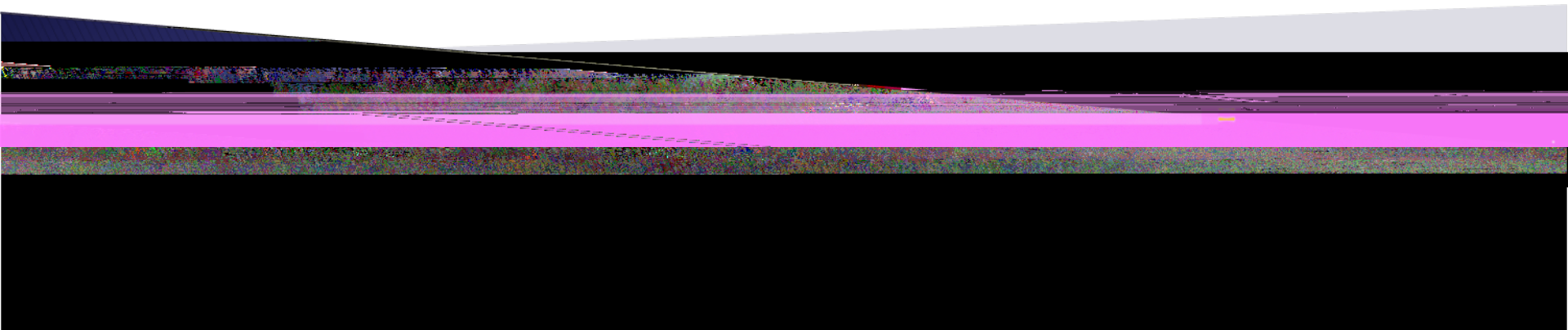


# Conflict of Interest

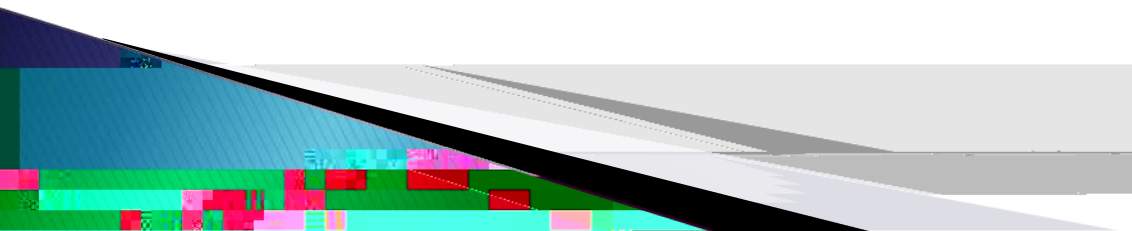
Policy & Procedures







Conduct in business and academia has been the subject of public scrutiny and legislation in recent times, and it is good practice for us to demonstrate that our work is free from any question about our motivation and our dedication to the University mission.



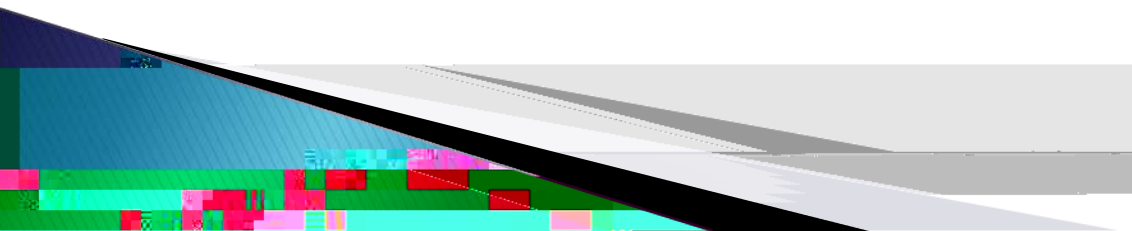
# COI Rule of Thumb

If the vendor code request normally requires a W-9 form, then it will also require the Conflict of Interest form.

