

SUBJECT	MANAGEMENT OF CONFLICTS OF INTEREST FOR STAFF
MEETING DATE	JUNE 4, 2018

Forwarded to the Board of Governors on the Recommendation of the President

**APPROVED FOR
SUBMISSION**



Santa J. Ono, President and Vice-Chancellor

For Information

Report Date	May 25, 2018
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EXECUTIVE SUMMARY

UBC’s Conflict of Interest and Conflict of Commitment Policy #97 applies to all UBC Persons. The policy requires both faculty and staff to provide disclosures of any actual or perceived conflicts. Since 2005, faculty have made annual declarations through the conflict of interest module within the Research Information Services database (“RISe”). No university-wide system existed for staff prior to 2018.

In response to Audit Committee recommendations, the Office of the University Counsel (“OUC”) has developed a staff-facing conflict of interest (“SCOI”) system. The SCOI system became operational on a pilot basis in January 2018. As expected, a number of areas for improvement were identified and implemented during the pilot period. The SCOI system is now ready for broad release to both campuses. Commencing in June and continuing over the following 12 months, the SCOI system will be rolled out to approximately 1800 staff who have financial and/or supervisory responsibilities, and are more likely to be affected if and when conflicts of interest arise.

Attachments:

- Schedule A: SCOI Implementation of the 2017 Recommendations
- Schedule B: Staff Conflict of Interest Declaration

INSTITUTIONAL STRATEGIC PRIORITIES SUPPORTED

- Learning
 Research
 Innovation
 Engagement
 International
 (Internal / External)
- or Operational

**DESCRIPTION &
RATIONALE**

Background: Policy #97

The Board of Governors adopted Policy #97 (Conflict of Interest and Conflict of Commitment) in September of 1992. Significant revisions were brought forward and approved in 2005 and 2012. Policy #97 applies to all UBC Persons, including both faculty members and staff members.

Policy #97 establishes the general requirement that conflicts be recognized and disclosed by all UBC employees as well as anyone conducting research under the auspices of UBC, and provides guidance on how to recognize such conflicts and the process for making disclosures. Policy #97 establishes the role of reviewers and addresses both conflicts of commitment and conflicts of interest.

Faculty Disclosures and the RISE Database

Since 2005, faculty members have completed online declarations through a module within the RISE database system.

The RISE COI module is adaptive and only asks for information from faculty members that it needs. If faculty members disclose issues of concern, then and only then will the system ask for additional information about those issues.

The RISE module tracks the status of disclosures and approvals for all faculty members and automatically sends them reminders to make disclosures at the appropriate time in order to comply with externally mandated disclosure intervals. Notices are also automatically e-mailed to reviewers when there are disclosures that require their attention.

Where disclosures have not been made within the required periods or where reviewers have not completed their assessment of disclosures in a timely manner, reminders are automatically sent by e-mail and reports can be generated to highlight these cases for intervention by the Dean or other responsible individual.

Building the faculty-facing conflict of interest system as a RISE module was an effective choice to support compliance with Tri-Council requirements, since the RISE system was already being used by faculty members to prepare ethics applications and to request all necessary research-related approvals. The RISE-based system has made a remarkable contribution to achieving high compliance rates for all UBC researchers and faculty members.

Staff Disclosures prior to 2018

Although Policy #97 applies to all UBC Persons (including both faculty members and staff members), the RISE module collects faculty members only.

A 2017 environmental survey revealed that a limited number of departments had initiated internal conflict declaration processes for staff (CTLT, Faculty of Science and Faculty of Medicine among them). The number of staff covered by these systems is small. These are local, internal departmental processes; there is no ability to centrally access or audit disclosures made through these processes.

Prior to 2018, there was no standardized, centrally managed system to elicit conflict disclosures from staff. For the vast majority of departments, staff members were expected to disclose conflicts to their supervisor via email, as and when they arose. Supervisors looking to elicit declarations did this on a per-incident basis.

