

1. Title

Conflict of Interest, Conflict of Commitment, and Outside Activities

2. Rule and Regulation

Sec. 1 Primary Responsibility. The primary responsibility of employees of the U. T. System Administration and each of the U. T. System institutions is the accomplishment of the duties and responsibilities assigned to one's position of appointment.

Sec. 2 Outside Work or Activity. Employees may engage in work or activity with outside entities and individuals, including governmental agencies, industry, or other educational institutions so long as such work or activity complies, as applicable, with the approval and disclosure requirements of Section 6 below and does not violate State laws or U. T. System Administration or U. T. System institution rules or policies governing the conduct of employees, including ethics standards and provisions prohibiting conflicts of interest, conflicts of commitment, and the use of State resources.

Sec. 3 Unmanaged Conflicts of Interest Prohibited. U. T. System Administration and U. T. System institution employees may not have a direct or indirect interest, including financial and other interests, or engage in a business transaction or professional activity, or incur any obligation of any nature that is in substantial conflict with the proper discharge of the employee's duties in the public interest.

Sec. 4 Conflicts of Commitment Prohibited. Activities on behalf of outside entities or individuals must not interfere with a U. T. System Administration or U. T. System institution employee's fulfillment of his/her duties and responsibilities to the University. Such conflicts of commitment may arise regardless of the location of these activities (on or off campus), the type of outside entity (individual, for-profit, not-for-profit, or government), or the level of compensation (compensated or unpaid).

Sec. 5 Protection of Intellectual Property and Other Assets. Each University of Texas institution shall have a policy in place to provide for disclosure and management of substantial foreign relationships. Substantial relationships between any U. T. officer or employee, including a faculty member or researcher, and

programs sponsored, funded, directed, or controlled by a foreign government, foreign agency, or foreign institution are prohibited, unless properly and timely disclosed in accordance with an institution's applicable policy. Such institutional policies shall be submitted in writing to the appropriate Executive Vice Chancellor and approved by the U. T. System Office of General Counsel and the Executive Vice Chancellor.

Sec. 6 Approval and Disclosure Requirements. U. T. System Administration and each institution shall adopt policies that clearly delineate the nature and amount of permissible outside work or activities. The policies shall include provisions to prevent, identify, and manage conflicts of interest and conflicts of commitment and shall include specific processes for disclosing such work or outside activities, as well as the procedures for obtaining and documenting institutional approval to carry out such engagements, consistent with this Rule.

6.1 Approval Required for Outside Activities. U. T. System Administration shall establish a policy providing requirements for the approval and disclosure of outside activities for employees: (1) authorized to execute contracts on behalf of U. T. System Administration or a U. T. System institution, (2) authorized to exercise discretion with regard to the award of contracts or other pecuniary transactions, and (3) who are executive officers of U. T. System Administration or a U. T. System institution. Disclosure and approvals for the presidents will be made to the Chancellor. Disclosure and approvals for the Chancellor, the General Counsel to the Board, and the Chief Audit Executive will be made to the Chairman of the Board.

6.2 U. T. System Administration and each institution shall adopt a policy governing an officer's or employee's outside activities, including compensated employment and board service, that clearly delineates the nature and amount of permissible outside activities and that includes processes for disclosing the outside activities and for obtaining and documenting institutional approval to perform the activities.

- 6.3 Additional Financial Disclosures. All officers and employees shall, in a timely manner, furnish such additional written financial disclosures as may be required by State or federal authorities or by U. T. System Administration or institutional authorities.
- 6.4 Electronic Database. Disclosure of outside activity, documentation of requests for approval, and subsequent approvals required above shall be maintained in an electronic database, following guidelines provided by U. T. System Administration.
- Sec. 7 Free Advice. Even in the case of employees specifically engaged only in residence work, there exists an obligation, usually intermittent, to furnish expert knowledge and counsel for public benefit free of charge, provided that the meeting of this obligation by an employee does not interfere with his or her regular duties, and provided further that in meeting this obligation an employee shall avoid undue competition with legitimate private agencies.
- Sec. 8 Separation of Activities. If a U. T. System Administration or U. T. institution employee engages in any outside activity, the employee must make it clear to those who employ him or her that the work is unofficial and that the name of the U. T. System or any U. T. institution is not in any way to be connected with the employee's name, except for identification purposes in a way that avoids the appearance of endorsement or support by U. T. System or any U. T. institution. No employee engaged in outside activities shall use in connection therewith the official stationery of the System, give as a business address any building or department of the U. T. System or any of the institutions, or any University telephone extension.
- Sec. 9 Use of University Property. U. T. System Administration and U. T. System institutional property may only be used for State purposes appropriate to the System or institutional mission.
- Sec. 10 Noncompliance. Noncompliance with this Rule subjects an employee to disciplinary action, including termination, in accordance with applicable procedures.

3. Definitions

Executive officer - includes, but is not limited to, a chancellor or president, all individuals who report directly to the Chancellor or president (other than administrative support positions), and any employee who exercises broad and significant discretion over key institution or U. T. System functions.

4. Relevant Federal and State Statutes

Texas Government Code, [Chapter 572](#) – Personal Financial Disclosure, Standards of Conduct, and Conflict of Interest

5. Relevant System Policies, Procedures, and Forms

Regents' *Rules and Regulations*, [Rule 30103](#) – Standards of Conduct

Regents' *Rules and Regulations*, [Rule 90101](#) – Rules for Intellectual Property: Purpose, Scope, Authority

The University of Texas System Office of Systemwide Compliance
[website on ethics](#)

The University of Texas Systemwide Policy [UTS 118, Dishonest or Fraudulent Activities](#)

The University of Texas Systemwide Policy [UTS 134, Code of Ethics for Financial Officers and Employees](#)

The University of Texas Systemwide Policy [UTS 175, Disclosure of Significant Financial Interests and Management and Reporting of Financial Conflicts of Interest in Research](#)

The University of Texas Systemwide Policy [UTS 180, Conflicts of Interest, Conflicts of Commitment, and Outside Activities](#)

The University of Texas System [HOP 1.1.2 Outside Activity Policy](#)

The University of Texas System [HOP 1.1.1 Conflicts of Interest, Conflicts of Commitment, and Outside Activities](#)

6. Who Should Know

Board of Regents
Employees

7. System Administration Office(s) Responsible for Rule

Office of General Counsel

8. Dates Approved or Amended

[Regents' Rules Revision History](#)

9. Contact Information

Questions or comments regarding this Rule should be directed to:

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