New Independent Contractor

New Company

Second Request for Refund/Reimbursement



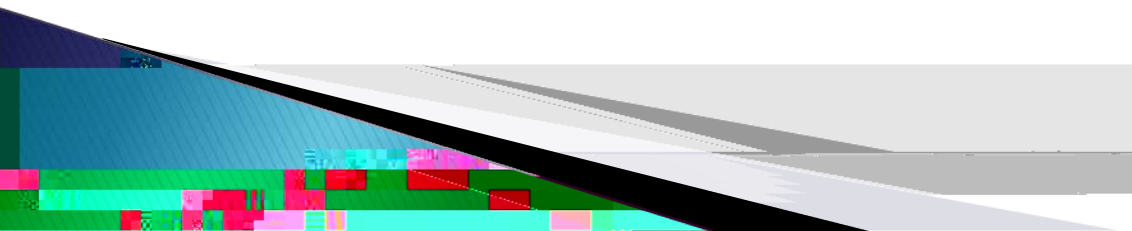
Never need a W-9 form

Must be for a refund/reimbursement only

Never for services – services must be paid through Payroll

Vendor code is one-time use only

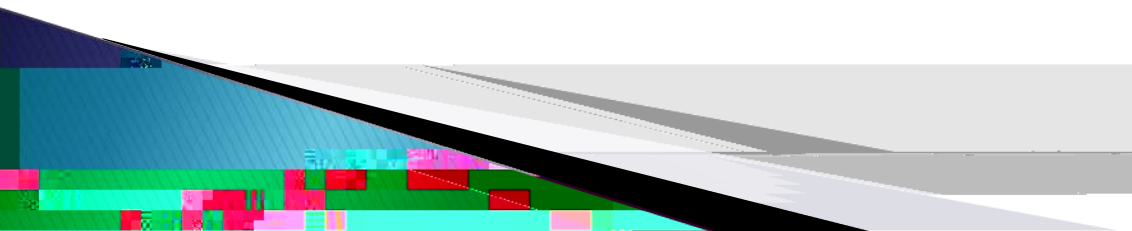
New vendor code request each time a payment is



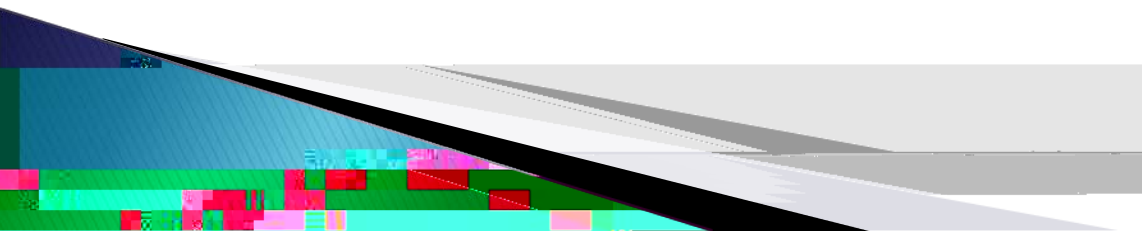
# **When Is the COI form not required?**

Initial request for refund/reimbursement

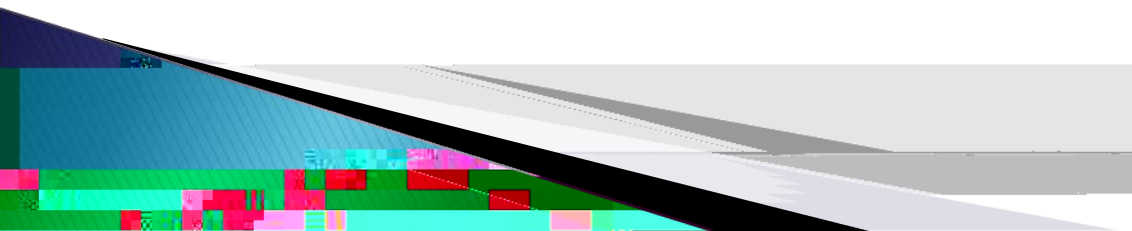
Change to vendor address/phone



Any time that the W-9 form is not required, the Conflict of Interest form is not required, except for foreign vendor requests.



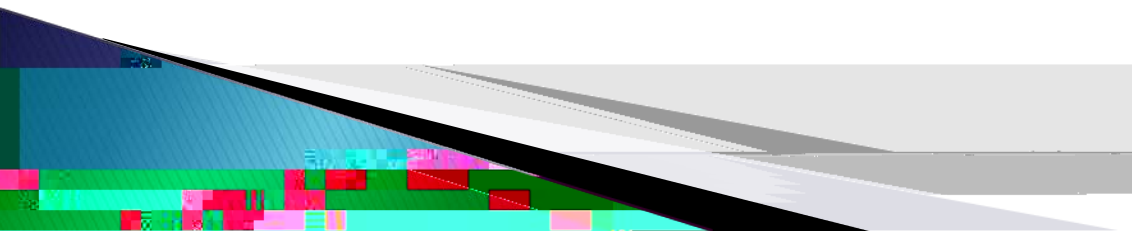
A conflict of interest exists where the outcome of a decision that should be made in the best interest of the University is in conflict with the personal or economic interest of the employee.