Audit Committee Recommendations

In June 2017, The OUC presented a report in response to Audit Committee Recommendation 16-8 [Communicate the Need for UBC Staff compliance with

Policy 97 – Conflict of Interest and Conflict of Commitment]. In that report, the OUC proposed a four-point course of action that was subsequently endorsed:

1. *Develop a centralized COI declaration system for staff.*
2. *Manage communication and roll out carefully.*
3. *Use a risk-managed approach to determine who should be required to make annual disclosures using the new system.*
4. *Consider end-users, auditors, and administrative requirements.*

A table appearing in Schedule A (attached) shows how each of these recommendations have been addressed.

Launch of a Conflict of Interest Declaration System for Staff

The OUC worked with partners and stakeholders over the past year to design and develop the SCOI system, along with training and support materials. The new system was implemented on a pilot basis starting in January 2018. The new SCOI system is now ready for broad release, and will be rolled out over the next 12 months to approximately 1800 staff who have been identified as having a higher risk of conflict issues as a result of their financial and/or supervisory responsibilities.

The New Staff Conflict of Interest System

Stakeholder Input: Preliminary work on development of a new SCOI system began in Summer 2017. Early in the process, OUC met with local system owners, content designers, and representatives from surveys (UBC IT), HRMS, Performance Review (HR), Staff Orientations (HR), Sharepoint Development (UBC IT) and RISE (UBC ORS).

In order to ensure that the new SCOI system collects declarations about the most relevant conflicts, the OUC and UBC's Centre for Teaching and Learning Technology (CTLT) held a workshop with broad representation across campus to identify, rank and prioritize the conflicts and potential conflicts that might affect staff. Insights from this workshop were instrumental in the development and sorting of questions for the new declaration form.

Content of the Declaration Form: A list of the questions included in the current version of the SCOI system is appended to this document as Schedule B. The SCOI system will ask staff for information about each of the following areas:

- Non-University Use of Resources
- Supervision and Personal Relationships
- Procurement and Related Parties
- Financial Interests
- Outside Professional Activity
- Gifts and Privileges
- Conflicts of Commitment

Development Platform: The new SCOI system will appear to users as a simple online questionnaire. The system incorporates significant authentication and workflow elements to allow us to centrally manage secure annual declarations and approvals for a large population.

The initial development path anticipated the new SCOI system would be built through the the Microsoft Sharepoint platform. Shortly after initiating the

development cycle, the development team determined that configuration of an existing, functionally-similar system (FluidReview) would provide a more efficient and stable end product.

Development support from UBC IT Service Delivery and Enterprise Data Integration has been critical to the success of this project.

Project Approvals: The use of the FluidReview platform benefitted from the rigour and review required by UBC's High Level Investment Proposal ("HLIP") and Privacy Impact Assessment ("PIA") processes. Data collected by the new SCOI system is only stored in Canada, and the vendor contract restricts access to this data from outside Canada, as required by the *Freedom of Information and Protection of Privacy Act*.

Workflow Process

1. After a staged first year roll out, the OUC will trigger requests to declare to approximately one quarter of the declarant population at the start of each fiscal quarter. This will prevent unnecessary surges in administrative burden.
2. Once the process is triggered, all staff within a unit who are required to declare will receive a personalized email providing background on the initiative, a deadline for completion (usually one month), and a link to additional information and resources.
3. All emails will be generated by the FluidReview system based on templates and workflow triggers.
4. As the completion deadline approaches, staff who have not yet completed the declaration will receive accelerating reminders.
5. If the deadline is not met, an email will be sent to any staff person yet to complete with a copy to their manager noting the missed deadline.
6. If the declaration is still not complete 7 days after deadline, the system will notify our office for direct follow up.

