



**BOARD OF REGENTS OF  
THE UNIVERSITY SYSTEM OF GEORGIA**

OFFICE OF THE CHANCELLOR  
270 WASHINGTON STREET, S.W.  
ATLANTA, GEORGIA 30334

(404) 962-3000 - PHONE  
(404) 962-3013 - FAX  
CHANCELLOR@USG.EDU

August 16, 2018

Presidents  
University System of Georgia  
*sent via email*

Dear Presidents:

The purpose of this letter is to inform you of revisions made to Board Policy **8.2.18.2 *Conflicts of Interest and Conflicts of Commitment*** at Tuesday's meeting of the Board of Regents (BOR) of the University System of Georgia (USG).

Awareness of and compliance with this policy is important to our efforts to maintain an ethical culture. One incident of ethical violations is too many, and at too many campuses recently we have had multiple incidents due to lax management and deliberate acts. I expect you as president to model the appropriate behavior regarding ethical management and to hold all members of your campus to the highest standards of ethical conduct. Deliberate violations should be sanctioned, including termination. We will be discussing ethical management at the retreat and I expect each of you to play a prominent part in Ethics Awareness Week. Keeping the public trust is our top priority. Losing it makes it nearly impossible to carry out our core functions.

The enclosed summary provides additional detail and guidance. However, the key changes are:

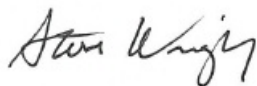
- 1) USG employees involved with vendor selection, oversight, etc. may not also be employed or otherwise compensated by a USG vendor.
- 2) Outside activities for USG presidents and USO employees are approved by the Chancellor and institutional employee outside activities are approved by the respective president. Institutional presidents must first provide proposed outside activity approvals to USG legal and USG compliance and ethics for employees that either report directly to the president or have the rank of vice president or higher.
- 3) Full-time USG employees, to include 12-month faculty with administrative duties, must take annual leave if participating in compensated outside activities consistent with USG procedures governing annual leave.

Our priorities of degree attainment, affordability and efficiency are predicated upon preserving the public's trust and being good stewards of the resources entrusted to us. Attached as an Exhibit is a document that shows the policy revisions made, the effective, date and helpful information regarding this revised policy.

Presidents  
August 16, 2018  
Page 2

Please share widely with the appropriate offices on your campus to include academic affairs, student affairs, human resources, legal affairs, and internal audit.

Sincerely,



Dr. Steve Wrigley  
Chancellor

Enclosure

cc: Tricia Chastain, Executive Vice Chancellor for Administration  
Dr. Tristan Denley, Executive Vice Chancellor for Academic Affairs  
Tracey Cook, Interim Executive Vice Chancellor for Strategy and Fiscal Affairs  
Karin Elliott, Interim Vice Chancellor for Human Resources  
John Fuchko, III, Vice Chancellor for Organizational Effectiveness  
Jim James, Vice Chancellor for Real Estate and Facilities  
Dr. Joyce Jones, Vice Chancellor for Student Affairs  
Dr. Bobby Laurine, Vice Chancellor and Chief Information Officer  
Karen McCauley, Vice Chancellor of Development  
Dr. Tanshanika Smith, Interim Vice Chancellor for Internal Audit  
Charlie Sutlive, Vice Chancellor for Communications and Governmental Affairs  
Edward Tate, Vice Chancellor for Legal Affairs and Secretary to the Board  
Kimberly Ballard-Washington, Assistant Vice Chancellor for Legal Affairs  
Dr. Martha Venn, Deputy Vice Chancellor for Academic Affairs  
Brooke Bowen, Legal Counsel  
Wesley Horne, Director of Ethics and Compliance  
Institutional Vice Presidents of Academic Affairs  
Institutional Vice President of Student Affairs  
Institutional Chief Business Officers  
Institutional Legal Officers  
Institutional Audit Directors  
Institutional Athletic Directors

**Exhibit**  
**BOARD OF REGENTS POLICY MANUAL**  
**Revised Policy and Background Information**  
**Meeting of August 14, 2018**

