

## 8. Conflict of Interest Policy

It is in the best interest of the Distance Education and Training Council (DETC) to be aware of and properly manage all conflicts of interest and appearances of a conflict of interest. This conflict of interest policy is designed to help Accrediting Commissioners, Evaluators, Subject Specialists, Consultants, Administrative Staff, Appeals Panel Members, and employees of the DETC to identify situations that present potential conflicts of interest and to provide DETC with a procedure to appropriately manage conflicts and ensure that its accrediting activities are conducted in an environment free of bias, in accordance with legal requirements and the goals of accountability and transparency in DETC's operations.

### 1. Conflict of Interest Defined

For purposes of this policy, a person with a conflict of interest is referred to as an "interested person." The following circumstances shall be deemed to create a Conflict of Interest:

- Ownership of some or all of an institution, its assets or the stock of the company that owns or operates the institution;
- The holding of mortgages, liens, or other debt instruments or interest upon an institution or its assets;
- Having been employed, or currently employed, at the institution;
- Currently employed with a DETC institution that competes with the institution;
- Having served, or currently serving, as a consultant to the institution;
- Having served, or currently serving, on a Board, Advisory Council, or Committee of the institution;
- Having attended the institution as a student;
- Having financial interest (including holding stocks, etc.) in the institution or a business or enterprise that competes with DETC;
- Having a close personal friend or relative at the institution; or
- Having accepted gifts, entertainment or other favors from individuals or entities (see below).

Other situations may create the *appearance of a conflict*, or present a *duality of interests* in connection with a person who has influence over the activities or finances of the DETC.

All such circumstances should be disclosed to the DETC Executive Director, as appropriate, and a decision made as to what course of action the organization or individuals should take so that the best interests of the DETC are not compromised by the personal interests of stakeholders in the DETC.

**Gifts, Gratuities and Entertainment.** Accepting gifts, entertainment or other favors from individuals or entities can also result in a conflict or duality of interest when the party providing the gift/entertainment/favor does so under circumstances where it might be inferred that such action was intended to influence or possibly would influence the interested person in the performance of his or her duties. Souvenirs (typically available to the public) are permissible, but should be restricted to inexpensive items representing the institution.

### 2. Definitions

In this policy, the following terms are defined as:

- a. A "Conflict of Interest" is any circumstance described in Part 1 of this policy.
- b. An "Interested Person" is any person serving as Commissioner, Evaluator, Subject Specialist, Consultant,

Administrative Staff, Appeals Panel Member, or employee of DETC or anyone else who is in a position of control over DETC who has a personal interest that is in conflict with the interests of DETC.

- c. A “Family Member” is a spouse, parent, child or spouse of a child, brother, sister, or spouse of a brother or sister, of an interested person.
- d. A “Material Financial Interest” in an entity is a financial interest of any kind, which, in view of all the circumstances, is substantial enough that it would, or reasonably could, affect an Interested Person’s or Family Member’s judgment with respect to transactions to which the entity is a party. Where the potential for pecuniary gain or the appearance of it is involved, as in reporting on or evaluating a current or potential direct competitor or partner or an institution in which the participant has a financial interest, the participant has a conflict of interest.
- e. An “appearance of a conflict” means there is an appearance of partiality involved, as in a situation where the person who has a Conflict of Interest has a relationship with an institution or its principals is such that evaluations or decisions may appear to be unduly influenced by that relationship.
- f. A “duality of interests” means when a person has divided loyalties or when a person has a personal interest that conflicts with the interest of DETC.