System Agility: As with the faculty-system, we expect our first few years of experience with the system will identify multiple opportunities to improve the clarity of the declaration form, or expand the scope of questions asked. The SCOI system was specifically designed to facilitate modifications to the existing declaration form and the addition of new questions over the coming years.

Website: In addition to the disclosure system, OUC has worked with the educational design team at the Centre for Teaching, Learning and Technology to develop website resources to support staff who may be unaware of their obligations under Policy 97, or have limited experience navigating conflicts of interest.

The new website has been designed to assist declarants and supervisors navigate each of the following objectives:

- Understand Policy #97
- Understand how to submit declarations (Process)
- Understand what to include in a declaration (Content)
- Understand how to develop sound management plans

Formalized testing of the site against learning objectives was performed with representative users from across campus. Feedback from these users will be incorporated into the site prior to the site going live in June 2018.

Announcement and Roll Out: In order to provide broad awareness of the initiative, Internal Communications will include an announcement to heads of unit (via UBC Bulletin - June 5) and campus-wide e-newsletters (via UBC Today, The Exchange - June 12).

As no action is required from declarants until the system emails a request to declare, these announcements are for information only, and will provide an opportunity to learn more about this initiative through a link to our new website.

Final elements of the HRMS Data Integration have been completed by the Enterprise Data Integration team, and we are positioned to initiate the declaration process with departments across campus over an accelerating rate over the next 12 months.

<p>BENEFITS Learning, Research, Financial, Sustainability & Reputational</p>	<p>Since its implementation in 2005, the existing faculty-facing system has supported dramatic increases in COI declaration submissions by faculty and researchers.</p> <p>The introduction of the new SCOI system is expected to support a similar outcome by:</p> <ul style="list-style-type: none"> • Prompting an annual consideration of activities and relationships that can introduce conflicts of interest • Encouraging conversations between staff and supervisors on how to manage existing and emerging conflicts • Providing a mechanism by which UBC can review disclosures and management plans when responding to a specific allegation of conflict • Providing capacity to measure and report on the degree to which conflicts are being discussed and managed amongst staff in sensitive positions
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<p>RISKS Financial, Operational & Reputational</p>	<p>Poor system design could impact UBC's reputation as employer.</p>
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<p>FINANCIAL Funding Sources, Impact on Liquidity</p>	<p>One-time costs for software development, training, and related communication campaigns were budgeted at approximately \$350,000. Steady state costs are budgeted at approximately \$100,000 per annum.</p>
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<p>SCHEDULE Implementation Timeline</p>	<p>Development: to January 2018</p> <p>Pilot implementation: January 2018 - May 2018</p> <p>Broad-based roll-out: June 2018 - May 2019.</p> <p>Review and evaluation of second tranche enrolment: June 2019 - August 2019.</p>
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<p>CONSULTATION Relevant Units, Internal & External Constituencies</p>	<p>The OUC has met with local system owners, content designers, and representatives from surveys (UBC IT), HRMS, Performance Review (HR), Staff Orientations (HR), Sharepoint Development (UBC IT) and RISE (UBC ORS).</p>
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A workshop with high-level representation from across the university was held in October 2017 to determine the focus and prioritization of risks monitored by the system.

The Conflict of Interest Committee and colleagues at UBC-O have been updated on the initiative at key points over the past year.

A presentation was made in January 2018 to representatives from each of the collective agreement groups.

Significant user-testing has resulted in more than a dozen iterations of the declaration form since December 2017.

