



## Conflict of Interest Advisory Note

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### Supervising an Employee who is a Related Party

#### Background

Supervision<sup>1</sup> of UBC staff and faculty members encompasses a broad and multifaceted area of responsibility. All those entrusted with supervisory responsibilities are expected to perform their duties impartially and on the basis of sound, unbiased professional judgement. It is additionally incumbent upon supervisors to avoid situations in which their impartiality may reasonably be called into question.

When a UBC Person<sup>2</sup> is put in the position of supervising the work of a person with whom they have a close personal relationship, such as a close friend, business associate, family member or romantic partner (a **“Related Party”**)<sup>3</sup>, a strong perception of bias will generally be the result. This perception of bias degrades the professional culture of the University and directly undermines public trust and confidence in the University and its people. UBC Persons who become or who may become responsible for supervising a Related Party must accordingly take the utmost care to disclose and manage such situations appropriately.

#### UBC Policy and Procedures

UBC’s Conflict of Interest Policy (Policy SC3 or the **“COI Policy”**) charges all UBC Persons with proactively disclosing any circumstances that could give rise to an actual or apparent conflict of interest. If in any doubt as to whether a situation would, from the perspective of a reasonably well-informed, impartial observer, appear to be a conflict of interest, the UBC Person must seek guidance from their Initial Reviewer (**“Reviewer”**), which will typically be either the person’s immediate supervisor or Administrative Head of Unit. When a UBC Person wishes to engage in an activity that may give rise to a conflict of interest, the activity must be disclosed and authorized in advance by the appropriate Reviewer (COI Policy Sections 2.5 and 4.3).

The COI Policy Procedures state that a conflict of interest exists where “a UBC Person is in a position to influence human resource decisions (such as recruitment, offer of employment, evaluation of performance, promotion, granting of tenure, or termination of employment) or admission decisions with respect to a person with whom the UBC Person has a relationship that might reasonably be perceived as creating a Conflict of Interest” (COI Policy Procedures Section 3.1.10).

Other than in cases of demonstrable necessity, all units should strive to ensure that no UBC Person is permitted to engage in any form of supervision relation to their Related Party. In cases of demonstrable necessity, the Reviewer should only approve the supervisory arrangement subject to a suitable conflict of interest management plan informed by the considerations described in the following section. For more information about the process of

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<sup>1</sup> **“Supervision”** includes the exercise any of the typical range of human resource decisions typically associated with the supervision of subordinate employees, and includes decisions pertaining to recruitment, offer of employment, financial oversight, assignment of work tasks, evaluation of performance, promotion, granting of tenure, and termination of employment.

<sup>2</sup> **“UBC Person”** means full-time and part-time faculty members and staff members of the University, students, and any other person who teaches, conducts research, or works at or under the auspices of the University.

<sup>3</sup> **“Related Party”** means, for the purposes of this Advisory Note, any person with whom the UBC Person has a relationship that might reasonably be perceived as creating a Conflict of Interest. See: Policy SC3 Section 8.12.

reviewing an actual or perceived conflict of interest, Reviewers are encouraged to consult [Advisory Note – Reviewing a Disclosure](#). In determining whether a given situation rises to the level of demonstrable necessity, a Reviewer should consider the following factors:

- 1) the extent to which the conflict may be perceived as undermining the University's values of integrity and public stewardship;
- 2) the impact of the conflict on other staff, faculty and students in the unit;
- 3) the impact of the conflict on clients and other stakeholders of the unit;
- 4) the operational needs of the unit;
- 5) the feasibility of an alternative reporting structure.

#### **Example: Evaluating a Case of Demonstrable Necessity**

Rosaline is a UBC faculty member. Her husband Ferdinand is a self-employed scientific consultant. Rosaline and Ferdinand share a similar realm of academic expertise, and occasionally co-author scholarly publications. Recently, Rosaline was awarded a sizable multi-year research grant which includes funding for a project manager and other staff. In view of Ferdinand's relevant expertise, Rosaline wishes to hire him for the project manager role. Rosaline's department head reviews the facts and determines that Ferdinand brings a unique depth of expertise, and the project will likely be hindered without his involvement. Ferdinand's appointment is approved subject to an appropriate management plan.

In cases where the conflict is determined to be manageable and is approved subject to an appropriate management plan, the faculty member should be required to implement a management plan which takes into account the considerations set out below. For further information on management plans please see [Advisory Note: Managing a Conflict of Interest](#).

### **Management Plan Considerations**

1. Upon becoming aware of the circumstances the Reviewer should implement an alternative reporting structure for the Related Party. The Related Party should be assigned to report to an arm's length peer or superior of the conflicted supervisor. This alternative reporting structure should ensure that the conflicted supervisor does not participate in any of the following respect to their Related Party:
  - a. any decision of a human resources nature that affects the Related Party, including but not limited to decisions concerning recruitment, offer of employment, evaluation of performance, promotion, granting of tenure, termination of employment, and related matters;
  - b. direct or indirect assignment of work tasks;
  - c. financial oversight;
  - d. any other form of decision-making or exercise of authority with respect to a Related Party.
2. While Reviewers are solely responsible for determining whether to authorize an instance of Related Party supervision, they are encouraged to consult as needed with the Office of the University Counsel prior to authorizing anyone to directly or indirectly supervise their Related Party.
3. Principal Investigators who propose to use research grant funds to remunerate a Related Party should first consult with the granting organization (if applicable) to determine whether the conflict of interest may constitute a breach of the organization's rules or policies.

4. In cases of demonstrable necessity, as determined by the Reviewer, a person may be permitted to perform a limited supervisory role with respect to their Related Party. In such cases, the conflicted supervisor should be authorized to perform only those supervisory functions which cannot feasibly be reassigned to an alternate supervisor, as in the below example.

**Example: Implementing an Alternative Reporting Structure**

Elizabeth is a Senior Systems Manager at UBC. Elizabeth is responsible for directly Supervising a group of staff which includes a Systems Analyst named Godfrey. Over time, Elizabeth and Godfrey develop a romantic relationship. Elizabeth promptly discloses the relationship to her Administrative Reviewer, who then establishes a revised reporting structure. Godfrey is reassigned to report to Arthur, another Senior Manager in the portfolio. Because Elizabeth is the only subject matter expert qualified to direct the content of Godfrey's work, she will continue to do so. All other supervisory duties pertaining to Godfrey will be performed by Arthur, including performance reviews, compensation decisions, sick time and attendance tracking, and management of performance-related and disciplinary issues.

5. Whenever a UBC Person works alongside their Related Party, the relationship should be promptly disclosed to anyone who could potentially be impacted by it. Anyone who believes that they have been impacted or may be impacted by the Related Party situation should be advised to contact the appropriate Reviewer or delegate.

**Additional Assistance**

The Office of the University Counsel is the primary source of advisory support for any matter arising under the COI Policy. For additional assistance, including assistance with any matter not addressed by this Advisory Note, please contact us:

**Office of the University Counsel**

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