SOUTHWESTERN
LAW SCHOOL
Los Angeles, CA

Conflicts of Interest and Commitment Policy

Board of Trustees policy approved May 31, 2023. Effective July 1, 2024.

Revision history: **None; new policy.**

Related policies: **Section 3 (Faculty Responsibilities) of Sec. 2-01 (Faculty Bylaws) of the Faculty Manual**

Scheduled Review Date: **April 2026 (Office of the President and Dean and General Counsel's Office)**

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A. Purpose

Southwestern allows and encourages employees to engage in outside activities that enhance Southwestern's mission and contribute to the employee's professional development and growth. But outside activities, interests, and commitments should not interfere with an employee's obligations to Southwestern. In addition, employees must not use their Southwestern positions or influence to gain an advantage for themselves, their immediate family members, or personal associates at Southwestern's expense.

The policy provides examples of conflicts of interest and commitment. It describes when and how a Southwestern employee should disclose actual, potential, or perceived conflicts so that Southwestern can properly evaluate them and, where appropriate, work with the employee to manage the conflict. The policy also provides information about conflicts that likely cannot be managed and must therefore be avoided.

This policy applies to all Southwestern employees unless a specific provision is expressly limited to certain categories of employees.

B. For Full-Time Faculty: Relationship of This Policy to the ABA Standards

A full-time faculty member is an individual whose primary professional employment is with the law school, who the law school designates as a full-time faculty member, who devotes substantially all professional time during the academic year to responsibilities described in ABA Standard 404(a), and whose outside professional activities, other than

those described in ABA Standard 404(a), do not unduly interfere with their responsibilities as a full-time faculty member.

In addition, full-time faculty members should consider ABA Standard 402 and its interpretations. ABA Interpretation 402-1 provides that "[a] full-time faculty member who is teaching an additional full-time load at another law school may not be considered as a full-time faculty member at either institution." Interpretation 402-2 provides that "[r]egularly engaging in law practice or having an ongoing relationship with a law firm or other business creates a presumption that a faculty member is not a full-time faculty member."

C. Definitions

1. **Conflict of Interest:** A conflict of interest refers to a situation when an employee possesses a personal, financial, or professional interest that may compromise their ability to objectively fulfill their duties, make decisions, or allocate resources within Southwestern. Specific examples of conflicts of interest, some of which likely can be managed and others that likely cannot, are listed in **Appendix A**.

2. **Conflict of Commitment:** A conflict of commitment refers to an employee engaging in external or personal activities or obligations that interfere with their ability to timely and completely fulfill their professional responsibilities and duties for Southwestern. Specific examples of conflicts of commitment, some of which likely can be managed and others that likely cannot, are listed in **Appendix B**.

3. **"Employee"** includes full-time faculty members and non-exempt and exempt staff.

    a. "**Non-exempt staff"** means an employee who is not exempt from the overtime provisions of the Fair Labor Standards Act and the California Labor Code and is therefore entitled to overtime pay.

    b. **"Exempt staff"** means an employee exempt from the overtime provisions of the Fair Labor Standards Act and the California Labor Code because they are classified as an executive, professional, administrative, or outside sales employee and meet the specific criteria for the exemption.

    c. **"Full-time faculty"** are described in Section B and are exempt staff.

    d. **"Immediate family member"** means a spouse, domestic partner, child, or another member of the employee's household.

D. Activities Exempt from Disclosure

If related to the employee's regular Southwestern work and consistent with annual performance planning and workload allocation, the following activities do not require

disclosure or approval under this policy; in addition, Southwestern resources may be used in connection with these activities:

1. Writing, editing, and reviewing scholarly works, including serving as an external scholarship reviewer for another school's tenure and promotion process, even if compensated;

2. Serving on an editorial board or grant review committee; however, serving on a review or editorial committee for a company that publishes textbooks or casebooks, like West and Carolina Academic Press, must be disclosed in advance;

3. Occasionally delivering guest lectures, seminars, or conference papers or presentations, if not delivered as an employee or contractor of another organization, such as a bar preparation company;

4. Providing occasional unpaid media contributions or appearances;

5. Serving on a judicial nominating or review committee, or a similar committee; and

6. Serving on relevant community, educational, or professional committees, boards, or groups (e.g., bar associations, religious organizations, or AALS or ABA sections or committees) without compensation.

E. Disclosing Conflicts of Interest and Commitment

1. Where and when to disclose

The Office of the President and Dean (Dean's Office) is Southwestern's conflicts manager for full-time faculty and exempt staff. The Administrative Services Office (ASO) is the non-exempt staff conflicts manager.

