

**SUBJECT** STAFF CONFLICT OF INTEREST (SCOI) DECLARATION SYSTEM | UPDATE

**MEETING DATE** APRIL 18, 2019

Forwarded on the Recommendation of the President

**APPROVED FOR SUBMISSION**



for Santa J. Ono, President and Vice-Chancellor

**FOR INFORMATION**

**Report Date** March 11, 2019

**Presented By** Hubert Lai, Q.C., University Counsel  
 Michael Peterson, Project Manager – Strategic Initiatives

**EXECUTIVE SUMMARY**

The Staff Conflict of Interest (“SCOI”) declaration system was launched in June 2018 in response to a recommendation from the Audit Committee of the Board. The system was designed to collect declarations from approximately 1600 staff, many of whom had not been directly asked to complete a declaration in the past. At the end of the first year of operations, we review the performance of the system and priorities for the future of the program.

**STRATEGIC CORE AREAS SUPPORTED**

- People and Places
- Research Excellence
- Transformative Learning
- Local / Global Engagement

**DESCRIPTION & RATIONALE** **Background: Policy 97 and Conflict of Interest Declarations**

The Board of Governors adopted Policy 97 (Conflict of Interest and Conflict of Commitment) in September 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. Policy 97 establishes the requirement that conflicts be recognized and disclosed, and provides guidance on making disclosures.

Since 2005, faculty members have completed annual COI declarations through a module within the RISE database system. These proactive COI declarations promote awareness of Policy 97 and consideration of potential conflicts. Until recently, there was no standardized, centrally managed system to elicit conflict disclosures from staff.

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], the OUC proposed the development of the SCOI Declaration System. This proposal was subsequently endorsed, the system was developed, and a report on the development of the system and its roll-out to staff members was presented to the Employee Relations Committee in June 2018.

### Implementation of SCOI System - Timeline

In June 2018 the SCOI system was ready for broad release. Broadcast announcements were made to Heads of Unit and to general communication platforms at both campuses. Also in June, the new SCOI information website (<https://scoi.ubc.ca>) was released to provide support staff and reviewers who were expected to have limited familiarity with the Policy.

The roll-out plan anticipated that staff would be on boarded in four large segments over the fiscal year. Several factors led us to amend our roll-out calendar, although the final project completion date was unchanged:

- Several administrators raised concerns about HRMS data integrity, and asked for time to verify the staff lists used to distribute declaration requests.
- Many departments requested that we present to their management teams prior to launch of SCOI to their organizations. Scheduling of these presentations affected our roll-out calendar.
- Although we had intended on implementing the survey in four large batches over the year, we instead chose to implement the roll out on a department-by department basis. This approach required more administrative time, but allowed us greater control over the introduction of the declaration system.

### Implementation of SCOI System - Outcomes

In 2017 we had predicted that we would need to collect declarations from approximately 1650 staff with signing and/or supervisory responsibilities. As of February 2019, HRMS and Finance had identified 1654 staff members with these responsibilities.

At end of March 2019, we had launched SCOI to 1545/1654 individuals (93% coverage). Much of the remaining 7% can be attributed to staff who were added to a department after the original declaration requests had been sent. These new hires, or staff who changed positions within UBC, will be included in annual declaration requests going forward.

Of the 1545 individuals asked to declare, 1057 have completed to date – a 68.5% completion rate. Although this number appears low, several mitigating factors should be considered:

- Not all declarations are due yet - a number of departments were asked to declare by deadlines set as late as April 17, 2019.
- Many incompletes are the result of data-validation issues that should be easily remedied. For example, if our system contacts you at an out of date email address, or while you are on maternity or medical leave, you would not know that you had been asked to declare.
- The steady-state workflow that was developed for this system anticipated the need to follow up with staff who had not completed by deadline. Our office has not yet activated this follow up.
  - Each of these incompletes has been flagged to our office for follow up.

- In order to ensure full roll-out across the organization, we prioritized distribution to all departments.
- As we begin our second year of operations, we will follow up with each incomplete to ensure each required declaration is submitted for review.

### **Early Assessment of Impact**

The SCOI system prompts staff to consider 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

The SCOI system has already prompted more than 1000 staff members to reflect on potential conflicts in each of these areas, and encouraged discussions and transparency with each person's immediate supervisor. This initiative has occasioned a new awareness or consideration of the Policy among those who were asked to declare. It is reasonable to expect that the declaration system and policy also caught the attention of some staff who were outside of our year one efforts.

Further, our office has been contacted by both declarants and reviewers, looking for guidance on declaring or responding to situations that would not have otherwise been identified.

### **Priorities for Year Two and Beyond**

With the completion of the first year roll out, our office will implement a number of minor adjustments to the system and administrative processes, prior to transitioning to a steady operating state. Priorities for this work include:

- Completion of OUC follow up with staff who have not completed by deadline.
- Development of reminder-workflow for supervisors who have not reviewed in a timely manner
- Workflow to allow self-initiated disclosures (current system anticipates administrator-triggered request)
- Expansion of declarant scope to include:
  - Staff who participate in contract negotiations
  - Staff who participate in or advise on procurement decisions

<b>BENEFITS</b> Learning, Research, Financial, Sustainability & Reputational	<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 supports similar outcomes by:</p> <ul style="list-style-type: none"> <li>• Prompting an annual consideration of activities and relationships that can introduce conflicts</li> <li>• Encouraging conversations between staff and supervisors on how to manage existing and emerging conflicts</li> <li>• Providing a mechanism by which UBC can review disclosures and management plans when responding to a specific allegation of conflict</li> <li>• Providing capacity to measure and report on the degree to which conflicts are being discussed and managed amongst staff in sensitive positions</li> </ul>
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<b>RISKS</b> Financial, Operational & Reputational	Poor system design could impact UBC's reputation as employer.
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<b>FINANCIAL</b> Capital & Lifecycle Operating	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.
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<b>SCHEDULE</b> Implementation Timeline	<ul style="list-style-type: none"> <li>• Development: to January 2018</li> <li>• Pilot implementation: January 2018 - May 2018</li> <li>• Broad roll-out: June 2018 - April 2019</li> <li>• Review and evaluation ahead of second tranche distribution: April 2019 - June 2019</li> </ul>
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<b>Consultation</b> Relevant Units, Internal & External Constituencies	<p>Project team 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> <p>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.</p> <p>The Conflict of Interest Committee and colleagues at UBC-O have been updated on the initiative at key points over the past two years.</p> <p>A presentation was made in January 2018 to representatives from each of the collective agreement groups.</p> <p>Significant user-testing resulted in more than a dozen iterations of the declaration form since December 2017.</p>
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**Previous Report Date** June 4, 2018

**Decision** For Information

**Action / Follow Up**