A business entity in which an employee has an economic interest represents a potential conflict of interest if the employee has any involvement in the selection of that entity as a University vendor.

An economic interest includes the employee's or a relative's ownership or partnership in the business, including serving as stockholder, director or officer in a non-publicly held company. Engaging a

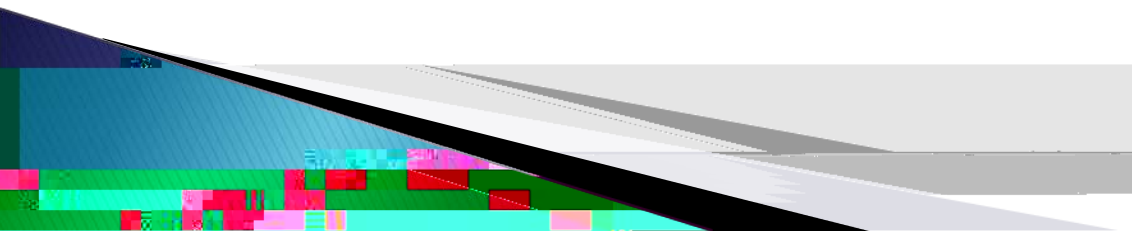






# Example 3

A university instructor requires students or workshop participants to purchase a book, pamphlet or training manual from which the instructor will receive royalties.

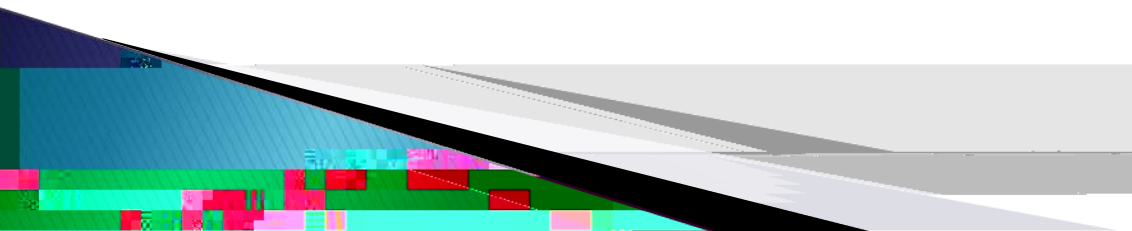


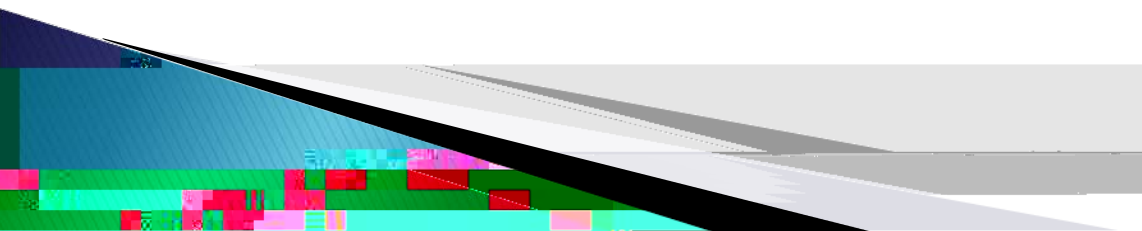


# Example 5

Last year, your department contracted their network server administration and operations to an outside vendor. The contract runs for five years and to-date everything has run smoothly.

You now learn that the person most instrumental in the execution and management of this contract is leaving the University to go work for the vendor.

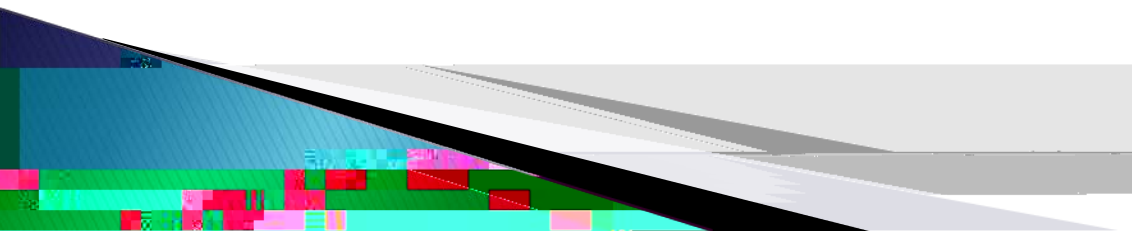




# Example 7

The Principal Investigator has developed a friendship with a department vendor.

