



*Preparing people to lead extraordinary lives*

## **Loyola University Chicago Employee Code of Conduct Policy and Employee Conflict of Interest Policies**

### **Statement of General Principals**

This Code of Conduct and Conflict of Interest Policies describe standards to guide us in our daily business activities as they relate to accounting, internal control and auditing matters. We believe that these standards are already being followed. Our goal is to commit them to writing and to insure that they are understood and followed by the community.

The Code of Conduct and Conflict of Interest Policies apply to all employees of Loyola University Chicago University Academic (University) operations including officers, faculty and staff and individuals who perform services for the University as volunteers. The Policies refer to all these persons collectively as “members of the University community” or “community members.”

These policies do not alter or supersede additional policies in place that may be more restrictive or specialized (for example, Loyola University Medical Center, sponsored programs, financial aid and student loans).

### **Employee Integrity and Ethical Conduct Policy**

The University is committed to the highest ethical and professional standards of conduct as an integral part of its mission, the promotion of learning. To achieve this goal, the University relies on each community member’s ethical behavior, honesty, integrity and good judgment. Each community member should demonstrate respect for the rights of others. Each community member is accountable for his/her actions with respect to accounting, internal controls and auditing issues.

### **Compliance with Laws and University Policies**

The University and each community member must transact University business in compliance with all laws, regulations, and University policies related to their positions and areas of responsibility. Understanding and following these standards can be complex, such as for example, in areas of procurement (including limitations on the ability to contractually bind the University) and employment matters. In addition, community members are expected to behave in a manner which respects the freedom of others as well as refraining from interfering with, obstructing or disrupting a normal University activity, even while exercising their own freedom of expression. Managers and supervisors are responsible for teaching and monitoring compliance in their areas.

*Under Section 301 of Sarbanes Oxley, the University Audit Committee must take responsibility for ensuring that processes are in place for the receipt, retention and treatment of any complaints about accounting, internal controls and auditing issues. Channels must be open to for employees to communicate their knowledge of malfeasance or errors regarding these issues without fear of management retaliation.*

### **Reporting Suspected Violations or Concerns about Accounting, Internal Controls and Auditing Issues**

The University's compliance efforts focus on teaching members of the University community the appropriate compliance standards for the areas in which they work. Nevertheless, violations may occur. In addition, members of the University community may have concerns about matters that they are not sure represent violations. This section describes community members' responsibilities for reporting violations or concerns, and how these responsibilities may be carried out.

Each community member is encouraged to report violations or concerns about violations or concerns about accounting, internal controls and auditing issues that come to his/her attention. Managers have a special duty to adhere to the standards set forth in this code, to recognize violations, and to enforce the standards. Disciplinary actions for proven violations of this code of conduct or for retaliation against anyone who reports a possible violation will be determined on a case-by-case basis and may include termination of employment. Individuals who violate the code may also be subject to civil and criminal charges in some circumstances where a law or laws may have been broken.

### **How to Report a Violation or Discuss a Concern about Accounting, Internal Controls and Auditing Issues**

You may report violations or concerns about accounting, internal controls and auditing issues to your immediate supervisor or department head, if appropriate. In the event of violations or concerns that you or your immediate supervisor or department head may have, you are responsible to call or write to the University Vice President for Finance (312.915.7803), the University Vice President for Human Resources (312.915.6875), or the University Vice President for Capital Planning and Chief of Staff (312.915.6403) in the President's Office for resolution of a possible violation or concern. Any matters resulting in violations of accounting, internal controls and auditing issues must be reported by those Vice Presidents receiving a communication of a violation to the University President and the Chair of the University Audit Committee.

### **“Whistleblower - Protection”**

The University strongly encourages all faculty, administrators, staff and students to report suspected or wrongful acts conduct by Loyola University Chicago employees through the offices listed above for such reporting. No University faculty member, administrator, staff or student may interfere with the good faith reporting of suspected or actual wrongful conduct; no individual who makes such a good faith report shall be subject to

retaliation, including harassment or any adverse employment, academic or educational consequence, as a result of making a report. The University will take whatever action is necessary and appropriate to address a violation of this policy.

### **Employee Conflict of Interest Policy**

A potential or actual conflict of interest exists when an employee's commitments or obligations to the University may be compromised by his/her other interests or commitments (especially economic), particularly if those interests or commitments are not disclosed. Although not all conflicting interests are impermissible, those involving the employee's self-gain or gain by a third party to whom the employee is related may serve to compromise the employee's primary obligation to the University.

No employee shall, for personal gain or for the gain of others, use any information not available to the public that was obtained as a result of service to the University (e.g., selling or divulging University phone records, etc. to outside parties).

No employee shall solicit or accept for personal use, or for the use of others, any gift, favor, loan, gratuity, reward, promise of employment or any other thing of monetary value that might influence or appear to influence the judgment or conduct of the employee regarding University business or policy. Employees may accept occasional unsolicited gifts or favors (e.g., business lunches, Christmas baskets, etc.) provided the gifts or favors have a cumulative market value of under \$250, are customary in the industry, and will not influence or appear to influence the judgment or conduct of the employee. The restrictions in this paragraph regarding a specific gift or favor, may be waived, in writing, by the appropriate Vice President. Such an exemption must be in writing with a statement of the pertinent reasons for exemption.

