

## University Code of Ethical Conduct

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| Policy Title                        | University Code of Ethical Conduct   |
| Policy Owner                        | General Counsel/Chief Compliance Officer   |
| Policy Section                      | Governance, Ethics, and General Policies   |
| Responsible Office                  | Office of the General Counsel and Compliance   |
| Contact Information                 | Questions about this Code's content should be directed to the Office of the General Counsel and Compliance |
| Pertinent Dates                     | This Code was approved on July 24, 2020  |
| Entities Affected                   | All units of the University  |
| Who Needs to Know About This Policy | All members of the AUC community   |
| Related Information                 |  |
| Abstract                            | This Code sets out basic legal and ethical principles to guide the entire University community.            |

### I. INTRODUCTION

The American University in Cairo (“AUC”) Code of Ethical Conduct (“the Code”) covers a wide range of practices and procedures. It does not cover every issue that may arise, but it sets out basic legal and ethical principles to guide the entire University community. The principles discussed in this Code provide the fundamental basis for University policy and procedures, and are the subject of more detailed University policies and procedures governing employee relations that can be found on the HR website, the *Faculty Handbook*, and other policies and procedures listed on the University’s policy website. In the case of any conflict between this policy and a more detailed University policy or procedure applicable to the conduct at issue, the more detailed policy or procedure will apply.

All faculty and staff (“employees”) must comply with the principles outlined in this Code and all University policies which apply to their work. Failure to do so may result in disciplinary action up to and including termination. Employees should direct questions about the Code and any recommendations for improving it to their deans, directors, or department/unit heads (“Supervisors”).

### II. UNIVERSITY CODE OF ETHICAL CONDUCT

#### A. General Responsibilities

##### 1. Individual Responsibility

Each employee at AUC, and any other person acting for or on behalf of the University, is responsible to uphold the highest standards of ethics and integrity and conduct consistent with this Code and with AUC policies. All Employees in supervisory positions are responsible and accountable for ensuring that their own conduct and the conduct of those they supervise comply with this Code and with AUC policies.

##### 2. Business Activities

Business activities undertaken for or on behalf of AUC with the public, the government, suppliers, students, and one another must reflect the highest standards of honesty, integrity, and fairness. Employees must be especially careful to avoid even the appearance of misconduct or impropriety.

### **3. Compliance with Laws, Rules and Regulations**

AUC will transact its business in compliance with the laws, rules and regulations of the jurisdictions in which it does business. Compliance with the law, both in letter and in spirit, is the foundation of this University's ethical standards. Employees must respect and obey the laws and regulations of Egypt as well as applicable American federal and state laws, rules and regulations pertaining to the work they are performing for the University. In the event that conflicting laws apply to a particular situation, employees should discuss the matter with their supervisors. When employees are uncertain of the details of such laws, rules and regulations, they must seek advice from supervisors or other appropriate personnel from the Office of the General Counsel & Compliance.

### **4. Compliance with Contractual and Grant Obligations**

In addition to compliance with relevant laws, rules and regulations, AUC always upholds its contractual obligations to all parties. In any instance where contractual requirements and/or laws appear to conflict or are difficult to interpret or apply, employees should first consult with the office that signed the contract on behalf of AUC. They may also seek assistance from the Office of Sponsored Programs, the Vice President with responsibility over the relevant area, or the Office of the General Counsel and Compliance.

#### **B. Conflicts of Interest**

The University expects employees to be alert to and to avoid the possibility or the appearance of conflict of their private interests vs. their official duties. A conflict of interest exists when a person's private interest *may* interfere in any way – or even *may appear* to interfere – with the interests of the University. A conflict situation can arise when an employee takes actions or has interests that may make it difficult to perform the Employee's University work objectively and effectively. Conflicts of interest may also arise when an employee, or a member of the employee's family (or an entity in which the employee and/or family member have a significant ownership interest), receives or may appear to receive personal benefits as a result of the employee's position in the University.

All employees are responsible for reviewing and complying with AUC's Conflicts of Interest and Commitment Policy. This policy requires disclosure by all employees (on the date of hire and annually thereafter) of each Employee's outside employment, business activities, investments, and affiliations, and any other potential conflicts to their supervisor with a copy to Chief Compliance Officer (or the Chief Compliance Officer's designee). When there is any question whether disclosure is necessary, employees should disclose. It is the University's responsibility to determine if the disclosed interests could materially affect the Employee's performance of University duties and, if so, to require the management, reduction, or elimination of the conflict through established procedures.

