

POLICY

ETHICS

Conflict of Interest Policy

RESPONSIBLE OFFICES

Compliance Services, Office of the General Counsel

I. Purpose and Scope

Trustees, officers, employees, and other representatives of Boston University serve the public and are required to fulfill their responsibilities with care and loyalty. Pursuant to the University's [Code of Ethical Conduct](#), all decisions and actions of the board and the administration are to be made for the sole purpose of advancing the best interests of the institution and the public good. The integrity of Boston University must be protected at all times, and the fiduciary relationship of trustees, officers, employees, and other representatives to Boston University must be respected in both actuality and appearance.

To carry out these responsibilities, Boston University trustees, officers, employees, and other representatives have an ethical duty to ensure that their direct or indirect personal interests are not inconsistent with or interfere in any way with the best interests of the University.

The purpose of this Policy is to identify the type of conflicts and relationships that require reporting to Boston University and to set forth the procedures for reporting such conflicts so that they may be reviewed, approved, managed, and monitored appropriately.

The Scope of this Policy generally includes conflicts that may arise from *Business or Financial Relationships*, *Investment Relationships*, *Employment Relationships*, and *Service to Other Organizations*. [Section VIII](#) of this Policy identifies other University processes governing the reporting of conflicts arising in the context of research and faculty duties.

II. Authority

This Policy was approved by the Audit Committee of the Board of Trustees in order to establish the highest possible ethical standards for the University and to affirm that University's commitment to integrity and maintaining the trust and confidence of both the University community and the public.

III. Covered Parties

This Policy applies to all **Covered Parties**, which includes all Boston University trustees, trustees emeriti, University Advisory Board (UAB) members, Officers, non-Officer employees, as well as other representatives, including those who have been given access to proprietary University information that could potentially be used for personal benefit, to benefit a University vendor, potential vendor, or a competitor of a vendor. For purposes of this policy, the term **Officers** refers to the president, vice presidents, provosts, and deans.

IV. Defined Terms

Conflict of Interest

A Conflict of Interest exists when a Covered Party's direct or indirect personal interests

are inconsistent with or interfere in any way with the best interests of the University. Such Conflicts may arise out of (but are not limited to):

- Business or Financial Relationships between the University and a Covered Party or a Covered Party's Immediate Family; or between the University and an entity with which a Covered Party or Covered Party's Immediate Family is affiliated;
- Investment Relationships involving trustees or Officers;
- Employment Relationships between the University and Immediate Family Members of a Covered Party; or
- Service to another organization at the request of the University where that organization provides compensation to a Covered Party.

Business or Financial Relationship

A Business or Financial Relationship includes the sale or acquisition of goods, property, or services; or the commitment of resources to a common venture. It does not include attending Boston University as a student.

Investment Relationship

An Investment Relationship means knowingly directly investing in any Investment Vehicle in which the University, or a trustee, officer, or a member of his or her Immediate Family has a Material Financial Interest.

Employment Relationship

Employment by the University of an Immediate Family Member of a Covered Party.

Immediate Family

Immediate Family means (1) a spouse; (2) a child, grandchild, parent, grandparent, sibling, uncle, aunt, nephew, or niece, or the spouse of any such person; (3) a person having a step-relationship described in (2) above; (4) a parent-in-law or a brother- or sister-in-law; or (5) any other person who resides in the same household as the trustee, officer, or employee.

Investment Vehicle

An Investment Vehicle means a business, investment fund, limited partnership, separate account, commingled account, mutual fund, or other vehicle meant for investment

purposes.

Material Financial Interest

A Material Financial Interest means a role as general or managing partner, management-level employee, owner or sponsor of the investment firm, or an ownership interest of greater than 5% in an Investment Vehicle.

Organizations Served

Organizations Served means service in another organization as a director, officer, employee or other agent at the University's request or as the University's designated representative. It does not include organizations in which a Covered Party serves in such roles in their personal capacity.

Selected Employee

Selected Employees are those Faculty and Staff members who are required to complete Conflict of Interest Disclosure Forms during the University's annual disclosure process. A faculty or staff member's designation as a Selected Employee is determined by the Compliance Subcommittee based on a faculty or staff member's job title, classification, duties, and supervisory and procurement authority. The designation is reviewed on an annual basis.

