

Financial Benefit to Instructor from Student Materials: Conflict of Interest Resolution

Each year with the beginning of a new appointment period, deans and chairpersons should notify or remind faculty members of the policies and procedures on requiring material for use by students for which the instructor derives direct or indirect financial benefit and of the approvals and reports that are required.

Consistent with University of Arkansas Board of Trustees policy 450.1, full-time faculty and non-classified administrative staff members may engage in limited and specifically approved outside employment for compensation provided this employment does not interfere with the employee's duties (such as by creating a conflict of interest or commitment) and provided that the employee receives written approval from his or her department head and/or dean in advance of the employment. Similarly, employees planning to engage in outside employment must disclose by means of the appropriate form any relationships or activities which might give rise to conflicts, or the appearance thereof, with their duties, responsibilities or obligations to the University of Arkansas.

Faculty members who derive direct or indirect financial benefit from materials required to be used by their students are engaged in outside employment for compensation that constitutes a conflict of interest. Procedures required to address that conflict of interest are as follows.

Required Compliance Procedures

- Faculty members must disclose the conflict of interest in writing and obtain prior written approval from department chair and dean to require the purchase of their own proprietary materials by their students or to require the purchase of any other materials for which the faculty member receives compensation (including, but not limited to publishers' incentive payments).
- The request for approval must include a description of the material(s) and a justification for their use.
- The request must state the provision made for disposition of payments, revenues and royalties from the sales of the material(s). These revenues must be paid to a unit not directly related to or associated with the faculty member, but one (e.g., college or school) that will benefit students academically at the University of Arkansas, Fayetteville.
- Consistent with the deadline for reporting Outside Employment (report to dean before September 15), faculty members must provide a satisfactory accounting of remuneration and disposition of payments, revenues and royalties acceptable to their Dean relative to materials required for student purchase during the preceding year.

NOTE: The required compliance procedures do not apply to faculty members teaching only in non-credit courses and programs.

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