#### **C. Competition and Fair Dealing; Gifts and Gratuities**

It is the policy of the University to compete in the marketplace fairly and honestly. AUC employees seek competitive advantages for the University through superior performance, never through unethical or illegal business practices. Each employee must respect the legal rights of and deal ethically with the University community, suppliers, vendors and competitors.

The purpose of business entertainment and gifts in a business setting is to create goodwill and sound working relationships for the benefit of the University, not to gain unfair advantage in a business activity. No gift or entertainment should be offered, given, provided or accepted by any Employee, or an Employee's agent unless it meets **all** of the following requirements: it (1) is not a cash gift, (2) is consistent with customary business practices, (3) is of modest value, (4) cannot be construed as a bribe or payoff, and (5) does not violate any laws, regulations or applicable policies of the respective organizations, including AUC's Conflicts of Interest and Commitment Policy. Employees should discuss any gifts or proposed gifts with their supervisors first and/or their Area Head, as necessary, prior to offer or acceptance.

#### **D. Political Contributions**

Except as approved in advance by the President or Chief Financial Officer, the University prohibits political contributions (directly or through trade associations) by the University or its business units. This includes: (a) any contributions of University funds or other assets for political purposes, (b) encouraging individual employees to make any such contribution; or (c) reimbursing any employee for any contribution. Individual employees are free to make personal political contributions as they see fit, provided they make clear that they are doing so in their personal capacities and do not cite or otherwise use their titles or affiliations with AUC in so doing.

#### **E. Discrimination and Harassment**

The University is firmly committed to providing equal opportunity in all aspects of education and employment and will not tolerate discrimination or harassment based on race, color, religion, sex, sexual orientation, national origin or any other legally protected class, as described in AUC's Anti-Harassment and Non-Discrimination Policy. The University does not tolerate violence, harassment, or threatening behavior.

#### **F. Health and Safety**

The University strives to provide employees with a safe and healthy work environment. Each employee has responsibility for maintaining a safe and healthy workplace for all University community members by following environmental, safety and health rules and practices, and reporting accidents, injuries and unsafe equipment, practices or conditions.

Compliance with the University's quality processes and safety requirements is essential to maintain the University's valuable reputation. Employees must perform their work for or at the University in a safe manner, free of the influences of alcohol, illegal drugs or controlled substances.

#### **G. Record-Keeping, Financial Controls and Disclosures**

The University requires honest, accurate and timely recording and reporting of information to make responsible business decisions.

Employees and their supervisors must document and record all business expenses accurately, in a timely manner, and according to policies governing accounts payable. Information about permissible expenses is available from the Controller's Office. The University's books, records, accounts and financial statements must appropriately reflect the University's transactions. Employees and their supervisors must maintain them in reasonable detail; ensure that they conform both to applicable legal requirements and to the University's system of internal controls; and promptly disclose them in accordance with any applicable laws or regulations.

Business records and communications must be factual and accurate. Business records should not contain exaggerations, derogatory remarks, guesswork, or inappropriate characterizations of people and companies. This applies equally to email, internal memoranda, and formal reports. Employees and their supervisors must retain or destroy records in accordance with the University's record retention and disposal policy. In the event of litigation or governmental investigation, employees and their supervisors must consult the Office of the General Counsel regarding records retention.

#### **H. Confidentiality of Proprietary Information**

Employees must maintain the confidentiality of proprietary information entrusted to them by the University or its clients, vendors or suppliers, except when their supervisors authorize disclosure as permitted or

required by laws or regulations. Proprietary information includes all non-public information that might be of use to competitors or harmful to the University if disclosed. It includes information entrusted to the University by others. The obligation to preserve proprietary information continues even after employment ends.

Employees must take reasonable steps to protect and restrict the transfer of confidential information to unauthorized persons and may only share such information within the University on a “need-to-know” basis. They must comply with all relevant policies and procedures applicable to the safeguarding of information, including those relating to intellectual property and computer use.

