

George Mason University Procedure for Review and Management of Disclosures Related to the Virginia Conflict of Interests Act

General Description:

All employees of the Commonwealth of Virginia are required to comply with the State and Local Government Conflict of Interests Act (the Act). The Act prohibits officers or employee of George Mason University (Mason) from having a Personal Interest in a contract with Mason, other than his or her own contract of employment. Waivers from this prohibition may be granted in specific circumstances described below. This procedure details the process George Mason University (Mason) uses for employees to disclose personal interests, and the process for how Personal Interests and waiver requests will be reviewed, evaluated, and approved or disapproved.

Definitions:

"Contract" means any agreement to which a governmental agency is a party, or any agreement on behalf of a governmental agency that involves the payment of money appropriated by the General Assembly or a political subdivision, whether or not such agreement is executed in the name of the Commonwealth, or some political subdivision thereof. "Contract" includes a subcontract only when the contract of which it is a part is with the officer's or employee's own governmental agency.

"Employee" means all persons employed by a governmental or advisory agency, unless otherwise limited by the context of its use.

"Immediate family" means (i) a spouse and (ii) any other person who resides in the same household as the officer or employee and who is a dependent of the officer or employee.

"Personal Interest" means a financial benefit or liability accruing to an officer or employee or to a member of his immediate family. Such interest shall exist by reason of (i) ownership in a business if the ownership interest exceeds three percent of the total equity of the business; (ii) annual income that exceeds, or may reasonably be anticipated to exceed, \$5,000 from ownership in real or personal property or a business; (iii) salary, other compensation, fringe benefits, or benefits from the use of property, or any combination thereof, paid or provided by a business or governmental agency that exceeds, or may reasonably be anticipated to exceed, \$5,000 annually; (iv) ownership of real or personal property if the interest exceeds \$5,000 in value and excluding ownership in a business, income, or salary, other compensation, fringe benefits or benefits from the use of property; (v) personal liability incurred or assumed on behalf of a business if the liability exceeds three percent of the asset value of the business; or (vi) an option for ownership of a business or real or personal property if the ownership interest will consist of clause (i) or (iv) above.

"Personal interest in a contract" means a personal interest that an officer or employee has in a contract with a governmental agency, whether due to his being a party to the contract or due to a personal interest in a business that is a party to the contract.

"Personal interest in a transaction" means a personal interest of an officer or employee in any matter considered by his agency. Such personal interest exists when an officer or employee or a member of his immediate family has a personal interest in property or a business or governmental agency, or represents or provides services to any individual or business and such

property, business or represented or served individual or business (i) is the subject of the transaction or (ii) may realize a reasonably foreseeable direct or indirect benefit or detriment as a result of the action of the agency considering the transaction. Notwithstanding the above, such personal interest in a transaction shall not be deemed to exist where (a) an elected member of a local governing body serves without remuneration as a member of the board of trustees of a not-for-profit entity and such elected member or member of his immediate family has no personal interest related to the not-for-profit entity or (b) an officer, employee, or elected member of a local governing body is appointed by such local governing body to serve on a governmental agency, or an officer, employee, or elected member of a separate local governmental agency formed by a local governing body is appointed to serve on a governmental agency, and the personal interest in the transaction of the governmental agency is the result of the salary, other compensation, fringe benefits, or benefits provided by the local governing body or the separate governmental agency to the officer, employee, elected member, or member of his immediate family.

"Transaction" means any matter considered by any governmental or advisory agency, whether in a committee, subcommittee, or other entity of that agency or before the agency itself, on which official action is taken or contemplated.

