



Policy Title: Outside Activities and Interests

Policy Number: BU-PP 800

Date Issued: 1997

Responsible Executive: Chief Audit Officer

Date Last Revised: August 31, 2023

Responsible Office: Internal Audit

Outside Activities and Interests Policy BU-PP 800

Policy Statement

Baylor University ("Baylor") understand that its employees may on occasion participate in outside activities and interests that are related to their professional experience at the institution. Outside activities and interests are generally allowed for Baylor employees, providing employees follow this policy. Baylor requires all full-time employees to report regularly on outside activities and interests. Each employee must submit an Outside Activity and Interest disclosure upon beginning employment, upon any material change to their disclosure, and annually thereafter. Baylor will review each disclosure and will make a careful determination whether a potential conflict of interest or commitment exists.

Reason for the Policy

The purposes of this policy are to (i) provide resources for employees about situations that generate or appear to generate conflicts; (ii) provide a general toolkit for employees and Baylor to discuss real or apparent conflicts; and (iii) to promote the best interests of Baylor. Each employee has an obligation to become familiar with, and to abide by, the provisions of this policy.

Individuals/Entities Affected by this Policy

All full-time faculty and staff, and some part-time employees as required by the University through an evaluation of position duties on a case-by-case basis.

Exclusions

NONE

Related Documents and Forms

University Policies and Documents

[Standards of Personal Conduct](#)

[Code of Ethics](#)

Institutional Conflict of Interest Policy

[Policy for Conflicts of Interest in Research and Technology Transfer](#)

Other Documents

[Texas Penal Code Article 32.43](#)

Forms and Tools

The Outside Activities and Interests disclosure form is located in [CARA](#). You may access the form by logging into [CARA](#) using your Baylor login credentials.

Definitions

These definitions apply to terms as they are used in this policy.

Outside Activities and Interests	Activities and interests performed outside of Baylor. Common examples include, but are not limited to, consulting, providing expert witness services, service on a board, having ownership interests, outside employment, outside teaching, and outside research.
Conflict of Interest	A conflict of interest may occur when there is divergence between an individual's private personal financial relationships or interests and their employment obligations to Baylor such that a reasonable person might question whether the employee's actions or decisions are determined by considerations of personal benefit, gain, or advantage, rather than the best interests of Baylor.
Conflict of Commitment	A conflict of commitment may occur when an employee's time spent on outside activities or interests exceeds reasonable time limits when the employee's primary responsibility is to Baylor.
Immediate Family	The spouse, parents, grandparents, brothers and sisters, children, grandchildren, great-grandchildren, and spouses of brothers, sisters, children, grandchildren, and great-grandchildren (including step- and half- of the preceding categories) of a Baylor employee
Financial Interest	Interests of a financial nature that directly or indirectly, through business, investment interest, ownership, contract, or compensation arrangement financially benefit the employee
Compensation	Direct or indirect remuneration
Gifts	Items provided at no cost to the employee or to Baylor with no expectation of repayment or expectations of a returned gift or favor

Contacts

Subject	Contact	Telephone	Office email/web site
Policy Questions	Internal Audit	254-710-3867	https://ia.web.baylor.edu

Responsibilities

Internal Audit	Ensures the policy remains current; ensures applicable employees submit Outside Activities and Interests disclosures when required; reviews disclosures; facilitates committee review of actual or perceived conflicts when necessary.
Office of General Counsel	Reviews and approves significant revisions to the policy; reviews disclosures when necessary.
Outside Activities & Interests Committee	Reviews actual or perceived conflicts of interest or commitment brought forth by Internal Audit; determines whether actual or perceived conflicts exist; develops management plans of action for conflicts.
Deans/Department Heads	Enforce requirements and expectations of this policy with their employees; assist with determination of whether actual or perceived conflicts exist; assist with the development and subsequent monitoring of management plans.
Office of the Vice Provost for Research	Ensures the research policy remains current; ensures researchers submit research disclosures when required; screens research disclosures and forwards to Internal Audit as necessary; ensures appropriate reporting to applicable research sponsors; monitors research management plans; serves on the Outside Activities and Interests Committee.