Significant Interest

A Significant Interest means an interest in another entity that includes service as a trustee, director, partner, or management-level employee; the actual or beneficial ownership of more than 5% of the entity; or a compensation arrangement with another entity that is dependent upon its business or financial relationship with the University.

V. Policy

Through this policy, the Board of Trustees intends to implement the highest possible ethical standards and to establish that the University will not tolerate violations of this Conflict of Interest Policy. The Board, through its Audit Committee, will administer this policy strictly, with complete transparency, and in accordance with the following principles:

A. Types of Conflicts

1. Business or Financial Relationship Conflicts

- a. In general, and except as permitted under this policy, the University will not engage in Business or Financial Relationships with trustees or Officers.
- b. The University will not be permitted to enter into a Business or Financial Relationship with a trustee, Officer, UAB member, Trustee Emeritus/emerita, or a member of his or her Immediate Family, or any entity in which a trustee, Officer, UAB member, trustee emeritus/emerita, or a member of his or her Immediate Family has a Significant Interest, unless the proposed relationship has been thoroughly reviewed and considered by the Audit Committee and has been found to be of clear benefit to the University.
- c. Any proposed Business or Financial Relationship between the University and a non-Officer employee or other representative, or a member of his or her Immediate Family, or any entity in which the employee or other representative or a member of his or her Immediate Family has a Significant Interest, is subject to the prior review and approval of the Compliance Committee as described in [Section VI.B.3.](#) below or the Committee's designee.

2. Investment Relationship Conflicts

- a. No trustee or Officer, or a member of his or her Immediate Family may knowingly directly invest in any Investment Vehicle in which the University has a Material Financial Interest.
- b. The University will not knowingly directly invest in an Investment Vehicle in which a trustee or Officer, or a member of his or her Immediate Family, has a Material Financial Interest, except with the prior approval of the Audit Committee.

3. Employment Relationship Conflicts

Any offer of full-time employment to a member of the Immediate Family of a trustee

or Officer, or a Selected Employee or other representative, is subject to the prior review and approval of the President or the President's designee.

4. Organizations Served

Covered Parties who serve at the University's request or as the University's representative as a director, officer, employee, or other agent of another organization shall turn over to the University any compensation received from such other organization for such service.

5. Other Relationships or Interests

The foregoing conflicts are not intended to be exclusive; other relationships or interests that might conflict with the best interests of the University should also be disclosed for review.

B. Disclosure of Potential Conflicts

Effective implementation of this policy requires the full disclosure of individual interests that might conflict with the best interests of the University. Covered Parties are therefore required to disclose actual or potential Business or Financial Relationships, Investment Relationships, Employment Relationships, and Organizations Served in accordance with [Section VI](#) of this Policy using the [online portal and database](#) ("COI Portal") or through the Form available through this Policy.

All other relationships and interests that are outside the scope of this Policy, but that might conflict with the best interests of the University, including the appearance of a conflict, should be disclosed to the University through one of the other conflict processes at the University as outlined in [Section VIII](#).

C. Restraint on Participation

All Covered Parties who have disclosed a potential Conflict of Interest shall refrain from participating in the University's consideration of any proposed business or financial relationship in which they are interested, except to respond to questions or to provide

further information.

If a transaction or relationship requires a vote, the interested party should not be present at the time of the vote, and may be asked not to be present during discussions about the transaction or relationship.

D. Approval of Transactions or Relationships that Give Rise to Potential Conflicts

For each reported conflict that falls under this Policy, an independent review must be conducted to determine if the transaction or relationship is in the best interest of the University such that it should be entered into or continued. This determination is made using the processes set forth in [Section VI](#) of this policy.

VI. Procedures for Disclosure and Review

A. Trustees, Officers, University Advisory Board members, and Trustees Emeriti

1. Advance Disclosure

Trustees, Officers, UAB members, and trustees emeriti must provide advance written disclosure of any proposed Business or Financial Relationship or Investment Relationship they or members of their Immediate Family have or propose to have with University, either directly or through another entity in which they have a Significant Interest, to the General Counsel and Chairman of the Audit Committee using a [Conflict of Interest Disclosure Form](#). If a trustee or Officer is uncertain whether to disclose a particular business or financial relationship, the General Counsel or Chairman of the Audit Committee should be consulted. An amended form must be filed promptly in the event of a material change in circumstances.