When a potential conflict of interest or commitment exists for an exempt staff member or full-time faculty member, the individual must promptly disclose it, in writing, to the Dean's Office. When a potential conflict of interest or commitment exists for a non-exempt staff member, the individual must promptly disclose it, in writing, to the Chief Operations Officer in ASO. When a potential conflict of interest or commitment exists for the President and Dean (Dean), the Dean must promptly disclose it, in writing, to the General Counsel and Corporate Secretary, who may share it with the Board Chair or Board Compensation Committee.

In addition, on an annual basis, Southwestern employees must disclose any conflicts of interest or commitment via Southwestern's Conflicts of Interest and Commitment Disclosure Platform.

2. What to disclose

No policy can describe every activity or situation that might create a conflict of interest or commitment; as a result, no institution can predict every potential conflict. However, outside interests, roles, and commitments or incentives from outside sources typically are involved when conflicts arise. If an employee is unsure whether a potential, actual, or perceived conflict may exist under this policy, they should disclose it. A **non-exhaustive list** of examples of potential conflicts **that must be disclosed** includes, but is not limited to the following:

a. Participating in decisions or deliberations where the employee's personal financial interests are or could be affected.

b. Participating in decisions or deliberations where an immediate family member or individual with whom the employee has an intimate relationship is or could be affected, financially or otherwise.

c. Hiring or encouraging others within Southwestern to hire a relative or individual with whom the employee has an intimate relationship.

d. Teaching at another law school or institution of higher education.

e. Running for elected governmental office or seeking a governmental appointment.

f. Unless listed in Section D, performing activities outside Southwestern for pay (this includes outside employment, consulting, teaching, etc.).

i. Unless listed in Section D, exempt staff, including full-time faculty, must report all non-Southwestern activities for pay, including self-employment.

ii. Non-exempt employees must report activities performed outside Southwestern for pay, including self-employment, when the other entity has a similar mission to Southwestern or the work is similar to that performed for Southwestern (e.g., an administrative employee need not report a second job as a barista at a coffee shop but must report a second job at an academic institution or report a job that entails work that is similar to that the employee performs for Southwestern).

iii. Unless an employee's position requires the individual to practice law (e.g., attorneys in the General Counsel's Office or faculty members serving as clinicians), or unless approved in advance and in writing by the Dean for reasons that benefit Southwestern or as

disclosed under (g) below, no employee may practice law on the Southwestern campus or use Southwestern's resources (e.g., personnel, email, computers, print shop, etc.) to practice law. Law practice means giving legal advice to clients, drafting legal documents for clients, and representing clients in legal negotiations and court, administrative, or ADR proceedings.

g. For exempt staff and full-time faculty members, performing not-for-pay activities (e.g., pro bono work, work for professional organizations) for more than 225 hours per semester (~15 hours per week, on average) on days the employee is being paid to work for Southwestern. Most exempt employees, including full-time faculty members during the semesters and terms they are assigned to teach, are expected to work for Southwestern Monday through Friday. For these employees, if all not-for-pay activities are performed on Saturdays and Sundays, the activities need not be disclosed *for conflict of commitment* purposes. (They may need to be disclosed for conflict of interest purposes.) But if the activities are performed primarily on days other than Saturdays and Sundays—even before or after regular Southwestern business hours or when a faculty member is not assigned to teach—the employee must disclose the activities for conflict of commitment purposes.

h. For exempt staff and full-time faculty members, accepting engagements for pay or not-for-pay that preclude them from performing work for Southwestern for more than one day per workweek. Also, for full-time faculty, accepting engagements for pay or not-for-pay that preclude them from performing work for Southwestern for an entire workweek (i.e., five consecutive workdays) during a semester or term when they are assigned to teach.

i. Working for another employer who supplies products or services to Southwestern and the employee can influence the use or purchase of those products or services.

j. Accepting gifts, entertainment, or other items from vendors or other third parties—including students, admissions or job applicants, alums, and grantors, but excluding co-workers—that have business or are seeking to do business with Southwestern and the value of which exceeds $300. Items of value may include staying in accommodations owned by the third party.

i. An exception to this general rule is when a Southwestern representative is dining with or attending an event with a donor or prospective donor on a known fundraising or stewardship visit and the donor or prospective donor pays for the meal or event.

In that case, disclosure must be made when the value exceeds $500 per person.

ii. Another exception to this general rule is when a publisher provides a complimentary copy of a textbook or similar item to a professor for review or to use in the professor's course.

k. Accepting a gift, incentive, or benefit from a person or organization attempting to gain access to an individual's supervisor, a faculty member, or a dean for business or financial purposes.

