



The
UNIVERSITY
of **VERMONT**

Policy V. 4.0.2.4

Responsible Official: Vice President for
Finance and Administration

Effective Date: October 30, 2010

Code of Business Conduct

Policy Statement

This Code of Business Conduct requires all University personnel to assume responsibility for safeguarding and preserving institutional resources so as to advance the institutional mission. It is the responsibility of supervisors to ensure that personnel whom they supervise receive adequate information and training to understand all laws and regulations, and all University policies and procedures, relevant to the discharge of their duties. In addition, all University personnel are expected to assume personal responsibility and accountability for understanding and abiding by relevant laws and policies and for adhering to the spirit of this Code.

Reason for the Code

All University personnel play a role in ensuring that institutional resources are protected, preserved and enhanced. This Code sets forth the fundamental expectations relating to business and fiduciary conduct. It is not intended to modify or restate University policies otherwise applicable to specific types of conduct or activities (see “Related Policies” below), or to limit in any way any additional rules or regulations that an administrative or academic unit may, through appropriate officials and channels, promulgate. Rather, the Code is a statement of the underlying standards and principles under which the University expects those with business and fiduciary responsibilities to carry out their duties.

Strategic Direction

This Code supports the following goal in the University’s Strategic Plan:

- ***Institutional Efficacy:*** As an institution, model the highest standard of ethical conduct, public service, and strong commitment to lifelong learning.

Applicability of the Code

This Code applies to all employees, including administrators, staff, faculty, and student employees, who manage, supervise or conduct University business or financial transactions or activities (“personnel”), and to University-recognized organizations and affiliated entities.

Persons and entities who are not affiliated with the University may also use the Ethics and Compliance Hotline (<https://secure.ethicspoint.com/domain/media/en/gui/24544/index.html>) to report perceived violations of this Code.

Code Elaboration

Administrators are required to report suspected fraudulent or dishonest conduct to the Audit Services Office. In addition, administrators are responsible for maintaining a system of management controls that deter and/or detect fraudulent or dishonest conduct. Failure by an administrator to establish management controls or report misconduct within the scope of this policy may result in adverse personnel action against the administrator, up to and including dismissal.

All University personnel are expected to be aware of and comply with University and unit policies relevant to their work duties, including without limitation the principles and policies listed below. Confirmed violations will result in disciplinary action, up to and including dismissal, and/or termination of institutional recognition of University group or organization status or external affiliate relationships with the University. In some instances, civil claims and criminal charges may also result. Procedures for the investigation of suspected violations, imposition of disciplinary action, and the availability of grievance or appeal channels shall be governed by otherwise applicable University policies, handbooks, and collective bargaining agreements.

Personnel in certain professions or occupations may be subject to additional ethical and professional standards. Failure to adhere to those standards may constitute a job performance issue to be addressed through customary performance review processes.

Neither the University nor its employees may retaliate against a whistleblower with the intent or effect of adversely affecting the terms or conditions of employment or enrollment (including but not limited to, threats of physical harm, loss of job or educational status, punitive work assignments, or impact on salary or wages). Relative to non-affiliated entities or persons who act as whistleblowers, neither the University nor its employees may retaliate with the intent or effect of adversely affecting business or other opportunities with the University.

General Principles of Conduct

- Fraud, Theft or similar conduct – Any act that involves theft, fraud, embezzlement or misappropriation of the property of University or any of its employees or suppliers is prohibited.
- Fair Dealing – University personnel must deal fairly with services and goods vendors. No unfair advantage shall be taken of prospective or current vendors through manipulation, concealment, abuse of privileged information, misrepresentation of material fact or any other unfair practice.
- Financial Reporting – All University accounts, financial reports, tax returns, expense reimbursements, and other documents that must be completed in the course of the business of the University, including those due government agencies, must contain accurate information and be completed promptly by authorized personnel.
- Personnel Records – All University personnel must scrupulously ensure that all personnel records that they submit in connection with their employment (e.g., job applications; timesheets; vacation and medical leave records; benefits plan coverage or reimbursement requests) are accurate and completed promptly and in a manner consistent with applicable policies and procedures.
- Compliance – Supervisors must ensure that their supervisees receive adequate information and training to understand the laws and regulations, and University policies and procedures, relevant to the supervisees' discharge of assigned duties. In addition, University personnel are expected to assume personal responsibility and accountability for understanding and abiding by relevant laws, regulations and policies in the discharge of their duties.
- Authority to Contract – University transactions must be authorized by appropriate officials in accordance with applicable institutional policies and procedures.
- Conflicts of interest and commitment – University personnel shall adhere strictly to institutional conflict of interest and commitment policies.
- Stewardship of University assets and resources – University assets and resources must be used prudently and effectively, and only for legitimate and authorized purposes. University property shall not be used, leased, donated, sold, or traded without proper authorization.
- Gifts and Gratuities – So as to prohibit and deter conflicts of interest or the appearance of a conflict of interest, University officials who have executive or management responsibility for a business or equivalent relationship with a services or products vendor shall not directly or indirectly give, offer, ask for, or accept for personal use, any gift or gratuity, in cash or in kind, from any current or potential vendor, nor shall they directly or indirectly give, offer, ask for, or accept for personal use, any gift or gratuity, in cash or in