Procedures:

1. **Disclose Personal Interests:** In order for the university to evaluate the potential applicability of the Act, employees have a duty to disclose Personal Interests related to contracts and transactions through the COI Disclosure website <http://coi.gmu.edu>. All Personal Interests must be disclosed and reviewed prior to Mason entering into a contract or transaction. Employees must not take on new Personal Interests related to ongoing contracts with Mason prior to receiving a waiver.
2. **Review of Disclosures:**
 - a. All disclosures of Personal Interests will be made through the COI Disclosure website <http://coi.gmu.edu> and will be reviewed by a subcommittee of the Conflict of Interest Committee consisting of the representatives from Research Development, Integrity and Assurance (RDIA) and Compliance, Diversity, and Ethics (CDE) to determine whether to present them to the full Conflict of Interest Committee.
 - b. Disclosures of dual employment of Immediate Family Members will be reviewed and evaluated by CDE. The Conflict of Interests Committee may be consulted on dual employment disclosures for their advice, depending on the circumstances.
3. **Granting of Waivers:**
 - a. Waivers for research and development or commercialization of intellectual property activities will be recommended by the COI Committee and approved by the employee's Dean or Director, the Vice President for Research, and the President.
 - b. To request a COI waiver an employee must contact the University Ethics Officer and Policy Manager at ewoodley@gmu.edu or the Associate Director, Research Integrity at cditeres@gmu.edu. Waiver requests will be reviewed by a subcommittee of the Conflict of Interest Committee consisting of the representatives from RDIA and CDE, who will

determine whether it is necessary to present the request to the full Committee, or whether subcommittee review is sufficient. Waivers that are recommended by the subcommittee will be reported to the full Committee at their subsequent meeting.

- c. Waivers for:
 - i. the purchase of goods and services,
 - ii. the purchase of building materials, supplies or equipment for a University building or structure from any independent contractor who is providing architectural or engineering (non-construction) services to the University, or from any partnership, association or corporation in which the architect or engineer has a personal interest, except in cases of emergency (as defined in Virginia Code section 2.2-4303) when authorized in writing by the Vice President, Facilities,
 - iii. trips paid by vendorswill be recommended by the COI Committee and approved by the employee's Dean or Director, the Senior Vice President for Administration and Finance, and the President.
- d. Waivers for the dual employment of Immediate Family Members will be granted by the University Ethics Officer and Policy Manager.
- e. All other waivers will be recommended by the COI Committee and approved by the employee's Dean or Director and the President.
- f. Copies of approved COI Waivers will be sent to the employee's supervisor and to Human Resources for inclusion in the employee's personnel file.

4. Management Plans:

- a. Management options for Conflicts of Interest may include, but are not limited to:
 - i. Termination of a contract which creates a COI and renegotiation/submission of an RFP
 - ii. Modification/severance/divestiture/restructuring of financial interest
 - iii. Reduction of financial interest
 - iv. Requirement to file a public Statement of Economic Interests (SEI) with the state listing the COI
 - v. Exclusion of employee from all business transactions between the university and the organization in which the financial interest is held
 - vi. Use of third-party for all negotiations between the university and the organization in which the financial interest is held
 - vii. Removal of the employee from all purchasing decisions or contracting authority
 - viii. Procurement activities are performed and managed by the contracting authority (not the unit/department)
 - ix. (For dual employment of Immediate Family Members) Removal of employees from direct supervisory chain
- b. Oversight options for other Conflicts of Interest may include, but are not limited to:
 - i. Monitoring of contract or transactions by an independent supervisor or reviewer
 - ii. Monitoring of contract or transactions by an administrative agent (such as a representative of Purchasing)
 - iii. Disqualification of employee from participation in any transaction that interacts with the outside organization in which the investigator holds a financial interest

- iv. (For dual employment of Immediate Family Members) Monitoring of employee collaborations and projects by an independent supervisor or reviewer
- 5. **Denying Waivers:** Recommendations by a Dean or Director, the Vice President for Research, the Senior Vice President for Administration and Finance, or the University Policy Manager and Ethics Officer may be appealed to the President of the University. The President has ultimate decision authority for approving or denying waiver requests.
- 6. **Reports to the Board of Visitors:** Compliance, Diversity, and Ethics will prepare an annual report for the Board of Visitors of all current Conflict of Interest waivers.
- 7. **Reports to the Secretary of the Commonwealth:** Compliance, Diversity, and Ethics will prepare reports to the Secretary of the Commonwealth as required by the statute.

Related Forms, Guidance, and SOPs:

Waiver Request Form

Approval and Version History:

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Approved By	Title and Division	Date Approved
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