2. Annual Disclosure Process

Trustees, Officers, UAB members, and trustees emeriti must complete and return the [Conflict of Interest Disclosure Form](#) distributed annually by the University to either confirm an ongoing Business or Financial Relationship, Investment Relationship or Employment Relationship or indicate the absence of any such relationship.

3. Review and Approvals of Business or Financial Relationships

Any new potential conflicts involving trustees, Officers, UAB members, or trustees emeriti will be presented by the General Counsel to the Audit Committee for review as they arise and any approval of such relationships by the Committee shall be recorded. In the event that a quorum of the Audit Committee is unavailable and immediate action is required, the chair of the Committee may take such action as may be necessary or appropriate under the circumstances. The chair shall report any such action to the Audit Committee as soon as practicable, but no later than its next meeting.

In addition, the Audit Committee will perform an annual review of all ongoing business or financial relationships involving trustees, trustees emeriti and UAB members to determine whether such relationships should continue. The outcome of the review shall be documented in a written report of the Audit Committee agreed to by the Chairman and a majority of the Committee (inclusive of the Chairman), and made available to the Board of Trustees.

B. Other Covered Parties

1. Advance Disclosure

Any time a potential Conflict of Interest arises, non-Officer employees and representatives are required to disclose that conflict to the Compliance Services Office (CSO) using a [Conflict of Interest Disclosure Form](#). If a non-Officer employee or representative is uncertain whether to disclose a particular Business or Financial Relationship, the Associate Vice President for Compliance Services should be consulted. For previously reported conflicts, an amended form must be filed

promptly in the event of a material change in circumstances.

2. Annual Disclosure Process

Selected Employees as well as any employees who have previously disclosed a potential Conflict of Interest are required to complete and return through the [COI Portal](#) the Conflict of Interest Disclosure Form that is distributed annually by the University to either confirm an ongoing Business or Financial Relationship conflict, Employment Relationship conflicts, or Organization Served or indicate the absence of such relationships or service.

3. Review and Approvals

The Compliance Committee, generally acting through the Compliance Subcommittee, will determine whether a business or financial relationship involving a non-Officer employee or other representative should be entered into or continued. The Compliance Committee shall provide such reports as may be requested by the Audit Committee and may request advice or direction from the Audit Committee.

C. Reporting through Sourcing and Procurement

1. Reporting

The Sourcing Conflict of Interest Process identifies potential or existing Business or Financial Relationships through disclosures by vendors in the vendor registration system as required under the [Supplier Code of Ethical Conduct](#) or when an office, department, or employee contacts Sourcing and Procurement or Compliance Services regarding a vendor conflict requiring review.

2. Approvals

Business or Financial Relationship conflicts identified through Sourcing and Procurement are reviewed by the Compliance Subcommittee. If the proposed vendor relationship is allowed to proceed, the Compliance Subcommittee may designate a conflict monitor to oversee any ongoing relationship between the

University and the vendor.

VII. Responsible Parties

A. Board of Trustees

The Board of Trustees, through its Audit Committee, has general oversight regarding compliance with this Policy and reviews and approves conflict disclosures involving trustees, Officers, UAB members, and trustees emeriti.

B. Compliance Committee

A Compliance Committee oversees and approves activities as outlined in this Policy in connection with its administration of the Code of Ethical Conduct. The Committee consists of the University Provost; the Medical Campus Provost; the Senior Vice President, General Counsel, and Secretary of the Board of Trustees; the Senior Vice President, CFO, and Treasurer; the Senior Vice President for Operations; the Associate Vice President for Internal Audit, the Associate Vice President for Compliance; and the Chief Human Resources Officer and such other members as may be appointed by the President. The Compliance Committee reports to and is subject to the oversight of the Audit Committee.

The Compliance Subcommittee, a subset of the Compliance Committee, consists of the Senior Vice President, General Counsel, and Secretary of the Board of Trustees; the Associate Vice President for Internal Audit; the Associate Vice President for Compliance; and the Chief Human Resources Officer. The Subcommittee is responsible for conducting review of conflicts involving non-Officer employees and representatives.

C. Compliance Services Office

The [Compliance Services Office](#) (CSO) is responsible for overseeing implementation of

and ensuring compliance with this policy, including facilitating the annual Conflict of Interest disclosure process and the Sourcing Conflict of Interest process. The CSO is also responsible for maintaining the records pertaining to Conflict of Interest reporting, oversight, and management.