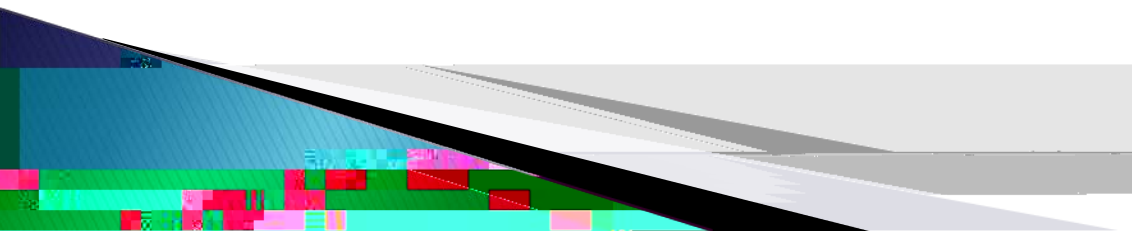
The P.I. is in a position of authority and makes some purchasing decisions for the department.



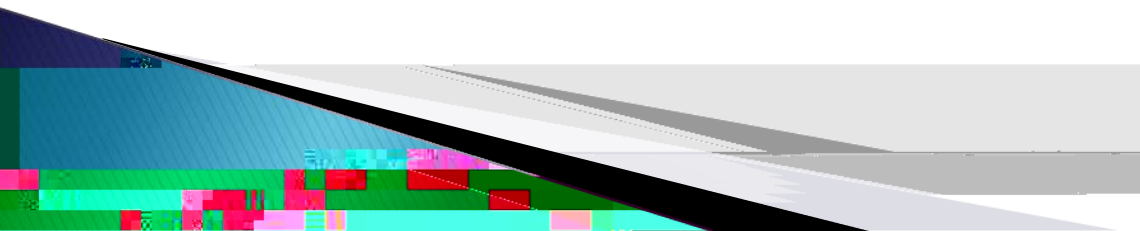


# Example 8

A staff member owns stock in outside company and is involved in purchasing decisions at NU related to this same company.



A conflict of interest may be



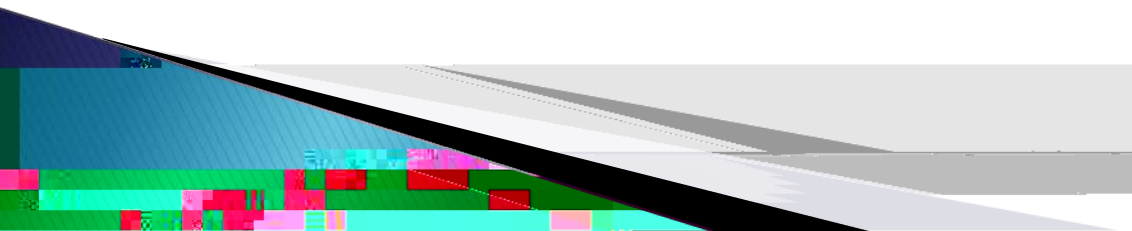


A preferred vendor is a vendor who has been investigated by Purchasing Resource Services and approved

- ◁ A contract is established based on the results of a formal competitive bid process managed by PRS

