resources
- c. Human Resources Generalists
- d. Ethics Hotline (616/234-3169)

## IX. Definitions

- a. Personal or Financial Conflict of Interest:  
A conflict of interest may arise whenever an employee is in a position to influence college business, research, or other decisions in ways that could lead to any form of personal gain for the individual or his/her relative, or give improper advantage to other, including suppliers and vendors. Such conflicts include, but may not be limited to situations where:
  1. A GRCC employee's personal or financial interests conflict or could conflict with the employee's exercise of judgment or performance of duties in the College's best interest.
  2. A GRCC employee profits at the expense of the College because of the advantages she/he has by being an employee of the College.
  3. A GRCC employee holds financial interests that are in conflict with the conscientious performance of their official duties and responsibilities.
  4. A GRCC employee engages in any financial transaction in order to further any private interest using nonpublic information which they obtain in the course of their employment.
  5. A GRCC employee may not, in reliance on information to which he or she has access in his or her official capacity and which has not been made public, disclose information for personal gain or financial benefit.
  6. A GRCC employee shall not solicit or accept for personal benefit directly or indirectly any gift, loan, or any item of substantial monetary value (over \$25) from any person or company that is seeking to

conduct or currently conducting business with the College (see Purchasing Policy for additional guidance). Exceptions may be made for invitations to events or other business related functions if authorized in advance by the EBCO or Director of Purchasing or if the event is a fundraiser for GRCC. Meals of a reasonable value provided to employees on College business may be accepted. Supervisors should not accept gifts from those under their supervision of more than minor value.

7. A GRCC employee with authority for an investment or control of funds for the procurement of goods and services for the college shall not enter into any contract, commitment or agreement on behalf of the college with any entity in which he/she or a member of his/her family has a financial interest, except after prior report to the President of the college of such financial interest and potential conflict of interest and prior approval of the proposed transaction by the President.  
Financial interest is defined as employment by another business entity, or the ownership or control of more than 1% of any firm or institution doing business with GRCC by an administrator or a member of his/her immediate family.
8. A GRCC employee who holds responsibilities for any aspect of administering financial aid is required to adhere to the Statement of Ethical Principles established by the Title IV Loan School Code of Conduct and the National Association of Student Financial Aid Administrators.
9. A GRCC employee who holds responsibilities for any aspect of recruitment and admissions is required to adhere to the Statement of Professional Ethics and Practice, American Association of Collegiate Registrars and Admissions Officers and the Statement of Principles of Good Practice established by the National Association of College Admissions Counseling.
10. A GRCC employee who holds responsibilities for any aspect of academic advising and/or counseling (personal and career) is required to adhere to the Council for Academic Standards guidelines for academic advising and the NACADA Statement of Core Values of Academic Advising and/or the American Counseling Association Code of Ethics for Counseling.
11. A GRCC employee who holds responsibilities for any aspect of fundraising for the GRCC Foundation or for the College is required to adhere to the Association of Fundraising Professionals Code of Ethical Standards.
12. Employees who are authorized to select or to participate in the selection of a vendor and/or to award a contract may not accept valuable gifts, including reimbursement for travel expenses, meals or sample text books, which can reasonably be expected to influence their judgment. Sample texts may be accepted on behalf of the

College by Department Heads as appropriate for faculty consideration. Sample textbooks may not be sold to textbook buyers.

13. Employees may not invite vendors to campus to sell products or to solicit funds from students and employees without prior authorization from the Director of Purchasing or Executive Director of Human resources for benefit or professional development activities. Exceptions will be made for student fundraising events.
- b. Conduct in the Community that Negatively Impacts the College's reputation:  
Conflicts of interests arise when a GRCC employee engages in an action or decision that compromises the integrity of his/her employment, or that places the institution at risk of harm, including reputational damage.
  - c. Use of College resources in connection with private business, consulting or for unauthorized personal purposes:  
GRCC employees shall protect and conserve College property and shall not use it for other than authorized activities.
  - d. Supplemental Employment:  
GRCC recognizes the right of employees to engage in activities outside of their employment which are of a private nature and unrelated to GRCC's business, and shall not exercise control of personal activities except those deemed a conflict of interest within the employee's respective assignment, provided such supplemental employment does not conflict with their duties as an employee of GRCC and provided the work conforms to the following provisions:
    1. The supplemental employment is performed outside of the employee's regular hours of work and does not interfere with the employee's assigned duties and responsibilities.
    2. No promotion or solicitation of students or College staff with respect to any outside employment shall be permitted.
    3. When the employee's supplemental employment interferes with performance of the employee's College duties, the employee may be requested to end or modify such supplemental employment as a condition of continued employment by the College.
  - e. Confidential Information: The revelation or use of any confidential information, data on decisions, plans, or any other information which might be contrary to the interest of the College without prior authorization, is prohibited. The misuse, unauthorized access to, or mishandling of confidential information, particularly student or personnel information, is

strictly prohibited and will subject an employee to discipline up to and including termination. Refer to HIPAA and FERPA guidelines.