**Revision of Board Policy 8.2.18.2.1 Conflicts of Interest and Conflicts of Commitment**

**A. Background:**

Board Policy 8.2.15 *Outside Activities* and Board Policy 8.2.13.2 *Appearance of Conflicts of Interest* were revised as part of the Policy Review Initiative completed earlier this year. These policies were combined and renumbered as Board Policy 8.2.18.2 *Conflicts of Interest and Conflicts of Commitment*. The text of the previous policies (*BOR 8.2.15 Outside Activities* and *BOR 8.2.13.2 Appearance of Conflicts of Interest*) are included at the end of this exhibit for reference. The revisions made as part of the Policy Review Initiative were part of a comprehensive effort to increase efficiency, to ensure consistency, and to simplify the BOR Policy Manual. This policy was also grouped with other policies regarding personnel conduct as follows:

8.2.18 Personnel Conduct

8.2.18.1 Ethics Policy

**8.2.18.2 Conflicts of Interest and Conflicts of Commitment**

8.2.18.3 Political Activities

8.2.18.4 Gratuities

8.2.18.5 Sexual Harassment

8.2.18.6 Amorous Relationships

8.2.18.7 Violations

The revisions provide employees with additional guidance conflicts of interest, prohibitions on consulting for USG vendors, when annual leave must be taken for compensated outside activities, required financial disclosures, guidance concerning the use of institutional resources for faculty consulting and the approval process for USG Presidents and institutional senior leaders seeking authorization to engage in compensated outside activities. To help ensure a complete understanding of this important policy, the requirements of this policy to include the minor revisions made as part of the policy review initiative and the more substantive revisions made at the most recent meeting of the BOR are outlined below in Section “D. Additional Guidance.”

**B. Effective Date:**

The effective date of this policy change is August 14, 2018

**C. Changes to Board Policy 8.2.18.2.1 Shown with Markup**

***8.2.18.2 Conflicts of Interest and Conflicts of Commitment***

**8.2.18.2.1 Conflicts of Interest and Appearances of Conflicts of Interest**

Each University System of Georgia (USG) employee shall make every reasonable effort to avoid actual or apparent conflicts of interests and also the appearance of a conflict of interest. An appearance of a conflict exists when a reasonable person would conclude from the circumstances that the employee's ability to protect the public interest, or perform public duties, is compromised by a personal, financial, or business interest. An appearance of conflict can exist even in the absence of a legal conflict of interest. USG employees are referred to State Conflict of Interest Statutes O.C.G.A. § 45-10-20 through § 45-10-70 and institutional policies governing professional and outside activities.

**8.2.18.2.2 Conflicts of Commitment**

A USG employee shall not engage in any occupation, pursuit, or endeavor that will interfere with the regular and punctual discharge of that employee's official duties.

**8.2.18.2.3 Compensated Outside Activities: Restrictions & Approval Process**

All employees are encouraged to participate in professional activities; however, those activities must be consistent with the mission of the USG. Each USG employee must obtain written approval in advance from institution president or designee prior to engaging in compensated outside activities that relate to the employee's expertise or responsibilities as a USG employee. Such activities include consulting, teaching, speaking, and participating in business, professional, or service enterprises. Employees assigned to the System Office and USG presidents must obtain approval from the Chancellor or designee. Except as authorized for eligible faculty employees, annual leave must be used by USG employees for compensated outside activities during normal work hours consistent with the USG procedures governing the use of annual leave.

USG employees are generally prohibited from consulting or otherwise receiving compensation from a current USG vendor or an entity seeking a vendor relationship with the USG. Exceptions to this provision may be granted by the institution president or designee for employees that do not supervise, regularly interact with, or participate in the selection of vendors of that employee's institution or System Office. Exceptions for University System Office employees may be granted by the Chancellor or designee. This prohibition applies only to those employees supervising or participating in vendor selection and/or providing oversight of vendor performance and to vendors / prospective vendors of that employee's institution or the System Office. This prohibition does not apply to vendor or service relationships between the USG and other government entities.