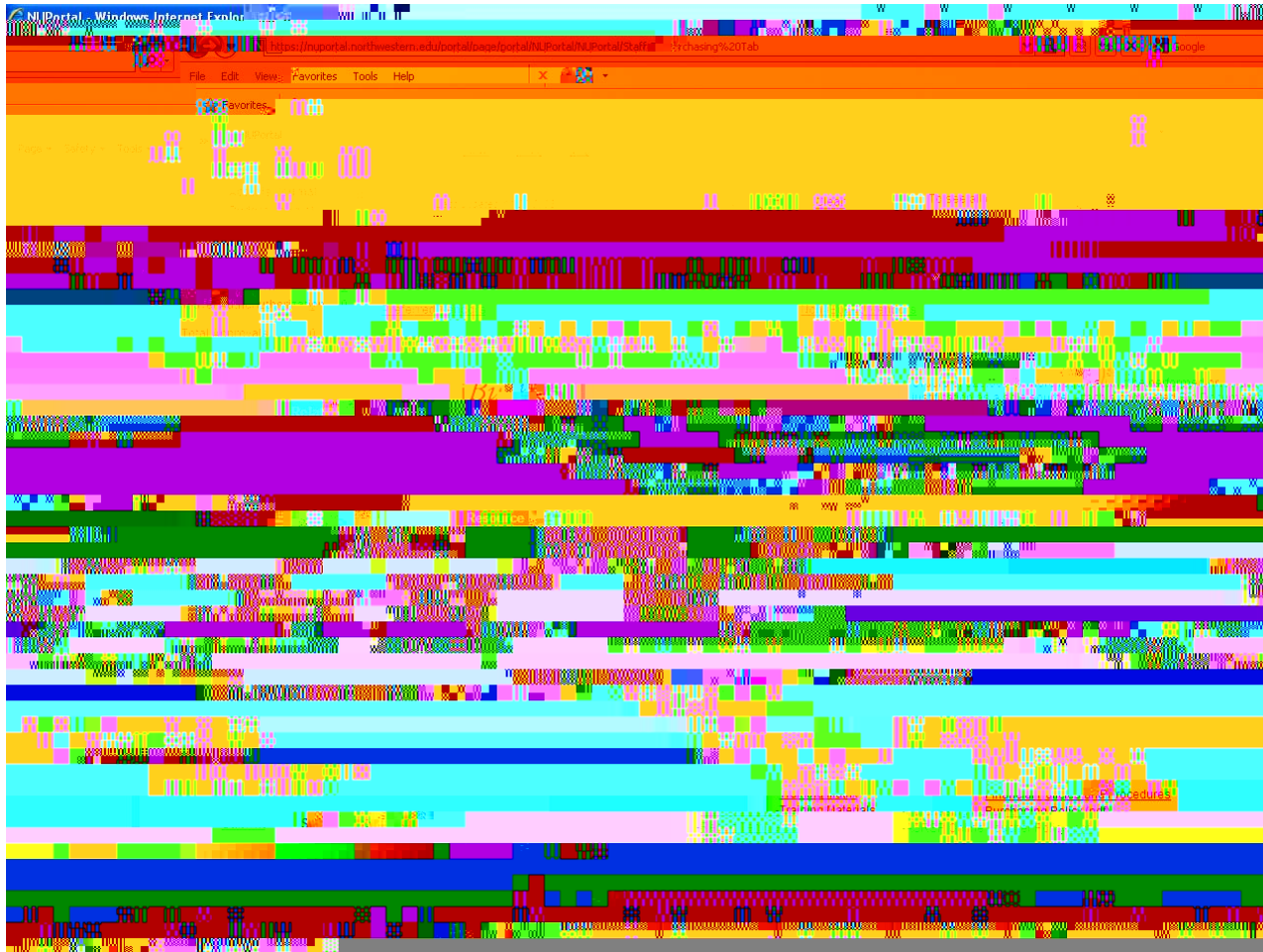
™ or

- ◁ A pricing agreement is established based on a negotiation between the vendor and PRS





# COI Procedure



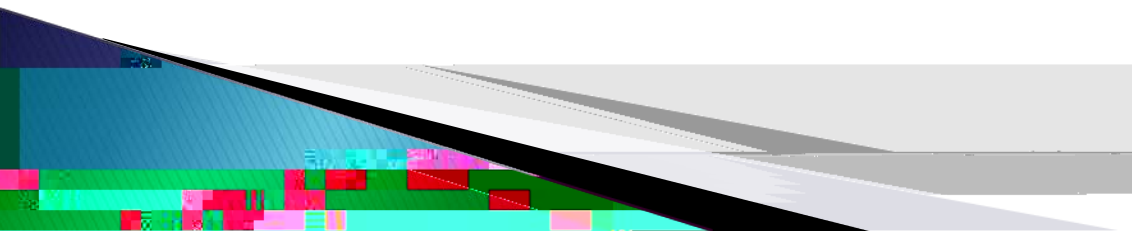
# COI Procedure (cont'd)



# What is reviewed on the COI form?

If no conflict of interest is indicated, looking for signatures and completeness of form