f. Nepotism and Personal Relationships in the Workplace:

1. Grand Rapids Community College believes that an environment where employees maintain clear boundaries between employee personal and business interactions is most effective for conducting business. Individuals in supervisory relationships or other influential roles are subject to more stringent requirements under this policy due to their status as role models, their access to sensitive information, and their ability to influence employment decisions.
2. Family members of current GRCC employees may become employees of the College. To determine whether any conflict of interest exists because of the relative positions of the individuals involved, the appointment must be approved by the Executive Director of Human Resources in consultation with the appropriate Vice President. Student workers may be approved for employment by the Executive Director of Human Resources.
3. An employee who is related to, or involved in a personal relationship with another employee may not occupy a position in the same department as, work directly for, or supervise the employee with whom he or she is involved or related to. Personal relationship is defined as a relationship between individuals who have or have had a continuing relationship of a romantic or intimate nature. GRCC reserves the right to take prompt action if an actual or potential conflict of interest arises concerning individuals who occupy positions at any level (higher or lower) in the same line of authority that may affect employment decisions. Matters such as hiring, firing, promotions, performance management, compensation decisions, financial transactions, etc. are examples of situations that may require reallocation of duties to avoid any actual or perceived reward or disadvantage. Student workers may be employed in the same department as a family member but may not be supervised by a family member.
  - a. In cases where it is necessary to transfer one of the employees to another position or department, the individual with the more senior position will be considered for transfer first to avoid any perception of retaliation against the less senior person.
  - b. Where doubts exist as to the specific meaning of the terms used above, employees should make judgments on the basis of the overall spirit and intent of this policy.

- c. If spouses or partners are considered for work in the same department, the supervisor must demonstrate business necessity based on:
  - 1. Lack of available workers
  - 2. negative impact on program
- d. This exception will be considered for temporary employment only.

Note: A limited number of related employees were hired prior to the implementation of this policy. The employees, (a list is available in Human Resources) were not required to switch jobs or seek alternative employment opportunities. However, the College continues to monitor their employment status to eliminate charges of favoritism.

#### X. Procedures

- a. Although it is not possible to specify every action that might create a conflict of interest, this policy sets forth the ones which most frequently present problems. If an employee has any question whether an action or proposed course of conduct would create a conflict of interest, he or she should immediately contact the Office of General Counsel to obtain advice on the issue.
- b. Disciplinary action for failure to observe any of the above guidelines may include, but not necessarily in progressive order,
  - 1. Verbal reprimand
  - 2. Written reprimand
  - 3. Suspension without pay
  - 4. Termination from Employment
  - 5. Legal action to recover any financial loss suffered by the College as a result of the activity of the employee.
- c. The College reserves the right to impose discipline it deems appropriate, given the facts and circumstances of each situation.
  - 1. Supervisors must report all recommended discipline to the Executive Director of Human Resources to ensure consistent responses to violations.
  - 2. Appeal of Discipline: Employee Collective Bargaining Agreements and the Meet and Confer Employee Handbook set forth specific grievance and/or appeal processes.
  - 3. Grand Rapids Community College reserves the right to search unlocked and/or publicly used College property, including emails or any other communications using College resources, at any time without consent.

The College may request a search of personal property at the worksite or locked company property assigned to an individual if there is reasonable suspicion that evidence of illegal or prohibited activities resides therein. Refusal of such a request may result in disciplinary action up to and including termination.

- d. It is the obligation of each employee to consult with his/her immediate supervisor about any involvement which may be matter of potential conflict of interest.

XI. Forms  
Corrective Action Form

XII. Effective Date

September 20, 2005  
August 8, 2012

XIII. Policy History

Revised – December 2007 (revised “relatives as Employees” section)  
Revised – March 26, 2007  
Revised – April 18, 2008  
Revised – August, 2012 (removed Misconduct section and made it a separate policy)  
Revised, September 2013 (added provision allowing student workers to be employed in the same department as a family member.)  
Revised – May, 2015

XIV. Next Review/Revision Date  
May, 2019