Principles

It is the policy of Baylor University that its faculty and staff conduct the affairs of Baylor in accordance with the highest ethical and legal standards. While it is beneficial to Baylor that its employees participate in activities and interests outside their commitment to Baylor, there are certain situations in which an employee's outside personal and professional interests might conflict with Baylor's. To avoid conflicts between personal or professional activities and interests and Baylor's interests, individuals must not act on behalf of or make decisions for Baylor in which their personal financial gain or interest may directly or indirectly influence, or have the appearance of influencing, the performance of their Baylor responsibilities.

Conflicts of Commitment

Baylor employees' primary commitment of time should be to the fulfillment of their Baylor responsibilities and Baylor's mission.

a. Faculty

Outside activities conducted by a faculty member should be of such a nature as to improve teaching, research, or service, and should in some manner serve the interests of Baylor or the community. Outside activities must not distract from primary responsibilities and must not require frequent or extended absences that would cause the faculty member to neglect their institutional responsibilities. Outside activities must not bring discredit to Baylor and may only involve incidental use of common Baylor resources. Use of resources other than incidental use must be approved by the faculty member's supervisor and be reimbursed to Baylor.

Full-time faculty members should not exceed one day per week of outside activity during their contracted periods of employment or other appointed Baylor work. Baylor recognizes that clinical faculty members may, as part of the responsibilities of their Baylor position, engage in outside activities and interests that are in excess of the general guidelines expressed herein. Baylor will evaluate these based on the unique accreditation and licensure requirements associated with clinical faculty positions.

b. Staff

Full-time staff members should follow BU-PP 802 Work Hours and Schedules when considering time spent in outside activities and interests. Staff members should ensure that any outside activities do not infringe on their time commitment to Baylor, with the added prohibition against incidental use of Baylor's resources (computers, phone lines, time) when participating in outside activities or supplemental outside employment.

Faculty and staff may not involve Baylor students or other employees in their external activities if such involvement is in any way coerced or if it in any way conflicts with the involved participants' required commitment of time to Baylor. A student's grades or progress toward a degree may not be conditioned on participation in external activities.

Considerations of personal gain must not influence the decisions or actions of individuals in discharging their Baylor responsibilities. Such incentives might create a perception of impropriety and, therefore, require that such conflicts be identified, managed, reduced, or eliminated.

Conflicts of Interest

A conflict of interest exists when an employee of Baylor has a personal, familial, or financial relationship which may potentially lead the employee to act or make decisions that are in their own best interest rather than the best interest of Baylor. All full-time Baylor

employees are required to disclose these relationships upon beginning employment, upon any material changes to their disclosure, and annually thereafter to allow Baylor to be aware of potential conflicts, manage conflicts when they arise, or eliminate the potential conflicts. Timely and accurate disclosures allow Baylor to manage legal, financial, and reputational risk or perceived risk.

Baylor will exercise oversight and care when managing or eliminating conflicts of interest or commitment that arise because of an employee's personal activities and interests. Baylor will not accept or enter into agreements, contracts, gifts, or purchases that give rise to a conflict of interest or perception thereof unless the conflict can be appropriately managed or eliminated to protect the University from financial, legal, and/or reputational harm.

Examples of Conflicts of Interest or Commitment

Examples of potential conflicts of interest or commitment may include, but are not limited to:

- Employment outside Baylor, including part-time employment.
- Teaching or other instructional activities at other educational institutions.
- Service on outside Boards, Councils, or Committees.
- Business enterprises outside of Baylor.
- Conducting research at an institution other than Baylor.
- Purchasing or influencing the purchase of equipment, materials, or services from a supplier in which the employee has a personal or financial interest.
- Personally gaining from Baylor funds or resources.
- Utilization of students for personal gain.
- Compromising Baylor priorities for personal gain.
- Using non-public or privileged Baylor information for personal gain.
- Accepting a gift or favor from an outside entity or its representative that does business or seeks to do business with Baylor.
- Receiving remuneration by requiring students to purchase one's own textbook or other published materials.
- Participating in a foreign talent program, receiving funds from a foreign government, or otherwise giving access to Baylor resources, human and otherwise, to a foreign entity without prior approval from Baylor.

Baylor employees must recognize that no list is exhaustive, and that a single policy cannot address every potential conflicting situation. Good judgment and integrity by members of the faculty and staff is essential. Conflict of interest or conflict of commitment questions should be raised with the school dean, supervisor, department head, Internal Audit, or by making a report through EthicsPoint.

Family Member

For the purposes of this policy, the term “family member” refers to the spouse, parents, grandparents, brothers and sisters, children, grandchildren, great-grandchildren, and spouses of brothers, sisters, children, grandchildren, and great-grandchildren (including step- and half-relationships in all of the preceding) of a Baylor employee.