F. Evaluating Disclosures

For full-time faculty and exempt staff, the Dean's Office or the General Counsel's Office will evaluate all disclosures, including annual disclosures, made on the Conflicts of Interest and Commitment Disclosure Platform. For non-exempt employees, ASO will evaluate all disclosures, including annual disclosures, made on the Conflicts of Interest and Commitment Disclosure Platform.

These offices may approve the disclosed activity; approve the disclosed activity with a management plan; require the employee to provide additional information or documentation to evaluate the disclosure; or disallow the disclosed activity.

The Dean's Office or the General Counsel's Office will consult with the Vice Dean, other deans, department heads, and the employee's immediate supervisor as needed. ASO will consult with department heads and the employee's immediate supervisor as needed.

G. Managing Conflicts

When the Dean's Office, ASO, or the General Counsel's Office determines that a conflict of interest or commitment must be managed, the relevant office will develop a conflict management plan in consultation with the employee and the employee's supervisor.

The employee's supervisor will provide the employee with the conflict management plan, obtain the employee's signed acknowledgment of the plan, and discuss any related issues that arise. If an employee disagrees with the conflict management plan, the employee may ask for further review under Section I.

The employee also may seek further review under Section I if a proposed activity is disallowed.

For purposes of this policy, the Dean will serve as the supervisor for all faculty; the Dean may consult with the Vice Deans or ask the Vice Deans to work with the faculty on completing or implementing the management plan.

1. When procuring goods or services

When a conflict involves procuring goods or services, the Dean's Office or the General Counsel's Office will disclose the conflict or potential conflict to the Chief Financial Officer or, if appropriate, the Board of Trustees.

2. Externally funded research or grant funding

If the Dean or General Counsel determines that a conflict must be managed with respect to work performed for an externally funded research project or grant, the General Counsel, in consultation with the head of the research or grant project, will ensure that the conflict management plan does not conflict with requirements related to the research or grant, or with actual the research or grant funding. In addition, the General Counsel must inform the head of the research or grant project about the conflict and management plan.

H. Rules and Restrictions for Outside Employment or Work

Any employee, including any full-time faculty member, who is approved to engage in outside work under this policy or who engages in work not required to be disclosed under this policy should follow the rules and restrictions listed below. For purposes of this policy, "outside employment or work" includes self-employment, consulting activities, and any other work for pay for an outside entity.

1. Outside employment or work must not compete with, conflict with, or compromise Southwestern's interests or adversely affect the employee's job performance or ability to fulfill all responsibilities to Southwestern.

2. Before accepting outside employment or work, the employee should understand and consider the demands it will create. The employee must be aware of any Southwestern requirement to work extra hours at scheduled or unscheduled times. Southwestern expects employees to meet these requirements despite outside commitments. Outside employment or work will not be considered an excuse for poor job performance, absenteeism, tardiness, leaving early, refusal to travel, refusal to work overtime or different hours, or seeking a special or modified teaching schedule. If outside employment or work causes or contributes to job-related problems at Southwestern, the employee will be asked to discontinue the outside employment or work and may be subject to the normal procedures for dealing with any resulting job-related problems.

3. Except for occasional, de minimis use, which is allowed, or approval as part of a management plan, no Southwestern staff, facilities, tools, supplies, equipment, or other resources may be used for any outside employment or work. In addition, Southwestern's confidential information may not be used or applied in any outside employment or work. With respect to library resources, employees may use printed and non-database online materials (e.g., an eBook) for outside

employment or work. But they cannot use online databases (e.g., Lexis and Westlaw) except for educational purposes covered by Southwestern's contracts with the database vendors.

4. Staff members may not conduct any outside employment or work during work time for Southwestern. Faculty members must avoid outside activities that conflict with teaching, office hours, faculty meetings, committee service (understanding that a faculty member may not be able to attend all committee meetings for various reasons), and other faculty responsibilities.

5. Employees may not use Southwestern paid sick leave to perform work related to outside employment or work. Employees may use vacation time to perform outside employment or work that has been disclosed and approved or that is exempt from disclosure under this policy (see Section D). For staff, fraudulent use of Southwestern sick leave or an employee's refusal to comply with Southwestern's reasonable request to terminate outside employment or work may result in immediate termination of employment with Southwestern.

I. Resolving Disputes

When the employee who disclosed a conflict disputes the decision about how the matter should be managed or resolved, the employee should first ask their supervisor to review the action or decision. As part of this review, the employee should provide a rationale and, when possible, an alternative management plan.

