

**Sam Houston State University**  
**A Member of The Texas State University System**

**Finance & Operations Human Resources Policy E-8**  
**Conflict of Interest**

**SUBJECT:** Employee Conflicts of Interest

**PURPOSE:** To provide guidelines for preventing conflicts of interest in the workplace.

**POLICY:** Sam Houston State University depends upon the integrity and discretion of its staff with respect to actual or apparent conflicts of interest. All employees are subject to the prohibitions of state law and applicable federal guidelines. This policy establishes guidelines to avoid conflicts of interest in accordance with Section 572.051, Texas Government Code and Texas State University System Rules and Regulations, Chapter VIII. Personnel actions are reviewed to ensure Equal Employment Opportunity (EEO) compliance.

**CONTENTS:**

1. General
2. Guidelines
3. Consensual Relationships
4. Compliance

**1. General**

A conflict of interest occurs when an employee uses their University employment to obtain unauthorized privileges, benefits, or things of value for oneself or others.

**2. Employees shall avoid the following conflicts of interest:**

- a. No employee shall solicit, accept, or agree to accept any privilege, benefit (financial or otherwise) or thing of value for the exercise of his or her discretion, influence or powers as an employee except as allowed by law.
- b. No employee shall accept any privilege, benefit or thing of value that might influence him or her in the discharge of his or her duties as an employee.
- c. No employee shall use his or her position to secure special privileges or exemptions for himself or herself or others, except as allowed by law.
- d. Any employee who is an officer, agent, employee or member of, or owns an interest in any entity doing business with the University must disclose such relationship in writing to his or her immediate superior and divisional vice president. .
- e. No employee shall accept employment or engage in any personal, business or professional activity which foreseeably might require or induce disclosure of confidential information acquired by reason of his or her Sam Houston State University position.
- f. No employee shall disclose confidential information gained by reason of his or her position, nor shall he or she otherwise use such information for his or her personal gain or benefit.
- g. No employee shall transact any business for the University with any entity of which he or she is an officer, agent, employee, or member, or in which he or she or any immediate family member owns an interest or can financially benefit from the transacted business without disclosing such relationship in writing to his or her immediate supervisor and divisional vice president.
- h. No employee shall make personal investments in any enterprise which foreseeably might create a substantial conflict between his or her private interests and the University's interests.
- i. No employee shall exercise his or her official authority in a manner that might foreseeably create a substantial conflict between his or her private interests and the University's interests.

**Sam Houston State University**  
**A Member of The Texas State University System**

- j. No employee shall accept other employment which might impair his or her independence or judgment in the performance of his or her duties. (See Policy E-6, Outside Employment)
- k. No fulltime employee shall receive any compensation for his or her services from any source other than the State of Texas except as allowed by law or as authorized under the University's policy on outside employment (E-6).
- l. No employee who exercises discretion in connection with contracts, purchases, payments, claims or other pecuniary transactions shall solicit, accept or agree to accept any benefit (financial or otherwise) from a person or entity the employee knows, or should know, is or is likely to become financially interested in such transactions.
- m. No employee shall utilize his or her position to gain privilege or things of value for family members related by consanguinity and/or affinity.

**3. Consensual Relationships**

A consensual relationship is a romantic, sexual, or other relationship that may create an actual or the appearance of a conflict of interest, yet is agreeable and welcomed by both parties. Such relationships between supervisors and subordinates; instructors and students; and advisors and students reasonably may influence the discharge of the supervisor, instructor, or advisor's duties by:

- a. Dividing the supervisor, instructor, or advisor's loyalties;
- b. Providing the opportunity to use his or her position to secure relational or sexual favors and advantages from his or her subordinates or students; and/or,
- c. Inducing him or her to disclose confidential information gained by reason of his or her position.

For these reasons, such relationships are strongly discouraged. Should such a relationship develop, the supervisor, instructor, or advisor shall disclose to his or her immediate supervisor that a conflict of interest may exist between the parties and cooperate in making alternative arrangements for the supervision, evaluation, teaching, grading, or advising of the employee, student, and/or student employee. The supervisor, instructor, or advisor disclosing the conflict is not required to explain the nature of the conflict only that a conflict of interest exists which must be remedied. Examples include, but are not limited to:

- A supervisor dating an employee within his or her line of authority,
- A faculty member developing a close and intimate relationship with a student currently enrolled in his or her class,
- An advisor becoming sexually involved with a student he or she is advising, or
- A faculty evaluator reviewing the dissertation of a student who is a relative or close family friend.

**4. Failure of an employee to comply with the foregoing shall constitute grounds for disciplinary action, up to and including termination of employment. Employees who are unsure whether an interest creates a conflict should contact Human Resources for guidance.**

**5. Nothing herein shall be construed in derogation of the University employment-at-will policy.**

Reviewed by: David M. Hammonds, Associate VP for Human Resources & Risk Management – 11/18/2015  
Next review: 04/01/2020