### 3. Procedures

The procedures for addressing a conflict or interest, an appearance of a conflict, or duality of interests are as follows:

- a. Prior to a Commission meeting, an on-site evaluation, a course/program review, an appeals panel hearing, a consultation, or any action on an institution involving a Conflict of Interest, the person having a Conflict of Interest shall disclose to the DETC Executive Director all facts material to the Conflict of Interest. If any Interested Persons are aware that staff or other persons have a conflict of interest, relevant facts should be disclosed by the interested person him/herself to the Executive Director for purposes of disclosure.
- b. Where the appearance of partiality is involved, as in a situation where the person who has a Conflict of Interest has a relationship with an institution or its principals is such that evaluations or decisions may appear to be unduly influenced by that relationship, the person with the Conflict of Interest must advise the next higher person in the process and must recuse him/herself. Guidance should be sought from the DETC Executive Director in questionable cases.
- c. A person who has a Conflict of Interest shall not participate in or be permitted to hear any discussion of or vote on any matter being considered. Such person shall not attempt to exert his or her personal influence with respect to the matter, either at or outside the meeting.
- d. In the event it is not entirely clear that a Conflict of Interest exists, the individual with the potential conflict shall disclose the circumstances to the DETC staff member/Executive Director, who shall determine whether a Conflict of Interest exists that is subject to this policy.

### 4. Confidentiality

Protecting confidentiality is an important part of the accreditation process. Interested persons are reminded of the following:

- a. Each Accrediting Commissioner, Evaluator, Subject Specialist, Consultant, Administrative Staff, Appeals Panel Member, or employee shall exercise care not to disclose confidential information acquired in

connection with disclosures of conflicts of interest or potential conflicts, which might be adverse to the interests of DETC.

- b. Accrediting Commissioners, Evaluators, Subject Specialists, Consultants, Administrative Staff, Appeals Panel Members, and employees will not discuss any confidential aspect of an application for DETC accreditation with the applicant, an institution accredited by DETC, a direct competitor of the applicant, or any other third party except as required in order to discharge the responsibilities of the participant in the accreditation review. DETC will communicate the results of the Commission’s decision to the applicant and the public as provided in D.1.1. Actions Available to the Commission.
- c. Furthermore, Accrediting Commissioners, Evaluators, Subject Specialists, Consultants, Administrative Staff, Appeals Panel Members, and employees shall not disclose or use information relating to the business of DETC for their personal profit or advantage or the personal profit or advantage of their family member(s).

**5. Review of Policy**

The following describes the review process for this policy:

- a. Each Accrediting Commissioner, Evaluator, Subject Specialist, Consultant, Administrative Staff, Appeals Panel Member, or employee shall be provided with and asked to review a copy of this policy and to acknowledge in writing that he or she has done so.
- b. Each Accrediting Commissioner, Evaluator, Subject Specialist, Consultant, Administrative Staff, Appeals Panel Member, or employee shall complete a Conflict of Interest Disclosure Form (D.8.1.) identifying any relationships, positions or circumstances in which s/he is involved that s/he believes could present a Conflict of Interest.
- c. Any such information regarding the business interests of an Accrediting Commissioner, Evaluator, Subject Specialist, Consultant, Administrative Staff, Appeals Panel Member, or DETC employee, or a family member thereof, shall be treated as confidential and shall generally be made available only to the Executive Director, and any committee appointed to address Conflicts of Interest, except to the extent additional disclosure is necessary in connection with the implementation of this policy.
- d. This policy shall be reviewed annually by each member of the Accrediting Commission. Any changes to the policy shall be communicated to all staff and interested persons.
- e. On-Site Evaluators must annually read and agree to the conditions of the DETC Code of Conduct for On-Site Evaluators (D.9.) in addition to this policy.

***I agree to complete the Conflict of Interest Disclosure Form for all institutions I review.***

*I have read and received a copy of this DETC’s Conflict of Interest Policy (must be signed annually):*

Name: \_\_\_\_\_ Signature: \_\_\_\_\_  
(please print)

Title: \_\_\_\_\_ E-mail: \_\_\_\_\_

Your Institution/Company: \_\_\_\_\_ Today’s Date: \_\_\_\_\_

Adopted October 2011

*(Please Note: This page was left blank on purpose.)*