Previous Report Date May 24, 2017

Decision For Information

Action / Follow Up

Schedule A: SCOI Implementation of the 2017 Recommendations

2017 Recommendations	2018 SCOI System
<p><i>Develop a centralized COI declaration system for staff.</i></p>	<p>The SCOI system is an online, staff-facing system that can collect COI declarations from designated staff members at UBC.</p> <p>The system uses CWL authentication to validate staff identities and restrict access to the declaration forms. The system is centrally managed, and allows for archiving and retrieval of historical records and access for central functions including compliance reporting and audit.</p>
<p><i>Manage communication and roll out carefully.</i></p>	<p>In addition to the development of the SCOI system, OUC and CTLT have collaborated on the development of significant online resources to support staff who may be unaware of their obligations under Policy 97, or have limited experience navigating conflicts of interest.</p> <p>A full new website has been developed and will be launched in conjunction with the new staff-facing declaration system. Formalized testing of the site against learning objectives was performed with representative users from across campus.</p>
<p><i>Use a risk-managed approach to determine who should be required to make annual disclosures using the new system.</i></p>	<p>The SCOI system provides the infrastructure to facilitate and store declarations from all UBC Staff members. Each COI/COC declaration requires an investment of time for staff, management, and administration.</p> <p>Many staff are at very low risk of being affected by a material conflict of interest. The annual conflict of interest/conflict of commitment declaration process should be implemented only where appropriate.</p> <p>OUC intends to focus initial efforts on collecting declarations from staff who:</p> <ul style="list-style-type: none"> • supervise others on behalf of UBC • have financial signing authority on behalf of UBC <p>After implementation to the first group of staff members, the OUC will consider additional staff roles for inclusion in the annual declaration process.</p>
<p><i>Consider end-users, auditors, and administrative requirements.</i></p>	<p>The SCOI system was designed to be highly intuitive, and appear to users in the form of a standard online questionnaire. Feedback from testers and early go-live participants has been encouraging.</p> <p>The FluidReview platform was specifically selected to allow for light iterations and updates to the existing declaration form and related workflows. We anticipate the system will be adjusted and improved several times in the coming years, providing valuable experience ahead of the eventual integration with a new enterprise-level HRMS resource.</p>

Staff Conflict of Interest Declaration

SCOI V1.02 (April 10, 2018)

Question One: Use of University Resources

It is important that university assets like private data, university equipment and employee time are not used for personal or private undertakings without explicit approval.

The university recognizes that a certain amount of personal use of university resources is acceptable, (occasional printing, emails, personal phone calls), as long as use is reasonable and occasional, and does not interfere with performance of duties. Requests for private use of university resources may be considered, but if approved, should be managed under the same terms we would require of non-university persons. You should make such requests to your supervisor, or the department that normally handles requests for that resource. Requests should explicitly state that you are seeking this resource for private use.

In the past 12-months, have you used any notable UBC resources (data or private information, equipment, employee time, facilities) for non-university activities?

- Yes
- No

Only if yes:

You have answered yes to the following question: In the past 12-months, have you used any notable UBC resources (data or private information, equipment, employee time, facilities) for non-university activities?

Please provide a statement regarding what university resources were used for non-university activities.

If you have taken steps to mitigate a potential conflict, or if this use was discussed in advance with your supervisor, please provide information on any management plan here. Any documented management plan (email, .doc, .pdf) can be uploaded to your declaration after you complete this survey.

Question Two: Supervision and Personal Relationships

Please identify any employees whom you supervise (directly or indirectly) and with whom you have a personal relationship. If you are involved in the teaching or assessment of students, please also identify any students who are taking courses in your Faculty and with whom you have a personal relationship.

Personal relationships include family relationships, intimate relationships, and close personal friendships.

Please describe the nature and circumstances of those personal relationships. If no such employee or student relationships exist, answer N/A.

Question Three: Procurement and Related Parties

UBC staff engaged in the purchase of goods and services are obliged to seek and secure the best value on behalf of the university. When university transactions overlap with personal relationships or Financial Interests (defined below), the integrity of the person making the purchase decision may be called into question.

When personal relationships or your personal Financial Interests intersect with a business decision being made on behalf of the university, it is important that you identify the potential conflict, and ask your supervisor to determine how the decision should be made to mitigate the conflict.

In the past 12 months, have you been in a position to influence any university business dealings involving Related Parties (e.g. business partner, family member, current or former romantic partner), or that would affect your personal Financial Interests?

