



July 2013 RARA

Code of Conduct for Business  
Activities



# Objectives

Obtain an understanding of:

- The policies embodied in the Code of Conduct
- Reporting suspected violations



# Preamble

- Supplements existing policies
- If clarification of a policy is needed, seek assistance through the normal supervisory channels



# Policies

## Conflict of Interest

- When any University **business transaction** under consideration presents the potential for a conflict of interest, or the appearance of one, the faculty or staff member concerned should not be involved in the transaction.
- Refer to Personnel Policy 113 (“Conflict of Interest”) located at:  
<http://www.rochester.edu/working/hr/policies/pdf>



# Policies Conflict of Interest

## **Definition of Business Transaction**

*Procurement of goods and services (including consulting and contractual services), disposition of University materials or property, and agreements for the provision of services or use of University facilities or space.*



# Policies Conflict of Interest

## **What is Involvement**

*Includes (but is not limited to) initiating, making the principal recommendation for, or approving a purchase or contract; drafting or negotiating the terms of a transaction; or authorizing payments for University accounts.*



# Policies

## Conflict of Interest

### Example of a perceived or actual conflict

The faculty or staff member, or a close relative or member of household, is an officer, director, employee, proprietor, partner, trustee, or stockholder in (or otherwise stands personally to profit from an organization seeking to do business with the University.



# Policies

## Conflict of Interest

### Example of a perceived or actual conflict

University faculty or staff member has an interest in an organization which is in competition with a firm doing business with the University and if the faculty or staff member's position gives him/her access to proprietary or other privileged information which could benefit the firm in which he/she has an interest.





# Policies

## Conflict of Interest

### **Required Action**

- Promptly report such potential conflict as described in section I. B) of this Code.
- Someone other than the individual with the conflict shall make the necessary decisions and control the transactions.
- The resolution shall be communicated to the relevant Dean, Director or Vice President.



# Policies

## Conflict of Commitment

- Outside employment must not conflict with the duties, responsibilities, and regular periods of work of the staff member at the University.
- Employment at the University is considered to be the primary appointment
- Staff may not use University facilities, staff or other resources in performing work for another employer.



# Policies

## Conflict of Commitment

### Required Action

- University approval of outside employment is not required unless the proposed outside employer engages in business transactions with the University and the employee would be in a position to influence either employer in connection with those transactions.
- In such cases, written department head approval (with a copy to the Dean, Director or Vice President) is required before the employee may accept the outside position.



# Policies

## Misuse of University Resources

Employees shall not transmit to outsiders or otherwise use for personal gain University-funded or supported property, work products, results, materials, records, or information developed with University funding or other support.



# Policies

## Confidential Privileged Information

Employees must not use for personal gain or other unauthorized purposes, confidential or privileged information acquired in connection with the individual's University-supported activities.



# Policies

## Confidential Privileged Information

### What Qualifies?

Confidential or privileged information (CPI) includes, but is not limited to, documents so designated, medical, personnel, or security records of individuals; student records; anticipated material requirements or price actions; knowledge of possible new sites for University-supported operations; and knowledge of forthcoming programs or of selections of contractors or subcontractors in advance of official announcements.



# Policies

## Confidential Privileged Information

### Principles

- CPI relating to patients, the organization, employees, trustees, and students is to be kept in confidence.
- Employees should access and/or use CPI with proper authorization and as needed to perform their job responsibilities and the need for staff access should be reviewed periodically by supervisors.



# Policies

## Confidential Privileged Information

### Principles

- HIV, mental health, and drug or alcohol counseling records are especially sensitive and confidential.





# Policies

## Confidential Privileged Information

### Required Action

- Each employee is responsible and will be held accountable for securing his or her passwords for any information system to which he or she has access.
- .Employees should report any compromise of their passwords immediately to their supervisor or Information Technology Services, and others to whom such a report may be appropriate, and should change their passwords immediately after such a compromise occurs (as well as regularly).



# Policies

## Confidential Privileged Information

### Required Action

- Each employee must report as described in Section I. B) of this Code on becoming aware of any unauthorized disclosure of confidential information by any member of the University community.



# Policies

## Gratuities

### What is Not Allowed

- Acceptance of gratuities (individual gifts greater than \$100, or cumulative value greater than \$250 in one year) from
- OR
- Solicitation of money (of the same amounts) for non-work related activities, or special favors from
- OR
- Extending gratuities or special favors to employees of private or public organizations or individuals with which the University does or may conduct business



## Policies

### Compliance with Contractual and Grant Obligations

- In addition to observing all applicable laws, the University of Rochester will adhere to its contractual requirements and, unless they are excused, will fulfill its contractual obligations.
- In any instance where particular contractual or grant requirements are difficult to interpret or apply, University of Rochester staff and faculty should first consult with the department's senior administrator or the office that signed the grant or contract on behalf of the University.



# Policies

## Financial Transactions and Reporting

- University resources must be used only for legitimate University purposes.
- Proper documentation must be kept for all charges and expenses.
- All University accounts, expense reimbursements, time sheets and other documents, including those submitted to government agencies, must be accurate, clear and complete.



## Policies

# Financial Transactions and Reporting

- Care should be taken to ensure proper recording and charging of all costs to the appropriate account.

*It is important that costs are accurately recorded so that the University of Rochester's direct and indirect charges to the government are accurate and that unallowable costs are not charged to the government.*

- Reimbursement from the government shall be requested only for costs that are reasonable in amount, and which are allowable under government

regulations.



## Reporting of Suspected Violations

- The University depends on each individual to report potential or perceived conflicts of interest (involving themselves or others) and suspected violations of applicable laws, regulations, government contract and grant requirements, or of this Code.
- Failure to report known or suspected violations is itself a breach of University ethical standards and can lead to discipline, up to and including separation from the University



# Reporting of Suspected Violations

- Personnel can report violations to:  
Immediate supervisor OR  
The Offices of Compliance, University Audit, or  
Counsel, or to the Integrity Hot Line, 756-8888.
- Supervisors or any other person who receives a report must in turn inform the Compliance Program Officer, who will decide whether to inform more senior management (e.g. the Dean, Director or Vice President of the school or division) and/or the Offices of University Audit and Counsel.





# Reporting of Suspected Violations

- The more information given, the easier it is to investigate the reports.
- Sometimes the institution's legal obligations to investigate or address a violation will override the individual's wish for confidentiality.
- It is against University policy, and in many cases illegal, to retaliate against a person (e.g. by terminating a job) who reports a violation of law, regulation or grant or contract requirement.



# Consequences of Violations of Law and University Policies

- The consequences vary in severity, up to and including termination of employment.
- Violations of public laws and regulations may carry civil and criminal liabilities, including fines and/or imprisonment.



# Questions?