

Employee Conflict of Interest

Summary/Purpose: University of Mississippi employees have a legal and ethical responsibility to maintain compliance with laws regarding employee conflicts of interest. Guidelines are given to determine when a conflict of interest may exist, along with where to get additional information, and the consequences of violating state ethics laws.

University of Mississippi employees have a legal and ethical responsibility to maintain University and personal compliance with State ethics and other laws regarding employee conflicts of interest.

Under State ethics law it is a breach of ethical standards (wrong) for an employee to use his position at the University to obtain any sort of financial gain for himself or a family member other than the employee's compensation. A conflict of interest would include but is not limited to an employee's participation directly or indirectly in procurement when:

- (a) The employee or any immediate member of the employee's family has a financial interest pertaining to the procurement;
- (b) A business organization in which the employee, or any member of the employee's immediate family, has a financial interest pertaining to the procurement;
- (c) Any other person, business, or organization is involved in the procurement with which an employee or any member of an employee's immediate family is negotiating or has an arrangement concerning prospective employment.

Under some circumstances, an employee's spouse may benefit from a contract with the University if the employee does not have direct or indirect control over the contract.

For further information, please consult the Mississippi Code of 1972, Annotated, Sections 25-4-101 *et seq.*, and Section 1200 of the Policies and Bylaws of the Board of Trustees for Institutions of Higher Learning. To assure compliance, conflict of interest language has been added to all University payment documents, as well as the purchase requisition (PR) and purchase order (PO). If you are involved in authorizing a request for, or setting up a vendor, processing a PR or PO, or submitting a HR Form 13 or a Request for Payment form, consider whether a conflict of interest might exist. If you are in doubt, please contact Procurement Services, Human Resources, Internal Audit, or the University Attorney's office for clarification.

Do not hesitate to ask for additional information or a ruling if there is any doubt regarding the relationship of an employee or an employee's family member to the payee or payment recipient. At times it may seem logical or even make good business sense to allow for a compromise to this policy; but even a procurement that seems to serve the University's interest may nevertheless be illegal. If a transaction violates state ethics laws, full restitution of all funds involved may be required, and an employee who violates state ethics laws may also be subject to disciplinary action, up to and including **TERMINATION**, as well as **CRIMINAL PROSECUTION** by the State of Mississippi.