kind, from any potential vendor. See below “Clarification on Gifts and Gratuities and Conflicts of Interest Guidance.”

- Bribery, Kickbacks and Payoffs – Acts of bribery, and kickbacks and payoffs related to the discharge of University duties are prohibited.
- Confidentiality – University personnel must use reasonable diligence to maintain the confidentiality of information entrusted to them by the University or its students, alumni, employees or others with whom the institution has a business or fiduciary relationship, except when disclosure is properly authorized or legally mandated. This confidentiality principle applies both to information designated as such under applicable law, and non-public University information that might be useful to competitors or harmful to the University if disclosed. University personnel must take reasonable steps to protect and restrict the transfer of such confidential information to unauthorized persons and must share such information within the University on a “need-to-know” basis. All relevant protocols applicable to the safeguarding of information, including computer use protocols, must be followed.
- Accuracy of Records – University personnel are responsible for the integrity and accuracy of records they complete or maintain in the course of their duties regarding the business and/or financial operations of the University or a unit thereof. No false, misleading or artificial entries, or unauthorized alterations, shall be made on the University’s books and records or in reports the University is required to make as a matter of law or policy.
- Records Retention – Responsible University personnel must ensure that records are maintained and retained as required by University policy and governing law.
- Responsible Management of Government Funds – The University will strictly comply with government grants and contracts terms and conditions and expects its personnel to be knowledgeable about, and comply with, such terms and conditions as appropriate to, and required by, the nature of their duties.
- Political Endorsements – University personnel shall not, in their capacity as University personnel, endorse political candidates.
- Commercial Endorsements – University personnel shall not endorse commercial products or services except as specifically authorized in advance in an employment contract executed by appropriate University officials on behalf of the University and also approved in advance by the Senior Vice President and Provost.
- Institutional Endorsements – Institutional endorsements will be handled in accordance with University policies and procedures regarding Trademarks and Licensing.

Clarification on Gifts and Gratuities Provision and Conflicts of Interest Guidance

Although all University employees are subject to conflicts of interest policies, the Gifts and Gratuities provision is intended to apply solely to University officials who have executive (*e.g.*, Vice President or senior) or management authority and responsibility with respect to *specific* commercial contracts, such as those with services or products vendors. Its purpose is to eliminate or avoid situations in which it appears that a University official is being, or could be, improperly influenced by the receipt, or prospect of, gifts or other gratuities in selecting a vendor. All purchasing decisions by UVM officials should be made on the basis of the vendor best suited to meet UVM's needs and not based on personal or financial relationships.

The rule prohibiting gifts and gratuities does ***not*** apply to the following examples of situations:

- Mementos or other gifts of nominal value associated with volunteer services offered by a UVM employee to UVM or a charitable nonprofit (*e.g.*, T-shirt for assisting with Move-In Day; “free” movie tickets from Red Cross for donating blood)
- Tokens of nominal value offered at fairs or information sessions available generally to UVM employees (*e.g.*, pens, Post-Its, etc. displayed at a UVM Benefits fair or event)
- Items made generally available by a sponsor or a vendor at a professional conference (*e.g.*, tote bag; mug)
- Hospitality made generally available to attendees at a professional conference or event by a sponsor or a vendor (*e.g.*, refreshments; evening reception; meal made available to attendees or a discrete subset of them, such as New England higher education admissions counselors)
- Courtesy gifts of nominal value (such value not to exceed \$50 annually from one source) as dictated by the cultural customs of foreign hosts or visitors. If a courtesy gift of the nature just described exceeds nominal value, it must be turned over to UVM within thirty (30) days through the Office of Vice President for Finance and Administration. University personnel are responsible for determining the customs rules applicable to such gifts when traveling out of the U.S.
- Business meals and similar amenities with a significant business purpose, such as would be eligible for expense reimbursement under the applicable UVM Policy: <http://www.uvm.edu/~uvmppg/ppg/procure/businessmeals.pdf>. If the amenities are being extended to a University official, their receipt must be associated with a business purpose, appropriate as to time and place, and must not influence or give the appearance of influencing the recipient. Thus, in the latter case, a UVM official having executive or management authority for a contract or business relationship with the person(s) hosting the meal or similar amenity may accept the offer only (1) if it would otherwise be reimbursable under the UVM Business Meal and Amenity policy were the hospitality being offered by the UVM official; and (2) the UVM official declares the business meal or similar amenity on the disclosure form appended to this Code.

- Subsidization or reimbursement of business travel by a professional association or other nonprofit organization that is not a services or products provider to UVM through business arrangements over which the UVM official has executive or management authority and responsibility. In the event that the subsidy or reimbursement is being offered by a services or products provider to UVM through business arrangements for which the UVM official has executive or management authority and responsibility, the official may seek advance approval from his or her supervisor for UVM coverage of such travel expenses if the supervisor concludes that the University's interests would be best served by the official participation in the event.

Definitions

“*Administrator*” is a University official who has managerial or supervisory responsibility for another University employee or other University employees.

“*Appropriate responsible official*” is the individual by whom the possible violator is supervised. If the administrator making the report has reason to believe that the otherwise appropriate responsible official is aware of, or sanctioning, the violation, the report should be made to the next-level supervisor of the appropriate official.

“*Contracting authority*” is the University official who, under Procurement protocols or the Contract Approval and Signatory Authority, is authorized and required to approve and execute a contract. Contract authority for specified and limited purposes may be delegated under the procedures outlined in Procurement protocols or the Contract Approval and Signatory Authority.

“*Good Faith*” means honest belief, with the absence of malice or intent to defraud or seek unscrupulous advantage.

“*Retaliation*” includes any adverse action taken against University personnel because such person made a good faith report of a possible violation of this Policy. Examples of adverse action include, but are not limited to, threats of physical harm, implementing unfavorable changes in employment or educational status, punitive assignments, or negative impact on grades, salary or wages.

“*Whistleblower*” is a term used for an individual or entity who files a report of suspected wrongful conduct that is believed in good faith to constitute a violation of this Policy.

Procedures

Administrators must report perceived or demonstrated Code of Business Conduct violations to an appropriate responsible official, the Office of Audit Services, or the Office of Compliance Services. Non-administrator personnel are strongly encouraged to report perceived or demonstrated violations to an appropriate official, the Office of Audit Services or the Office of Compliance Services. Reports may also be made using the Ethics and Compliance Reporting

and Help Line (<https://secure.ethicspoint.com/domain/media/en/gui/24544/index.html>). Customary channels will be used in the investigation of alleged violations of this Code and any imposition of related disciplinary or administrative action.

The University cannot guarantee confidentiality to persons making reports of suspected violations (“whistleblowers”). The investigating office will nonetheless strive to keep the identity of a whistleblower confidential unless:

- The whistleblower agrees to be identified;
- Identification is necessary to allow University or law enforcement officials to investigate or respond effectively to the report;
- Identification is required by law; or
- The person accused of the violation is entitled to the information in disciplinary proceedings as a matter of legal or policy right.

Whistleblowers who believe they have been retaliated against may file a written complaint with the Audit Services Office or the Office of Compliance Services, which shall refer the report promptly to the immediate supervisor(s) of any person(s) accused of retaliation. If the whistleblower alleges that an immediate supervisor engaged in the retaliation, Audit Services or the Office of Compliance Services shall refer the retaliation report to that supervisor’s immediate supervisor for investigation.

If investigation determines that retaliation occurred, disciplinary action against the offender will be initiated through normal channels. If it is determined that retaliation has not occurred, the appropriate University official will so notify the whistleblower and explain the rationale for the conclusion. A whistleblower is not entitled to be informed of the nature and extent of any disciplinary action taken against personnel found to have engaged in retaliation.