D. Office of the General Counsel

The Senior Vice President, General Counsel, and Secretary of the Board of Trustees receives information on conflicts involving trustees, Officers, UAB members, and trustees emeriti to present to the President and/or Audit Committee for review and approval.

VIII. Related Policies and References

Employee relationships and interests that are outside the scope of this Policy, but that might conflict with the best interests of the University, including the appearance of a conflict, should be disclosed to the University either through one of the other conflict processes at the University as outlined below and described [here](#), or to a direct supervisor or to the Compliance Services Office in the absence of an applicable Policy or process:

A. Research Conflicts, including Consulting for a Research Sponsor

Applicable Policy: [Investigator Financial Conflicts of Interest Policy for Research](#)

B. Research conflicts involving financial interests by the University or key individuals

Applicable Policy: [Institutional Conflicts of Interest in Research Policy](#)

C. Faculty Conflict of Commitment Policy

Includes discussion of External Teaching or Course Development, Compensated Appointments at Other Educational Institutions, Certain Activities with Outside Entities,

External Professional Activities Involving BU Students, and Service as PI or Co-PI for Other Entities.

Applicable Policy: [Faculty Handbook Conflict of Commitment Policy](#)

D. Academic Collaborations with Industry

Applicable Policy: [Disclosure and Authorization Form](#)

Note that Business or Financial Relationships and Investment Relationships arising from academic collaborations with industry should be reported through the Disclosure and Authorization Form, which specifies the approval required to move forward with the proposed transaction. University personnel who approve academic collaborations with industry should consult with the Compliance Subcommittee about any proposed transactions of concern, and provide all approved DARFs to the CSO.

E. Consulting and Outside Employment by Boston University Staff

Applicable Policy: [Employee Handbook – Section 402.2 Conflict of Interest](#)

END OF POLICY TEXT

Additional Resources Regarding This Policy

Related Policies and Procedures

- [Code of Ethical Conduct](#)
- [President's Statement of Commitment to Ethical Conduct](#)
- [Solicitation and Acceptance of Personal Gifts and Relationships with Vendors Policy](#)
- [Employee Handbook - Section 402 Conflict of Interest Policy](#)

- [Faculty Handbook](#) section on [Ethics and Activities](#), including:
 - [Gift Policy](#)
 - [Conflict of Commitment Policy](#)
- Research Conflict of Interest Policies
 - [Investigator Financial Conflicts of Interest Policy for Research](#)
 - [Institutional Conflicts of Interest in Research Policy](#)
 - [Researcher Financial Conflicts of Interest \(CRC IRB\) Policy](#)
 - [IRB Member and Consultant Conflict of Interest Policy](#)
- [Supplier Code of Ethical Conduct](#)
- [Industry Relations Policy](#) (BU School of Medicine only)

BU Websites and Information

- [BU's Conflicts of Interest Processes](#)
- [Where to Report a Concern](#)
 - [BU's Ethics and Compliance Hotline \(Anonymous Reporting Hotline hosted by EthicsPoint\)](#)
 - [Compliance Services Office](#)
 - [Office of the Ombuds](#)
- [Compliance Services Office](#)

Forms

- **To report conflicts under the general Conflicts of Interest Policy:** Conflict of Interest Disclosure Form -[PDF Format](#) , [Word Format](#)
Managed by [Compliance Services](#)
- **Licensing BU IP to a company in which a faculty member has an interest:** [Disclosure and Authorization Request Form \(DARF\)](#) - An application for faculty, staff, and other members of the BU community seeking to participate in commercial activity involving non-BU parties.
Managed by the [Technology Development Office](#)

History

This Policy was last updated in December 1st, 2020 with approval from the Board of Trustees Audit Committee.

Categories: Employment, Ethics, Ethics, Outside Activities, and Gifts, Faculty Handbook:
Ethics and Activities Keywords: advantage, benefit, clash, code of conduct, code of ethical conduct, coi, coi form, compete, conflict, conflict form, conflict of interest, conflicts, connection, contest, disagreement, earnings, Employee Handbook, ethic, ethics, Faculty Handbook, family conflict, fee, fiduciary, financial conflict, in-kind, kin, link, pay, payment, profit, reimburse, remunerate, remuneration, repay, report, reporting a conflict, reporting conflict, rival, salary, stake, struggle, substitute, wage