1. Full-time faculty

If, following the Dean's review, a full-time faculty member remains unsatisfied with the action or decision, the faculty member can request a review by the Audit & Compliance Committee of the Southwestern Board of Trustees. The faculty member should speak with the Corporate Secretary, who will notify and schedule a meeting of the Audit & Compliance Committee as soon as reasonably possible. The Faculty Liaison to the Board of Trustees will be invited to attend the Audit & Compliance Committee meeting unless (a) they are the faculty member seeking review of an action or decision or (b) the faculty member seeking the review objects. The Audit & Compliance Committee may decide the matter on submitted paperwork or invite the faculty member and the Dean or Dean's designee to meet with the Committee. The Audit & Compliance Committee's decision is final.

If the Dean is the person with the conflict, any dispute will be resolved by the Board Chair or the Compensation Committee of the Southwestern Board of Trustees.

2. Staff

If a staff member remains unsatisfied with the action or decision, the employee should speak with the General Counsel. If the matter remains unresolved, the employee should speak with the Dean. The Dean's decision is final.

J. Gifts

1. Prohibited gifts

a. Employees should not accept any gift of substantial value—defined as more than $300—from vendors, students, alums, grantors, or other third parties who have or are seeking to do business with Southwestern. This provision does not apply to a situation when a publisher provides a complimentary copy of a textbook or similar item to a professor for review or to use in the professor's course.

b. Employees should not accept a gift of any value that is given in expectation of an actual benefit to the giver (e.g., in return for a letter of recommendation, grade change, admission to Southwestern or a specific program, or book of business). Employees should never expect or solicit gifts.

2. **Questions:** An employee who has a question about a gift or the value of a gift should contact the General Counsel.

3. **Management plan:** If an employee receives a gift that cannot be returned and the gift either exceeds $300 in value or likely was given with the expectation that the giver would receive a benefit, the employee should immediately contact the General Counsel's Office to develop a management plan. Examples of plans include disclosing receipt of the gift to the employee's supervisor and then sharing the gift with others (e.g., sharing a box of cookies from a vendor by placing it in the staff lounge) or donating the gift to the school (e.g., donating a Kindle received from a vendor to the school for school use). Should the employee want to keep the gift, the plan may include disclosing the gift to the employee's supervisor and donating a similar amount to the Southwestern annual fund.

K. Administering the Policy

1. Recordkeeping and confidentiality

a. Individuals administering this policy will take reasonable steps to preserve confidentiality and protect the privacy of all individuals while evaluating disclosed conflicts and developing management plans.

b. Documentation of the disclosure, related materials, the action taken, and any management plan will be kept in a secure file accessible only to the

General Counsel, Dean, HR officials, and, on a need-to-know basis, the employee's supervisor. When another employee or the Board of Trustees has a legitimate business reason to access the information, the General Counsel or Dean may authorize access and direct those receiving access to maintain confidentiality.

c. In some circumstances, Southwestern must disclose actual or potential conflicts to individuals or organizations outside of Southwestern. When possible, the General Counsel, HR, or Dean will direct the receiving party to maintain confidentiality.

d. Any employee who becomes aware that someone has or may have provided unwarranted access to conflict documentation or information should inform the Dean or General Counsel. As a follow-up, the Dean or Dean's designee will investigate the allegation and take appropriate action, if needed.

2. Certification and training

a. Each Southwestern employee will be given a copy of this policy at the time of implementation or hire. Newly hired employees must acknowledge receipt by signing an acknowledgment provided by HR. As part of the annual disclosure process, all employees will acknowledge that they have received and reviewed the policy.

b. Each June, the General Counsel or the General Counsel's designee will send a notice to all employees attaching the current version of this policy and a link to the Conflicts of Interest and Commitment Disclosure Platform. Each employee must complete the annual disclosure by the deadline noted in the email.

c. The General Counsel's Office may conduct or provide training relating to this policy.

3. Violations

Violating this policy may be a cause for disciplinary action. In collaboration with the General Counsel's Office, the employee's supervisor will evaluate the violation and take appropriate action, if needed. The outcome of the supervisor's review and any actions taken will be documented and included in the General Counsel's secure file. If appropriate, documentation relevant to the violation may be included in the employee's personnel file. Nothing in this policy should be construed to limit employees' rights to discuss their wages, hours, or working conditions, engage in union activity, or otherwise engage in protected concerted activity under Section 7 of the National Labor Relations Act.

