



Conflict of Interest Policy

POLICY INFORMATION

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Section: Human Resources Office
Responsible Executive: VP for HR
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1. POLICY STATEMENT

Bethlehem University (BU or the “University”) employees owe their primary professional allegiance to the University and its mission. The University is committed to building and maintaining an academic and professional environment that is underpinned by integrity, the highest standards of ethical behavior, and a culture of transparency. Conflict of Interest (COI) could arise in many situations. In general, the COI may arise in a situation where financial, non-financial, or other personal or professional considerations compromise an individual’s objectivity, professional judgment and ability to perform his/her professional responsibilities resulting in the subordination of the University’s interests.. Thus Bethlehem University is committed to:

- a. avoiding conflicts between the personal interests of any employee and the interests of the University,
- b. disclosing any personal interest that may conflict with the interests of the University, and
- c. refraining from actions or conduct which could otherwise influence a decision of the University on any matter in which such a conflict exists or could be perceived to exist.

All employees have a legal duty to perform their duties with honesty and transparency, and any breach of this may intentionally or unintentionally result in erosion of the trust and confidence in the integrity of the University and its employees.

Therefore, all decisions and actions taken by any member of the BU community in the conduct of the University’s operations are to be made in a manner that promotes the best interests of the University at all times.

The following principles underpin and guide Bethlehem University’s management of risks of COI:

- a. All employees are expected to fulfill their professional commitment to the University in good faith;
- b. All employees are expected to protect BU interests and image through upholding its values and associated practices;
- c. All employees are expected to provide honest and full disclosure of any potential conflict of interest;
- d. The University provides a fair, objective, reasonable and unbiased review of COI disclosures;
- e. The University handles COI in a collaborative manner balancing its interests with the interests of the employee, while maintaining the transparency and integrity of both parties;



- f. In order to be approved, non-University commitments and activities:
 - i. must not compromise scholarly integrity;
 - ii. must not undermine, compromise, or misrepresent the educational mission, reputation, and/or best interest of the University;
- g. All employees must obtain a prior written permission from their respective Vice President to make use of University resources and/or equipment for any approved non-University commitments and activities, although such activities must be done outside the official working hours of the University (N.B. Should the employee be a Vice President, s/he must obtain prior written permission from the Vice Chancellor.);
- h. Development of an institutional culture that encourages effective management of COI through promoting accountability and employee responsibility for transparency, integrity and impartiality throughout the University.

Identification of Conflicts of Interest:

BU employees must carry out their work in an environment that is free from any suggestion of improper influence and take all reasonable steps to avoid being in an actual, potential conflict or perceived of interest.

In order to recognize conflicts of interest, key interests need to be identified. Within the scope of this policy, there are three main elements to be considered that lead to COI:

1: Roles and relationships:

- i. multiple roles held by employees inside or outside the University;
- ii. committee membership and roles involving decision-making in or on behalf of the University, offices, faculties, departments or other units;
- iii. secondary employment of employees; and/or
- iv. immediate family or close personal relationships.

2: Activities that may lead to potential conflicts:

- i. spinouts, startups, clinics, centers and other subsidiary entities in which employees have an interest;
- ii. procurement and contracting;
- iii. commercial transactions and arrangements including directing University employees and/or students to carry out work for an entity in which an individual has an interest;
- iv. unfair access by an outside party to University programs, services, information, or technology;
- v. compromise of University priorities due to personal financial or non-financial considerations;
- vi. use of privileged information acquired as a result of University-supported activities for private gain;
- vii. carrying out private, non-University activities, utilizing the name of the University when presenting ideas, implying that the ideas represent the University's position, or identifying publicly with the University;
- viii. funding and conducting of research;
- ix. intellectual property;
- x. participation in the recruitment, appointment, promotion or evaluation of a related person (e.g. nepotism...); and/or



- xi. Student admissions.

3: Financial and Non-financial conflicts:

Financial Conflicts of Interest:

Such conflicts arise if the financial interest might provide, or be reasonably seen by others to provide, an incentive to the individual which affects his/her actions and where he/she has the opportunity to affect any University's decision or other activity (e.g. a decision-maker, a principal investigator on a research project...etc.).