The nature of institutional and System Office executive positions is such that outside activities and potential conflicts of interest require an additional level of scrutiny in order to protect the public trust. Executive positions shall include direct reports to the president in addition to those with a title of Vice President, Vice Chancellor, equivalent, or higher. Individuals in executive positions desiring to participate in compensated outside activities or

seeking approval for a conflict of interest management plan must obtain approval from the institutional president or from the USG Chancellor or designee for USO employees and USG presidents. Proposed approvals shall first be reviewed by USG Ethics & Compliance and USG Legal.

#### **8.2.18.2.4 Faculty Consulting**

Recognizing that teaching, research, and public service are the primary responsibilities of USG faculty members, it is reasonable and desirable for faculty members to engage in additional activity beyond duties assigned by the institution, which are professional in nature and based in the appropriate discipline for which the individual receives additional compensation during the contract year.

Each USG institution shall adopt guidelines governing consulting activities of faculty members which shall include the following:

1. Time that faculty may consult during regular work hours, if any. For nine-month employees the maximum limit is one day per week. Twelve-month faculty assigned to administrative positions must take annual leave when engaged in consulting during their normal work hours consistent with the USG procedures governing the use of annual leave.
2. A determination of what institutional resources may be used for consulting work;
3. A plan for reimbursing the institution for use of the institution's personnel, facilities, equipment, and or materials consistent with rates charged outside groups or persons;
4. A procedure for obtaining prior approval of the President or his or her designee; and,
5. A procedure for defining and managing conflicts of interest and conflicts of commitment regarding faculty consulting.

#### **8.2.18.2.5 Disclosure**

Each USG employee has an ongoing responsibility to report and fully disclose any personal, professional, or financial interests, relationships, or activities that has the potential to compromise an employee's objectivity in fulfilling the employees' responsibilities to the USG. Each USG employee must also report and fully disclose any financial and business interests that the employee or the employee's spouse, partner, parent, child, sibling, and any in-laws of any of the foregoing may have that relate to the USG employee's expertise or responsibilities as a USG employee.

#### **8.2.18.2.5 Approval**

~~Each University System Office employee must obtain written approval from the Chancellor prior to engaging in compensated outside activities that relate to an employee's expertise or responsibilities as a USG employee. Each USG institution employee must obtain written approval from the President of the institution or his or her designee prior to engaging in compensated outside activities that relate to an employee's expertise or responsibilities as a USG employee. Such activities include consulting, teaching, speaking, and participating in business, professional, or service enterprises, but do not include service in the United States Armed Forces.~~

## **D. Additional Guidance**

The requirements of this policy to include the minor revisions made as part of the policy review initiative and the more substantive revisions made at the most recent meeting of the BOR are outlined below.

### **1. Conflicts of Interest and the Appearance of Conflicts of Interest**

The foundational requirement for USG employees to avoid even the appearance of a conflict of interest remains unchanged. Specific reference is made in the policy to the State Conflict of Interest Statutes O.C.G.A. § 45-10-20 through § 45-10-70.

### **2. Conflicts of Commitment**

This provision also remains unchanged. USG employee must not engage in any occupation, pursuit, or endeavor that will interfere with the regular and punctual discharge of that employee's official duties.

### **3. Compensated Outside Activities: Restrictions & Approval Process**

USG employees must still obtain permission in writing and in advance for Outside Activities. The revisions to this policy provides the following guidance:

- a. USG employees must now only obtain approval for outside activities that are both i. compensated and ii. relate to the employee's expertise or responsibilities as a USG employee. Under this policy does not apply to an employee's service in the military.
- b. Institution Presidents and University System Office employees must obtain approval for Compensated Outside Activities from the Chancellor or designee.
- c. USG employees, other than eligible faculty employees, must use annual leave for compensated outside activities during normal work hours consistent with USG polices governing annual leave.
- d. USG employees are prohibited from consulting or otherwise receiving compensation from a current USG vendor or entity seeking a vendor relationship with the USG. Exceptions to this provision may be granted by the institution President. For University System Office employees, exception to this provision may be granted by the Chancellor or designee.
- e. The Compensated Outside Activities of Institutional Presidents, Institutional executive positions and University System Office executive positions must first be reviewed by the USG Office of Ethics and Compliance and the USG Office of Legal Affairs. Contact information for these offices is provided below:

USG Office of Legal Affairs  
Vice Chancellor of Legal Affairs,  
[usg-legal@usg.edu](mailto:usg-legal@usg.edu)  
(404) 962-3255

USG Office of Ethics & Compliance  
Vice Chancellor for Organizational Effectiveness  
[usg-compliance@usg.edu](mailto:usg-compliance@usg.edu)  
(404) 962-3034

- f. USG institutions must now include in consulting guidelines the amount of time, if any, that faculty employees may consult during normal work hours. For nine-month employees, the maximum amount of consulting during normal work hours is one day per week. It is intended that this limit be an average of one day per week and not a hard cap of confining any consulting hours to one calendar day. The limit does not apply time outside of the 9-month contract. Twelve-month faculty assigned to administrative positions **must** take annual leave when engaged in consulting activities during normal work hours.

#### **4. Disclosure**

The policy still requires USG employees to report and fully disclose, on an on-going basis, any personal, professional, or financial interests, relationships, or activities that has the potential to compromise an employee's objectivity in fulfilling the employees' responsibilities to the USG. The policy now explicitly requires USG employees to report and fully disclose any financial and business interests that the employee or the employee's spouse, partner, parent, child, sibling, and any in-laws of any of the foregoing may have that relate to the USG employee's expertise or responsibilities as a USG employee.

Questions regarding this policy change should be directed to the Vice Chancellor for Organizational Effectiveness or the Vice Chancellor of Legal Affairs.

- E. Previous Policies *BOR 8.2.13.2 Appearance of Conflicts of Interest* and *BOR 8.2.15 Outside Activities*.

#### **8.2.13.2 Appearance of Conflicts of Interest**

An employee shall make every reasonable effort to avoid even the appearance of a conflict of interest. An appearance of conflict exists when a reasonable person will conclude from the circumstances that the employee's ability to protect the public interest, or perform public duties, is compromised by personal interest. An appearance of conflict can exist even in the absence of a legal conflict of interest.

Employees are referred to State Conflict of Interest Statutes O.C.G.A. §45-10-20 through §45-10-70, Section 8.2.15.1 through 8.2.15.3 of this Policy Manual, and institutional policies governing professional and outside activities.

#### **8.2.15 Outside Activities**

*(Last Modified on June 26, 2009)*

A USG employee should avoid actual or apparent conflict of interests between his or her college or university obligations and his or her outside activities.

#### **8.2.15.1 Occupational**

A USG employee shall not engage in any occupation, pursuit, or endeavor which will interfere with the regular and punctual discharge of official duties.

All full-time faculty, administrators, and other professional staff members employed by a USG institution are expected to give full professional effort to their assignments of teaching, research, and service.

Professional employees are encouraged to participate in professional activity that does not interfere with the regular and punctual discharge of official duties provided the activity meets one of the following criteria:

1. It is a means of personal professional development;
2. It serves the community, state or nation; or,
3. It is consistent with the objectives of the institution.

For all activities, except single-occasion activities, the employee shall report in writing through official channels the proposed arrangements and secure the approval of the president or his/her designee prior to engaging in the activities. Such activities include consulting, teaching, speaking, and participating in business or service enterprises.

#### **8.2.15.2 Consulting**

Recognizing that teaching, research, and public service are the primary responsibilities of USG faculty members, it shall be considered reasonable and desirable for faculty members to engage in consulting activities, which are defined for purposes of this policy as any additional activity beyond duties assigned by the institution, professional in nature and based in the appropriate discipline for which the individual receives additional compensation during the contract year.

Each USG institution shall adopt guidelines governing consulting activities of faculty members which shall include the following:

1. A plan for reimbursing the institution for use of the institution's personnel, facilities, equipment and/or materials consistent with rates charged outside groups or persons.
2. A procedure for obtaining prior approval of the president or his/her designee.
3. A procedure for defining and prohibiting conflicts of interest.