L. Institutional Affiliation

Employees may use the name Southwestern Law School to identify their affiliation with Southwestern when engaged in outside activities. Employees should make reasonable efforts to ensure that indicating their Southwestern affiliation in outside activities does not reflect an institutional endorsement of any action or position taken by the employee.

Appendix A: Examples of Specific Conflicts of Interest

The following are examples of activities likely to constitute actual conflicts of interest under this policy. The list is divided into conflicts that likely can be managed and conflicts that likely cannot be managed and therefore should be avoided. The best practice is to disclose the potential conflict under the provisions of this policy.

Conflicts of Interest That Likely Can Be Managed Following Disclosure

1. Having a personal business relationship with a person or entity doing business with Southwestern.
2. Teaching at another law school in a degree program not offered by Southwestern.
3. Teaching at another law school in a J.D. program in a semester when the faculty member is not seeking pay from Southwestern.
4. Receiving royalties for a casebook and then assigning that casebook as a required resource in a course at Southwestern.
5. Serving as an expert witness.
6. Serving on a board of directors for a private company or nonprofit organization, assuming the other company or organization does not have interests that conflict with Southwestern's.
7. Engaging in political activities that could be perceived as representing Southwestern's position.

Conflicts of Interest That Likely Cannot Be Managed and Should Be Avoided

1. Holding a significant investment or ownership stake in a company that does business with Southwestern.
2. Participating in an employment or academic decision that involves a direct benefit or detriment to a Southwestern employee, student, or independent contractor who is an immediate family member or with whom the employee has an intimate relationship.
3. Endorsing products or services in a professional capacity, which could imply an official institutional endorsement or compromise the employee's objectivity.
4. Using non-public information accessed as a Southwestern employee to obtain a private financial benefit for the employee or the employee's immediate family members.
5. Accepting a business opportunity the employee learns about in the course of employment with Southwestern that also represents an opportunity for Southwestern.
6. Conditioning any actual or potential business relationship with Southwestern on a charitable gift or contribution to Southwestern.
7. Acting in opposition to the interests of Southwestern, including by competing directly with Southwestern or diverting opportunities the employee knows or should know that Southwestern is or may be pursuing.
8. Operating a law firm on Southwestern's campus (other than an approved legal clinic).

9. Influencing Southwestern's business, administrative, academic, or other decisions in ways that could result in personal or family benefits or gains (e.g., financial gains, gifts, gratuities, favors, notoriety, or participation in nepotism or bribery).
10. For faculty, employing, seeking to employ, or using a student's services in connection with a business venture when the faculty member has an academic or advising relationship with the student.
11. Holding tenure simultaneously at two institutions.
12. Accepting a gift in return for a grade or grade change.
13. Conducting sponsored research in which the employee has a financial interest in the sponsoring organization.

Appendix B: Examples of Specific Conflicts of Commitment

Conflicts of commitment relate to time spent on non-Southwestern activities, especially during times most employees would be engaged in Southwestern business. The following are examples of activities likely to constitute actual conflicts of commitment under this policy. The list is divided into conflicts that likely can be managed and conflicts that likely cannot be managed and therefore should be avoided. The best practice is to disclose the potential conflict under the provisions of this policy. Please note that some activities could present both a conflict of interest *and* commitment. It may be possible to manage a conflict from one perspective (e.g., commitment) but not the other (e.g., interest).

Conflicts of Commitment That Likely Can Be Managed Following Disclosure

1. Outside board service
2. Serving as an expert witness or consultant
3. Pro bono or volunteer activities
4. Conducting research in collaboration with another organization
5. Managing a side business

Conflicts of Commitment That Likely Cannot Be Managed and Should Be Avoided

1. For full-time employees, holding full-time employment with another organization
2. Regularly missing meetings scheduled during Southwestern business hours to run personal errands
3. Engaging in personal projects, hobbies, or other non-work-related activities during work hours that negatively impact the employee's ability to fulfill their primary job responsibilities
4. For staff, working for another organization during assigned Southwestern working hours/days
5. For faculty, seeking to engage in outside activities that limit the faculty member's ability to teach at least four business days per week (e.g., telling the Vice Dean: "I am available to teach only on Mondays and Wednesdays")
6. For faculty, canceling multiple classes a semester to engage in activities outside Southwestern and then not meeting ABA Standard 310
7. For faculty, accepting an outside engagement that interferes with meeting a grading deadline
8. For faculty, teaching at a foreign law school whose semester overlaps with a Southwestern term by more than a day or so (and the faculty member is assigned to teach at Southwestern)