'Financial Interest' is any gain that has monetary value, including but not limited to:

- i. payments;
- ii. benefits in kind including personalized gifting. For more details refer to Addendum (I) of this policy "Gifts and Hospitality Acceptance by Employees";
- iii. forgiveness of debts, fees or charges;
- iv. discounts, bonuses or other favorable contract terms;
- v. equity interests (e.g. stocks, stock options or other ownership interests); and/or
- vi. intellectual property rights (e.g. patents, copyrights and royalties from such rights).

The level of financial interest is not the determining factor as to whether a conflict should be disclosed. Good practice in many situations means the declaration of any and all financial interest, however small.

Non-financial Conflicts of Interest:

Non-financial conflicts are any interests that have no monetary value, but still can come into conflict with an individual's duties, obligations or commitments to the University. Such non-financial interests may include any benefit or advantage, including but not limited to:

- i. direct or indirect enhancement of an individual's career or education;
- ii. gain to immediate family member or a person with whom the employee has a close personal relationship; and/or
- iii. use of granted powers by an employee to favor certain parties in executing works or providing services to the University.

2. DEFINITIONS

Conflict of Interest (COI): A conflict of interest exists when an employee has a dual interest which may potentially oppose the best interests of the University. A COI occurs when there is a divergence between an employee's private personal economic relationships or interests and his/her employment obligations to the University, thus putting into question the transparency, independence, and impartiality that employees are obliged to exercise in the performance of their duties.

For the purpose of this policy, COI includes the following types of conflicts:

- a. An actual COI arises when an employee within the scope of this policy has personal interests which:
 - i. conflict with the interests of BU;
 - ii. conflict with his/her responsibility to act in the best interests of BU;
 - iii. put into question the transparency, independence, impartiality and objectiveness that he/she is obliged to exercise in the performance of their duties.



- b. A perceived COI arises when an independent observer might reasonably question whether the employee's actions or decisions are determined by considerations of personal benefit, gain, or advantage, rather than those of BU.
- c. A potential COI describes a situation that could develop into an actual or perceived COI. In order to identify potential conflicts of interest, employees should consider who they are acting for, and whether there are any competing interests that could influence them, or be seen to influence them.

Financial and Non-financial Conflicts: are where there is or appears to be an opportunity for personal interest, immediate family interest, interest to close relatives or close friends, or where it might be reasonable for another party to take the view that such interests might affect that employee's decisions or actions.

Interest: relates to property, resources, relationships, information or opportunities and often includes both financial and non-financial advantages or benefits, which may mean that an employee or associated person (including immediate family or close personal relationships) may stand to gain a benefit or suffer a loss, whether directly or indirectly, as a result of holding such interests.

Immediate Family or Close Personal Relationships: For the purpose of this policy, 'immediate family' is defined as family members from the first and second degree (spouse, son, daughter, parents, uncle...etc.). 'Close personal relationship' could extend to one's associates, partners, close relatives, close friends, or where it might be reasonable for an independent observer to take the view that financial or non-financial benefits might affect that employee's decisions or actions.

Secondary Employment: means any employment with an entity other than BU and includes self-employment, independent contracting or consulting, or employment by a family enterprise whether casual, part-time or full-time work regardless of the duration of the employment.

University Interests: are everything that supports the pursuit of the education and assessment of students, the conduct of research, the community engagement/partnership and the management of the overall University operations; any academic, social or institutional activity that the University engages in, funds or solicits or procures in support of its activities.

3. PURPOSE AND SUMMARY

This policy addresses conflicts of interest (COI) so as to ensure highest standards of ethics and integrity, to protect Bethlehem University's interests and reputation, and to prevent its work and protect all its employees and students from potentially damaging instances of impropriety arising from COI issues. The purpose of the COI Policy is to provide employees and other members of BU community with the information required to be aware of the COI issues, to be able to recognize potential or real conflicts, and to manage them effectively if they occur, in order to carry out their work in an environment that is free from any suggestion of improper influence.



4. APPLICATION / SCOPE

This Policy relates to any actual, potential or perceived conflicts of interest arising in connection with University activities, and applies to all Bethlehem University employees, all external members of Boards/Councils and their committees, and all others under contractual engagements with the University.

