

Approval Date: June 29, 2010

Parent Policy: [Conflict Policy - Conflict of Interest & Commitment, and Institutional Conflict](#)

## Managing Conflict of Interest in Employment Procedure

<b>Office of Administrative Responsibility:</b>	Vice-Provost and Associate Vice-President (Human Resources)
<b>Approver:</b>	Vice-President (Finance and Administration) and Provost and Vice-President (Academic) and Vice-President (Research)
<b>Scope:</b>	Compliance with University policy extends to all members of the University community.

### Overview

The University hires on the basis of merit. It is committed to ensuring consistent hiring and employment practices and to employ those individuals who will contribute to the achievement of the University's strategic goals. A **University staff member** who employs a **family member** or an **associated individual** is in a **conflict of interest** position in the hiring and employment of the family member or associated individual. A conflict of interest may occur either at the time of hire, during the employment relationship, or where a change in personal relationship has occurred during an existing employment relationship.

### Purpose

These procedures outline the steps that must be followed to manage the conflict of interest when a University staff member is involved in the hiring and employment of a family member or an associated individual.

### PROCEDURE

1. Detailed records will be kept outlining the steps taken in the hiring process and decision to employ the family member or associated individual.
2. A University staff member will declare the conflict of interest when a change in relationship occurs which re-defines the status of an employee to that of family member or an associated individual and the University staff member will take appropriate steps as outlined in this procedure to manage the conflict of interest.
3. When appropriate and as outlined in the conflict policy, the University will manage this conflict of interest (**nepotism** or **favoritism in employment**) in a fair, open, consistent and practical manner. Therefore, a University staff member, in the matter of employment of a family member or an associated individual will not be involved in the hiring process or decision to employ and will not be involved in a **formal reporting relationship**; however, may be involved in a **functional reporting relationship** if circumstances warrant such a relationship.
4. The family member or associated individual will not have a formal reporting relationship with the University staff member.
  - a. Matters related to terms of employment, performance reviews, compensation, benefits, and formal working conditions of the family member or associated individual will not be the responsibility of the University staff member, but will be the responsibility of an appropriate neutral party, with arrangements as approved by the Dean, Department Chair, Director, or other Manager.
  - b. In situations where, by virtue of their expertise and specific skills, the University staff member and the family member or associated individual work together (for instance, in a research laboratory) the terms described in 3.a. will apply. It is recognized, however, that in order to complete the work, a supervisor-employee working relationship

(functional reporting relationship) may be established between the University staff member and the family member or associated individual, subject to the express approval of the appropriate Vice-President.

c. These arrangements will be documented annually in an *Allowed Conflict – Memorandum of Agreement Form*.

5. The family member or associated individual will not:

a. Be supervised by a direct report of the University staff member, or

b. Supervise a graduate student of the University staff member in an employment setting.

6. Failure to comply fully with this procedure could constitute grounds for disciplinary action against a staff member.

## **DEFINITIONS**

Any definitions listed in the following table apply to this document only with no implied or intended institution-wide use. [ <a href="#">▲Top</a> ]	
<b>University staff member</b>	A person employed by the University of Alberta
<b>Family member</b>	Includes a University staff member's spouse or adult interdependent partner or another individual to whom the University staff member is related by blood, marriage or adoption.
<b>Associated Individual</b>	An individual, whose employment by a University staff member, under scrutiny by a reasonable and independent person would appear conflictual. These types of relationships include consensual personal relationships and business relationships.
<b>Conflict of Interest</b>	A situation in which there is or may be perceived to be a divergence between the private interest or benefit (financial or otherwise) of a person, family member, or an outside party, and that person's obligations to the University, such that an impartial observer might reasonably question whether related actions to be taken or decisions made by the person would be influenced by consideration of the person's own interests.
<b>Nepotism</b>	A University staff member participating in decisions which would involve direct benefit or detriment of a family member.
<b>Favoritism in employment</b>	A University staff member participating in decisions which would involve direct benefit or detriment of an associated individual.
<b>Formal reporting relationship</b>	A reporting relationship in consideration of matters concerning, but not limited to, terms of employment, performance reviews, compensation, benefits, workload issues and working conditions.
<b>Functional reporting relationship</b>	Day-to-day supervision in an employment setting to facilitate the completion of work-related tasks.

## **FORMS**

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[Allowed Conflict – Memorandum of Agreement Form](#)

## **RELATED LINKS**

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There are no related links for this procedure.