- Yes
- No

Policy 97 defines Financial Interest as follows:

“Financial Interest” means having or having the expectation to receive: greater than a 5% ownership interest in a single entity; or anything with a monetary value exceeding \$5,000 in any one calendar year, including remuneration (e.g. salary, consulting fees, retainers, honoraria, bonuses, gifts, speaker’s fees, advisory board remuneration, finders or recruitment fees), equity interests (e.g. stocks, stock options or other ownership interests), and intellectual property rights (e.g. patents, copyrights, royalties or other payments from such rights).

Policy 97 defines Related Party as follows:

“Related Party” means a UBC Person’s immediate family member (e.g. spouse, partner, child, parent or sibling), or other person living in the same household, any other person with whom the UBC Person shares a Financial Interest, either directly or indirectly, or any entity in which the UBC Person has an ownership interest of more than 5%.

(Questions if yes appear on next page)

Only if yes to Procurement and Related Parties:

You have answered yes to the following question: In the past 12-months, have you been in a position to influence any university business dealings involving Related Parties (e.g. business partner, family member, current or former romantic partner...), or that would affect your personal financial interests?

Please describe the university business dealings in question, and how these may have involved a Related Party, or affect your Financial Interests?

If you have taken steps to mitigate a potential conflict, or if this situation was discussed in advance with your supervisor or others, please provide information on any management plans here. Any documented management plan (email, .doc, .pdf) can be uploaded to your declaration after you complete this survey.

Question Four: Financial Interests

It is not wrong or problematic to have Financial Interests (defined below). There are however times when your Financial Interests may overlap, or appear to overlap with your responsibilities to the university. It is important that your position with the university is not used to advance your personal Financial Interests. In order to avoid the perception that decisions you have made on behalf of the university were affected by your Financial Interests, it is helpful to declare these in advance. Once declared, you and your supervisor can agree on how to manage any interest-related decisions that may arise.

In addition to your UBC Salary, do you have, or in the next year do you expect to have a Financial Interest as defined below?

- Yes
- No

Policy 97 defines Financial Interest as follows:

“Financial Interest” means having or having the expectation to receive: greater than a 5% ownership interest in a single entity; or anything with a monetary value exceeding \$5,000 in any one calendar year, including remuneration (e.g. salary, consulting fees, retainers, honoraria, bonuses, gifts, speaker’s fees, advisory board remuneration, finders or recruitment fees), equity interests (e.g. stocks, stock options or other ownership interests), and intellectual property rights (e.g. patents, copyrights, royalties or other payments from such rights).

Only if yes:

You have indicated that in addition to your UBC Salary, you have a Financial Interest(s) as defined in Policy 97.

UBC Role - If your Financial Interests might intersect with any aspect of your UBC role, your Financial Interests must be managed carefully. If a reasonable third party would expect that your Financial Interest might intersect with any of your UBC role, please provide all relevant detail in the box below. Relevant detail includes: identification of financial interest, annual value of financial interest, and any management plans that have already been arranged.

Influence Over Decisions - If you have a Financial Interest in any organization that has or might have a business relationship with the University, your potential influence over any such relationship must be carefully managed. If a reasonable third party would expect that you might have influence over any aspect of an existing or proposed business relationship between the University and any organization with which you have a Financial Interest, please provide all relevant detail here. Relevant detail includes identification of the Financial Interest, the annual value of the Financial Interest, and any management plans that have been arranged.

Question Five: Consulting and Entrepreneurship

When you are involved in Outside Professional Activity (definition below), it is important to identify potential areas of overlap with your UBC role in advance. Agreements put in place with one's supervisor in advance can help protect your reputation and integrity, should concerns related to your Outside Professional Activity arise.

If you operate a business, or do work for clients in addition to your job at UBC, it is important that your role with the university does not appear to be misused to advance your private interests. Specifically, no university relationships, private university information or other university resources are to be used to advance your private interests, without explicit approval. For example, it would be a conflict of interest to be advising a student or university department to do business with a consulting group that you are involved in.