5. STATEMENT OF ROLES & RESPONSIBILITIES

1. Employee/Individual:
It is the responsibility of each employee/individual to comply with this policy and to recognize situations in which he or she has a COI, or might reasonably be seen by others to have a COI, to disclose that conflict to the direct supervisor by filling out the “Conflicts of Interest Disclosure” form (no. ADM.03.F37), and to take any further steps as may be appropriate as set out in more detail under the Procedures section below.
2. Direct Supervisor:
 - i. Receives the “Conflicts of Interest Disclosure” form from the employee, reviews and discusses the issue with the employee, documents his/her comments and recommendations on the form and submits it to the Vice President of Human Resources.
 - ii. Any identified or suspected breach of this Policy must be notified in writing to the Vice President of Human Resources.
3. Vice President of Human Resources:
 - i. Receives the “Conflicts of Interest Disclosure” form from the Direct Supervisor, checks and examines the merits of the disclosure verifying its components and validity.
 - ii. Discusses the issue with the Direct Supervisor to reach a solution or manage the COI as per the articles in the Procedures section of this policy, and communicates it to the employee through the Direct Supervisor.
 - iii. Manages the violations of the COI as per the articles in the Procedures section of this policy

6. PROCEDURES

Disclosure of Conflicts of Interest:

All employees of the BU are considered to be in a position of trust by virtue of their employment with the University. Therefore, they have a responsibility to identify and disclose known or potential personal, family, pecuniary or business interests which may interfere, or be perceived to interfere, with an individual’s ability to properly discharge his or her duties to the University, so as to ensure that such conflicts are properly managed or avoided.

Each University employee must disclose to his/her direct supervisor any situation in which he or she has identified as a COI (actual or potential) as soon as possible by completing a “Conflicts of Interest Disclosure” form (no. ADM.03.F37). If the conflict is potential, the employee must not wait until the conflict actually arises. **The overriding principle is that if in doubt, disclose.**



Management of Conflicts of Interest:

Some instances require more than just disclosure, and need to be dealt with by agreeing how the conflict can be actively managed. One or more of the following strategies may be considered to manage the COI:

- i. not participating in certain discussions or decisions;
- ii. referring to others certain matters for decision;
- iii. resolving not to act as a particular individual's supervisor;
- iv. divesting or placing in trust certain interests;
- v. stepping aside from any involvement in a particular project, activity, employment or tendering process; and/or
- vi. declaring a notice of interest to a sponsor or third party.

Any unresolved matter shall be referred to the Human Resources Office for advice or resolution. In cases of particular difficulty, the Human Resources Office may refer its recommendations to the Vice Chancellor for final decision.

Violations of the Conflict of Interest Policy:

Failure to disclose a COI, or to appropriately refrain from the related activity until the management of the COI has been resolved, constitutes a breach to this policy and constitutes misconduct which could lead to disciplinary action.

Where a COI is not disclosed by the employee before the activity takes place, the issue should be brought to the notice of the immediate supervisor and the Human Resources Office which can take the following routes:

- i. If the Vice President for Human Resources has a reasonable cause to believe that an employee has failed to disclose actual or potential conflicts of interest, it shall inform the employee of the basis for such belief and he/she may be given an opportunity to explain the alleged failure to disclose.
- ii. After hearing the response of the interested employee and making further investigation and consultation as may be warranted in the circumstances, the Vice President for Human Resources determines if the interested employee has in fact failed to disclose an actual or potential COI; it will initiate appropriate disciplinary and corrective actions. These actions may include, but are not limited to issuance of a warning or employment termination.

7. COMPLIANCE

Since the VP for Human Resources is entrusted with this policy, it is his/her responsibility to check and follow up on any breach to this policy by any BU user(s), documenting the breach details and taking any disciplinary actions as per BU policies in this respect.

8. RELATED INFORMATION

1. Addendum (I) "Gifts and Hospitality Acceptance by Employees".
2. Addendum (II) "Ethics Committee Charter".
3. "Conflicts of Interest Disclosure" form no. (ADM.03.F37)
4. Violations of the Conflict of Interest Policy is subject to disciplinary action according to Palestinian Labor Law and the BU Employee Handbook Penalty List.