Gifts

Extreme care must be used in acceptance of any gratuities even of a nominal amount and the frequency and collective impact of such actions to ensure that one is abiding by the letter and spirit of this Outside Activities and Interests Policy. While the favors, entertainment, and/or gifts may initially seem insignificant, if they total \$5,000 or more in value during a 12-month period of time they must be disclosed. Employees should provide a good faith estimate in the event they cannot document actual value(s) of \$5,000 or more.

Honoraria

An honorarium is normally a one-time gratuity granted in recognition of a special service or distinguished achievement, such as a special lecture, participation in a workshop or panel discussion, or similar activity. Honoraria are typically provided in addition to an individual's expenses when preparing for and participating in the activity and do not represent fee-for-service arrangements, employment arrangements, or fixed-price agreements. Honoraria vary in value across academic disciplines. A faculty member who is unsure if they should accept an honorarium should consult their department chair. A faculty member who is unsure if an honorarium represents taxable income should consult a tax professional.

Material Non-Public Information

Baylor employees should avoid purchasing or selling securities using "material, non-public information for financial gain." For example, a researcher who has advance knowledge about a newly developed device and purchases stock of the company that sponsored the research prior to a public announcement about the new device may be in violation of securities law. Information is material if "there is a substantial likelihood that a reasonable shareholder would consider it important" in making an investment decision. To fulfill the materiality requirement, there must be a substantial likelihood that a fact "would have been viewed by the reasonable investor as having significantly altered the 'total mix' of information made available." Information is nonpublic if it has not been disseminated in a manner that makes it available to investors generally.

Outside Activities and Interests Committee

Scope and Authority

Under the authority of the President, and with input from supervisors, department or unit chairs, and deans, the Baylor University Outside Activities and Interests Committee (OAIC) is tasked with reviewing staff, faculty, and researcher disclosures of outside activities and interests. The OAIC's role is to determine whether an individual's relationship with an external entity creates a situation that could introduce bias or undue influence into the activities conducted at Baylor, and, if so, to recommend and implement strategies to reduce, manage, or eliminate the conflict.

Composition

The OAIC membership includes:

- Internal Audit (non-voting)
- Research Compliance
- Human Resources
- University Compliance and Risk Services
- Vice Provost for Faculty Affairs
- Faculty appointee from the College of Arts and Sciences
- Faculty appointee from the School of Business
- Faculty appointee from Robbins College of Health and Human Sciences
- One faculty member appointed by the Provost
- One faculty member appointed by the Faculty Senate

The appointees from Internal Audit, Research Compliance, Human Resources, University Compliance and Risk Services, and the Vice Provost for Faculty Affairs will serve non-expiring terms and are appointed by members of President's Council. The faculty appointee from the College of Arts and Sciences should represent a scientific discipline. The faculty appointees will serve staggered three-year terms.

The Chief Audit Officer, or designee, will facilitate the work of the OAIC. The OAIC may form subcommittees with which to expedite situations that are time-sensitive. The OAIC will seek expertise from other areas of the university when conducting its business, as needed. For instance, if a conflict occurs for an employee whose department is not represented on the OAIC, the appointee from Internal Audit will ensure an ad hoc representative from the employee's department or unit is temporarily added to the committee. The ad hoc appointee will serve as the

employee's representative and will assist the OAIC in understanding the circumstances surrounding the issue at hand.

Operations

The OAIC will meet at least monthly to discharge its duties.

The OAIC vests authority with Internal Audit and Research Compliance to review and manage disclosures as set forth in this policy and OVPR-02: Policy for Conflicts of Interest in Research and Technology Transfer. The OAIC will review activities and interests disclosed by Baylor faculty and staff members that may be of an unusual or extraordinary nature, activities that one or both administrative offices believe necessitate review by the OAIC, or disclosures the OAIC identifies as requiring the committee's attention.

If situations arise in which the OAIC determines the risk associated with the activity or interest is not manageable, the OAIC may deny the employee's involvement in the activity. The associated administrative offices will be responsible for enacting the OAIC's decisions regarding management strategies or denial of the activity or interest in conjunction with the appropriate dean, vice president, department chair, or supervisor.