Employees must also protect the confidentiality of student information (“educational records”) disclosed to the University or generated through the student’s academic and non-academic activities at AUC. Employees must comply with the University’s Family Education Records Privacy Act (FERPA) Policy. They should consult this policy before any disclosure of student information, other than disclosure made to authorized employees under the policy.

### **I. Protection and Proper Use of University Assets**

Employees must protect the University’s assets and ensure their efficient use. Theft, carelessness, and waste have a direct impact on the University. They must use all University assets only for legitimate University purposes, and never for personal or other non-University business. They must immediately report to their supervisors or other appropriate officers any suspected incident of fraud or theft. The University may consider failure to report any evidence which employees reasonably should have witnessed as evidence of complicity in the incident. Employees may not lease, donate, sell, or trade University property or assets without proper, written authorization.

The obligation of Employees to protect the University’s assets includes the University’s proprietary information. Proprietary information includes intellectual property such as, patents, trademarks, and copyrights, as well as business plans, designs, databases, records, salary information and any unpublished financial data and reports. Unauthorized use or distribution of this information is subject to disciplinary action.

### **J. Payments to Government Personnel**

The University is subject to the U.S. Foreign Corrupt Practices Act and all applicable Egyptian laws. As such, employees are not authorized to give anything of value on behalf of the University, directly or indirectly, to any government officials or political candidates in Egypt, the United States, or any other jurisdiction. Employees must follow American federal rules regarding business gratuities to government personnel. American federal law prohibits providing gratuities to any government personnel, with certain limited exceptions. These include:

- (a) Advertising or promotional items that are less than 500EGP in value, not to exceed 1000 EGP to an individual recipient in any one-year period; or
- (b) Modest items of food and refreshments of nominal value offered as a normal courtesy in conjunction with a professional interaction with the University.

### **K. Trade Issues**

AUC must comply with any boycotts and trade sanctions against certain individuals, entities or various governments and regions, imposed by the governments of the United States , Egypt, and/or the United Nations. Employees and supervisors may obtain advice regarding the current status of these matters from the Office of the General Counsel and Compliance.

### **L. Financial Reporting**

The University complies with all applicable financial reporting and accounting regulations. Employees should submit any concerns or complaints regarding the University's accounting or auditing matters to the Chief Financial Officer or the Chief Audit Executive.

### **M. Social Responsibility**

The University upholds and promotes the highest standards of professional integrity. It acts in the public interest, and gives due consideration to the ethical, social and environmental issues arising from its activities.

The University intends that all its activities should have a positive impact and should improve the quality of the living, learning and working environment of its faculty, staff, students, and the larger AUC community. The University requires the same high standards of its vendors, contractors, suppliers, and business partners.

### **N. Reporting Illegal or Unethical Behavior**

Employees should consult with supervisors, managers or other appropriate personnel about observed behavior which they believe may be illegal or a violation of this Code or University policy, or when in doubt about the best course of action in a particular situation.

Employees may report suspected violations directly to the Chief Audit Executive, the Provost, or the General Counsel and Chief Compliance Officer; or through other confidential reporting mechanisms as the University may establish and announce. The University does not allow retaliation for employees' reports of suspected misconduct made in good faith. Employees must cooperate in internal investigations of misconduct. Employees should review the University's Policy on Reporting Unethical or Illegal Conduct for further details regarding reporting channels.

### **O. Compliance Procedures for the Code of Ethical Conduct**

Ensuring prompt and consistent action against violations of this code is a collective effort. No code of conduct can cover every situation which may arise. At times, there may be instances in which the required action may not be clear. In an uncertain situation, employees should:

- a) Be sure to gather and provide to the appropriate officer of the University all observed facts.
- b) Determine the specific action that the employee has observed, and whether it appears unethical or improper. Such preliminary personal assessment can help appropriate University officers focus the analysis and can assist in identifying alternatives to the problem at hand.
- c) Seek help from University resources. In many cases, a Supervisor will have the requisite knowledge, and will appreciate the employee's inquiry as supporting the Supervisor's responsibility to help solve problems. If the Supervisor is not available for any reason or if an employee prefers another resource, employees may seek guidance from the Human Resource Office (for employee relations issues), Office of the Provost (for faculty members on academic matters), the Office of the Chief Audit Executive (for matters involving possible waste, fraud, or abuse), the Office of the General Counsel & Compliance, or other confidential reporting mechanisms as the University may develop and announce.