If conflict of interest is indicated, will be forwarded to TST Lead for further review

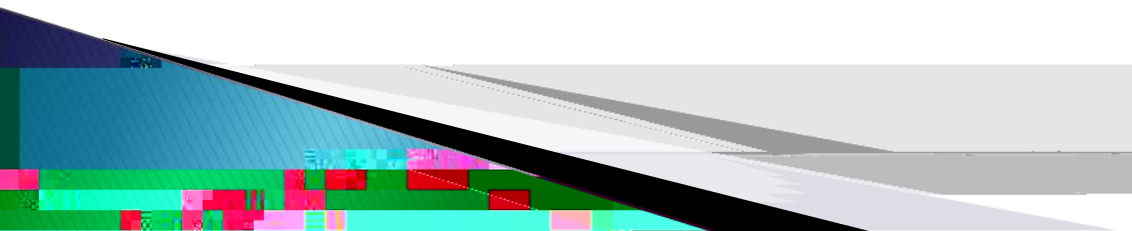




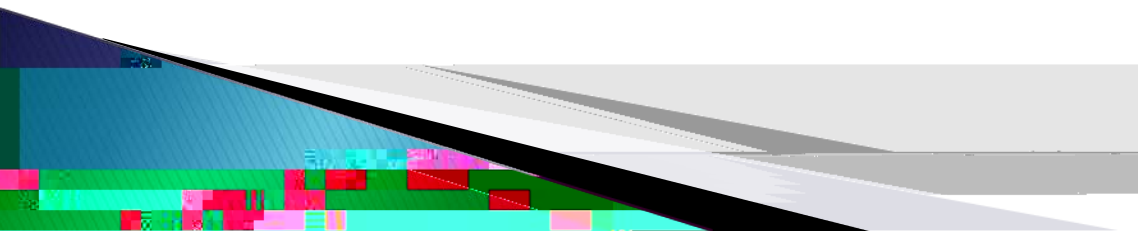
# What happens if there is a Conflict of Interest?

Lead for Transaction Processing will review form & make sure that the COI manager has signed the form.

Email about the COI will be sent to the employee, the school/unit's administration (level 3 or higher), the Controller, Purchasing Resource Services Director and a Human Resources (HR) representative.

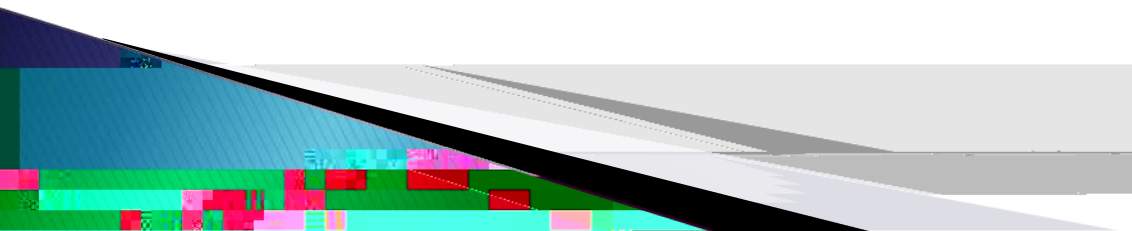


The vendor will not be added until all parties are satisfied regarding the conflict of interest circumstances.



# NU Conflict of Interest Policy

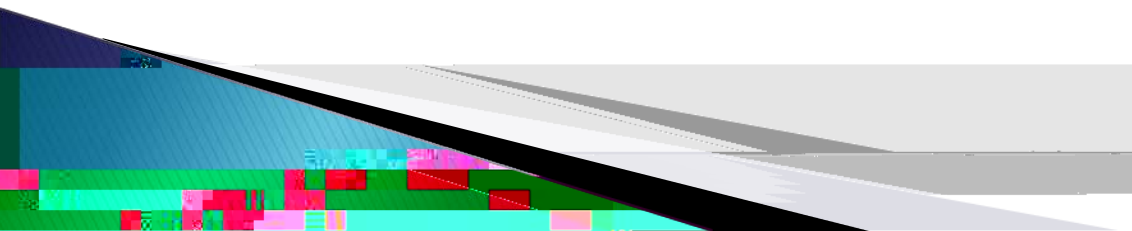
Found on NU web pages under Purchasing  
<http://www.northwestern.edu/hr/policies/conflict.pdf>



# For More Information

Call the Transaction Support Team Help Line

847-491-4707



Questions?