Appeals

In the event of a denial the conflicted employee may provide additional information to the OAIC to address its concerns. Upon further review, the OAIC may either recommend a management plan or forward the appeal to the Provost in the case of faculty employees, or to the Vice President for Human Resources in the case of staff employees. When reviewing the appeal, the Provost or Vice President for Human Resources will consider the OAIC's recommendation and additional information provided by the employee. The Provost's or Vice President for Human Resources' decision will be final.

Procedures

A. Required Pre-Approval of Outside Activities and Interests and Receipt of Personal Benefits

Baylor acknowledges that employee participation in outside activities is often appropriate and even beneficial to the University. Baylor may approve involvement in outside activities as long as the activities do not unreasonably interfere with the duties and responsibilities of the employee. In these circumstances, the employee is expected to submit a request to participate in outside activities to the appropriate unit leadership for approval.

Requests for pre-approval should be submitted no less than five business days prior to the proposed outside activity or interest commencing.

Allowable outside activities generally require pre-approval if:

- a. The time commitment exceeds on average one day per week. A “day” is defined as any accumulation of 20% of your regular professional time. For example, if you generally work a 40-hour week at Baylor, then 20% or 8 hours per week is a “day.”
- b. The compensation exceeds \$5,000 per engagement. Engagement refers to the outside activities or interests employees intend to pursue outside of Baylor.
- c. The activity has a foreign component.
- d. The work is done with a party that otherwise has a relationship with Baylor.

Clinical faculty pre-approvals and disclosures will be evaluated based on the unique accreditation and licensure requirements associated with clinical faculty positions.

Please use the table below to determine if your outside activity or interest requires pre-approval. Please note that pre-approved outside activities and interests must still be disclosed during the annual disclosure process. This list is not exhaustive and represents typical outside activities and interests that are common among faculty and staff members at other R1 institutions.

Activity Type	Explanation
Pre-Approval is Not Required but Annual Disclosure is Required	
Grant reviewer for U.S. governmental agencies (remuneration of any dollar amount) or U.S. non-profit entities (remuneration under \$5,000 in a 12-month period from a single entity)	Pre-approval is not required.
Membership and participation in a professional society, or accepting a leadership role in a professional society	Pre-approval is not required.
Reviewing a book, journal article, or other scholarly publication	Pre-approval is not required.
Pre-Approval and Annual Disclosure are Required	
Activities or interests that are not related to an individual’s professional expertise.	Pre-approval is required if the time commitment is expected to exceed on average more than one day per week.
Activities involving a foreign entity	Pre-approval is required and faculty and staff who are contemplating an outside activity or interest with a foreign entity should contact Export Compliance to make sure they are compliant with BUPP 041 Export, Import and Sanction Compliance. Pre-approval is not required for collaboration on scholarly papers.

Directing a program, lab work, or other services outside of Baylor, whether related or unrelated to research.	Pre-approval is required regardless of time or financial commitments.
Outside consulting activity	Pre-approval is required if the time commitment is expected to exceed on average more than one day per week or if a financial benefit to the faculty and staff member is expected to be more than \$5,000 per engagement.
Running for or holding public office	Pre-approval is required if the time commitment is expected to exceed on average more than one day per week. Pre-approval decisions may not be based on political party or affiliation considerations and may only focus on the time the faculty or staff member would spend away from their Baylor responsibilities if elected.
Service on a Board of Directors, Board of Trustees, as a Corporate Officer, or other position with fiduciary responsibilities outside of Baylor.	Pre-approval is required if the time commitment is expected to exceed on average more than one day per week. Pre-approval regardless of time commitment is required if the outside entity is an organization that is related to Baylor, does business with Baylor, or seeks to do business with Baylor such that a perceived or actual conflict of interest may exist.
Serving as an expert witness in legal proceedings	Pre-approval is required if Baylor is a party to the proceedings or might be affected by the proceedings, if the activity exceeds on average more than one day per week, or if the financial benefit to the faculty or staff member is likely to exceed \$5,000 for the length of the engagement.
Serving in a scholarly advisory role (e.g., scientific advisory board, data safety monitoring board) outside of Baylor	Pre-approval is required if the time commitment is expected to exceed on average more than one day per week.
Speaking engagements, including speaking engagements that are: 1. Supported by a U.S. federal, state, or local government agency, 2. Supported by a U.S. academic institution that is public or nonprofit and accredited, or the academic institution's affiliated hospital, medical center, or research center	Pre-approval is required if the time commitment is expected to exceed on average more than one day per week or if a financial benefit to the faculty or staff member is expected to exceed more than \$5,000 per engagement. Financial benefits include honoraria, remuneration, travel expenses, gifts, and other items commonly associated with speaking engagements.
Taking any role at a start-up company	Pre-approval is required to ensure compliance with BU-PP 721 Intellectual Property Policy if the IP originated at Baylor.
Teaching outside of Baylor	Pre-approval is required if seeking to teach a course at another institution of higher education. This does not apply to single lectures.