In the last year have you engaged in, or in the next year do you expect to engage in outside consulting or entrepreneurship that involves the same specialized skill and knowledge that you use in your work at UBC?

If yes, you will be asked about, or prompted to develop a management plan to mitigate potential conflicts that may arise where these two roles overlap.

- Yes
- No

Outside Professional Activity is defined as follows:

“Outside Professional Activity” means any activity outside a UBC Person’s scope of work with the University that involves the same specialized skill and knowledge that the UBC Person utilizes in his or her work with the University and includes the operation of a Business, consulting or advisory services, external teaching, external academic appointments and external speaking engagements

(Questions if yes appear on next page)

Only if yes to Consulting and Entrepreneurship:

You answered yes to the following question:

In the last year have you engaged in or in the next year do you expect to engage in outside consulting or entrepreneurship that involves the same specialized skill and knowledge that you use in your work at UBC?

If you have taken steps to mitigate a potential conflict, or if agreements have been put in place to ensure UBC persons are not directly or indirectly encouraged to engage with your outside professional activity, please list these here. Any previously documented management plan (email, word, pdf, screenshot) can be appended to your declaration after you complete this survey.

If you have taken steps to mitigate a potential conflict, or if agreements have been put in place to ensure your private clients are aware that your outside professional activity is not connected to your work for the university, please provide information on these agreements here.

If no such agreement has yet been discussed with your reviewer, please indicate that you will arrange to discuss with your supervisor and arrange to document a management plan within the next six weeks.

- I intend to discuss and document a management plan with my supervisor*
- A management plan is already in place (see notes above)*

Question Six: Gifts and Privileges

In the past year, have you personally accepted gifts that would not have been offered if not for your position or role at the University?

Note - unless your department has specific additional requirements, you can omit small gifts exchanged among colleagues from within the university, gifts received over a given year totaling less than \$500, or gifts of less than \$500 that were shared among staff in your department.

- Yes
- No

Only if yes:

You've answered yes to the following question: In the last year, have you personally accepted gifts that would not have been offered if not for your position or role at the University?

Please provide a description of the gifts received, the provider, and estimated total value from each provider below.

If the receipt of gifts has been discussed with your supervisor, and agreements have been made to mitigate the risk of a conflict, please provide information regarding these discussions here. Any previously documented management plan (email, word, pdf, screenshot) can be appended to your declaration after you complete this survey.

Question Seven: Conflict of Commitment - Time

A Conflict of Commitment occurs where a UBC Person engages in Non-University activities that are substantial or demanding of the UBC Person's time and attention and adversely affect the discharge of the UBC Person's responsibilities to the University. UBC Persons must disclose Conflicts of Commitment and obtain written approval prior to engaging in any activity that may give rise to a Conflict of Commitment.

Over the past year, or over the next year, do you expect to engage in activities beyond your professional role at the university that are substantial (e.g. a second job, post-secondary studies, community service) and that a reasonable observer might assume could impact your responsibilities to the university?

- Yes
- No

Only if yes:

You've answered yes to the following question: Over the past year, or over the next year, do you expect to engage in activities beyond your professional role at the university that are substantial (e.g. a second job, post-secondary studies, community service) and that a reasonable observer might assume could impact your responsibilities to the university?

Please provide a description of each relevant activity, and an estimate of how much time is spent on this activity each month.

If the activity has been discussed with your supervisor, and agreements have been made to mitigate the risk of a conflict, please provide information here. Any previously documented management plan (email, word, pdf, screenshot) can be appended to your declaration after you complete this survey.

Question Eight: Open Declaration

If there is anything else that you wish to record in your Conflict of Interest Declaration, please use the space below. If you have documents that you wish to attach to the declaration, please attach them after you complete this survey.