This protection from retaliation is not intended to prohibit managers or supervisors from taking action, including disciplinary action, in the usual scope of their duties and based on valid performance-related factors.

Allegations of suspected violations made in bad faith may give rise to disciplinary action against the whistleblower and personal liability in response to external legal claims filed by an individual wrongfully accused of misconduct. The fact that a report of suspected violation has been investigated and found unsubstantiated is not necessarily indicative of bad faith.

The Ethics and Compliance Reporting and Help Line

<https://secure.ethicspoint.com/domain/media/en/gui/24544/index.html>

Forms

Business Hospitality Annual Disclosure Form

http://www.uvm.edu/~uvmppg/ppg/general_html/related_docs/business_hospitality_disclosure_form.doc

Contacts and Responsible Official

The Vice President for Finance and Administration (VPFA) is the University official responsible for the interpretation and administration of this Code. The VPFA may be contacted as follows:

VP Finance & Administration
Waterman Bldg. 350B
802 656-0219
Richard.Cate@uvm.edu

Suspected violations of this Code may be reported to the appropriate responsible official or to the following officials:

Chief Internal Auditor
Audit Services
Billings B158, 48 University Place
802-656-0568
William.Harrison@uvm.edu

Chief Compliance Officer
Office of Compliance Services
Billings B159, 48 University Place
802 656-0847
Anna.Drummond@uvm.edu

Related Documents/Policies

Audit Services Investigative Protocol

http://www.uvm.edu/~uvmppg/ppg/general_html/related_docs/invprotocol.pdf

Code of Business Conduct FAQ

http://www.uvm.edu/~uvmppg/ppg/general_html/related_docs/businesscodefaq.pdf

Computer and Network Use

<http://www.uvm.edu/~uvmppg/ppg/cit/compuse.pdf>

Conflict of Interest and Commitment Policy

http://www.uvm.edu/~uvmppg/ppg/general_html/conflictinterest.pdf

Contract Approval and Signatory Authority

<http://www.uvm.edu/~uvmppg/ppg/procure/contract.pdf>

Effort Management and Reporting on Sponsored Awards

<http://www.uvm.edu/~uvmppg/ppg/grants/effortreporting.pdf>

FERPA Rights Disclosure

<http://www.uvm.edu/~uvmppg/ppg/student/ferpa.pdf>

Health Insurance Portability and Accountability Act (HIPAA)

http://www.uvm.edu/~complan/compliance/?Page=HIPAA_UVM.html

Intellectual Property

http://www.uvm.edu/~uvmppg/ppg/general_html/intellectualproperty.pdf

Loans to or Guarantees for Trustees and Officers

<http://www.uvm.edu/~uvmppg/ppg/otherdoc/botloans.pdf>

Misconduct in Research and Other Scholarly Activities – revisions pending

<http://www.uvm.edu/~uvmppg/ppg/grants/researchmisconduct.pdf>

Names, Symbols, Letterhead and Other Proprietary Indicia of Affiliation

http://www.uvm.edu/~uvmppg/ppg/general_html/letterhead.pdf

Political Activity

http://www.uvm.edu/~uvmppg/ppg/general_html/political_activity.pdf

Procurements and Contracts Policy – revisions pending

<http://www.uvm.edu/~uvmppg/ppg/procure/contract.pdf>

<http://www.uvm.edu/~uvmppg/ppg/procure/procurement.pdf>

Records and Documents Requests

http://www.uvm.edu/~uvmppg/ppg/general_html/record_request.pdf

Records Retention

http://www.uvm.edu/~uvmppg/ppg/general_html/recordretention.pdf

Related Significant Financial Interest in Research and Scholarly Activity

<http://www.uvm.edu/~uvmppg/ppg/grants/researchcoi.pdf>

Trademarks

http://www.uvm.edu/~uvmppg/ppg/general_html/trademark.pdf

Travel

<http://www.uvm.edu/~uvmppg/ppg/travel/travel.pdf>

Effective Date

Version 4.0.2.4 approved by the President on October 30, 2010

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Version 4.0.2.3 Revised by the Audit Committee on July 13, 2009 and approved by the Board of Trustees Executive Committee on July 17, 2009.

Version 4.0.2.4 Revised by the Audit Committee on October 11, 2010 and approved by the Board of Trustees on October 30, 2010.