Activity is Not Allowed	
Lobbying activities	This activity is not permitted by Baylor faculty or staff without advance coordination with and written approval from Baylor's Office of Government Relations.

Outside activity and interests that always require pre-approval, regardless of time and financial thresholds, require pre-approval even if performed during academic breaks.

If the faculty member receives any salary from Baylor during the academic break, the regular contract year pre-approval requirements apply.

B. Outside Activities and Interests Disclosure Submissions

In addition to submitting pre-approval request for certain activities, each full-time employee must complete and submit an Outside Activities and Interests disclosure during onboarding upon beginning employment, upon any material change to their disclosure, and annually thereafter. Each employee has a continuing ethical obligation to modify and update their disclosure as changes occur with previously disclosed activities and interests and as new activities and interests arise. Employees must continue to disclose outside activities and interests that were pre-approved in the procedures detailed above, because the associated events, dollar figures, and time commitments often change between the time of pre-approval and the conclusion of the activity or interest.

C. Review of Outside Activities and Interests Disclosures

Disclosures will first be reviewed by the employee's supervisor, followed by a second review by Internal Audit or Research Compliance. Disclosures that may result in a conflict of interest or conflict of commitment will be reviewed by the Outside Activities and Interests Committee as detailed above.

D. Management Plans

In the event that an employee's disclosure of outside activities and interests constitutes an actual or perceived conflict of interest, Baylor will create and assign a management plan to mitigate the risk to the University. The contents of the management plan will be determined in consultation with the employee and the employee's supervisor/department head and are in the purview of the Outside Activities and Interests Committee to administer. Management plans must be reevaluated at least annually to ensure they are still appropriate. In the event that the Outside Activities and Interests Committee is unable to manage

the conflict, further conversation regarding an appeal process may proceed as detailed above.

E. Report to Board of Regents Audit, Compliance, and Risk Management Committee

Internal Audit will report the results of the Outside Activities and Interests disclosure reviews to the Board of Regents Audit, Compliance, and Risk Management Committee annually. To ensure that Baylor operates in a manner consistent with its charitable purposes and that it does not engage in activities that could jeopardize its status as an organization exempt from federal income tax, the Board of Regents Audit, Compliance, and Risk Management Committee, or designee, shall conduct periodic reviews of outside activities and interests. In conducting these reviews, the Board may, but need not, engage outside advisors.

Regulations

A. Consequences of Failure to Submit Outside Activities and Interests Disclosure

Employees who deliberately or repeatedly fail to disclose fully and truthfully or fail to comply with stipulated management plans will be subject to the applicable Baylor disciplinary processes. Sanctions may include disciplinary action ranging from a letter of reprimand to termination of employment. Instances of a deliberate breach of policy for employees who are engaged in extramurally funded research will be reported to the appropriate funding agency and may result in the suspension of future grant submission privileges. In addition to Baylor sanctions, violations of full and prompt disclosure may result in the loss of grant funding and in sanctions regarding future funding from federal agencies. Employees may also be subject to criminal sanctions or civil liability under federal or state law.

B. Records Retention

Records pertaining to the outside activities and interests disclosure process will be retained in accordance with the University's Records Retention and Archival Policy.

C. Texas Penal Code Article 32.43

It is important for employees of Baylor to understand that Texas Penal Code Article 32.43 provides that it is a criminal offense ("Commercial Bribery") for an employee or agent of Baylor "to intentionally or knowingly solicit, accept or

agree to accept any benefit from another person on agreement or understanding that the benefit will influence the conduct of the employee or agent in relation to the affairs of [Baylor University].” It is likewise a criminal offense “to offer, confer, or agree to confer such benefit on agreement or understanding that the benefit will influence the conduct of the recipient in relation to the affairs of the recipient’s employer.” The criminal offense is a state jail felony. Additionally, the court may impose a fine not to exceed double the value of the benefit gained.