Full and timely disclosure of potential or actual conflicts of interest will sensitize the entire University community to these issues and will promote resolution of actual conflicts. Each employee is expected to discuss with his/her supervisor any affiliation, interest or other matter that presents a real, apparent or potential conflict of interest.

### **Employee Conflict of Interest Policy Disclosure**

Each employee shall annually disclose any affiliation with any outside organization which may lead to the appearance of or actual conflict of interest. Such an affiliation would ordinarily include (a) the holding of the position of officer, director, trustee, partner, employee or regularly retained agent of such organization or; (b) the expected receipt in the current or a future year of remuneration for services from such organization in excess of \$500. For example, any employee who, in the course of their duties for the University, has control over or affect upon any decision to engage in a business transaction with such an affiliated outside organization, must disclose his/her relationship to this organization by a close relative (e.g., spouse, child, sibling, parent or parent-in-law) should also be disclosed prior to the transaction.

### **Conflict of Interest Policy Reporting Procedures**

On an annual basis by every December 31, this policy will be reviewed with the University community as a basis for reaffirming the commitment of the University to the standards of conduct expected of all in the performance of their duties.

In January of each year, the President, Provost and Vice Presidents will prepare a list of every administrator, faculty, staff or student who falls within the scope of this policy. The list must include all employees who, on a regular basis, have both the authority and responsibility to commit the University to contractual relationships, or commit or encumber the funds of the University, whether general operating, restricted or designated in nature. At a minimum, the list will include all employees who hold the title and/or responsibility accorded to the director level positions and above and any others specifically designated by the President, Provost or Vice President of the University.

Annually, all employees who have been identified will receive a directive from the President or Vice President to complete the attached Conflict of Interest Disclosure Form (PDF). Each individual selected to complete the form will be required to complete and sign the disclosure statement, identifying any potential or existing conflicts of interest or attesting to the fact that there were no areas of potential or existing conflicts of interest will be returned to the President or respective Vice Presidents for their initial review. All disclosure statements will be forwarded by February 15 each year to the Vice President of Human Resources who will tabulate the response and comments; initiate any required follow up and provide a detailed report to the President and the Audit Committee of the Board of Trustees.

All individuals listed will be responsible for providing notification to the President or appropriate Vice President of any instances of conflict of interest which may occur in the interim period between the dates of regular reporting. Each individual is also responsible for reporting potential or existing conflicts involving other personnel subject to this policy of which the individual may become aware. Failure to disclose any potential or existing conflict of interests will result in disciplinary action.

### **Related Policies**

In addition to the code of conduct and conflict of interest policies contained herein, there are additional policies and employee responsibilities as follows:

#### **Conflict of Interest in Externally Funded Projects (Lakeside Campuses)**

<http://www.luc.edu/ors/conflictsinterestpolicy.shtml>

#### **Conflict of Interest Research Policy (Maywood Campus)**

<https://hsd.luc.edu/media/healthsciencesdivision/researchservices/documents/research-coi.pdf>

#### **Additional Human Resource Policies**

<http://www.luc.edu/hr/policies.shtml>

## **Information Technology Policies**

<http://www.luc.edu/its/policies.shtml>

## **College Loan Code of Conduct**

[http://www.luc.edu/finaid/pdfs/loan\\_conduct.pdf](http://www.luc.edu/finaid/pdfs/loan_conduct.pdf)

## **Policy for Financial Records Retention**

[http://www.luc.edu/finance/documents/records\\_retention\\_finance.pdf](http://www.luc.edu/finance/documents/records_retention_finance.pdf)

## **Board of Trustee Conflict of Interest Policy**

The above policies and perhaps other policies involving specializations may require separate and unique reporting of conflicts of interests and must also be followed.

## **Loyola University Chicago**

### **Appendix 1**

#### **Frequently Asked Questions**

##### **1. Who is subject to the code of conduct?**

All members of the University community are subject to the code of conduct. This includes trustees (under a separate conflict of interest policy), officers, faculty and staff as well as individuals who are doing business with the University. Students are not subject to this code of conduct unless they are employed by the University. Students are subject to policies set by the dean's office.

##### **2. Why do we need a code of conduct?**

Members of the University community are already subject to laws, regulations and internal policies. However, they do not govern all behavior. We felt it was important for our stakeholders to understand exactly how they can expect us to conduct ourselves. Our code of conduct is basically a set of standards describing the behavior we expect of members of the University community. In addition, as a recipient of federal awards, we are required to have a code of conduct.

##### **3. Does the code affect my daily work?**

Our code of conduct doesn't change our daily responsibilities. It is a restatement of guidelines we believe the members of the University community are already following. It articulates the way we strive to conduct ourselves. Clearly, no code of conduct can guarantee the prevention of wrongdoing. But a code of conduct, coupled with the appropriate supporting activities, is considered a "best practice" that can help to sustain a culture in which integrity is valued and promoted through our daily work.

**4. Are there sanctions to ensure a compliance with the code of conduct?**

Members of the University community who violate the code of conduct, or other policies, will be subject to disciplinary action-up to and including termination. A key part of developing the code has been to ensure that all decentralized units take steps to ensure that their people understand and comply with the code.

**5. Will I get in trouble if I report a potential violation?**

No. We encourage you to report potential violations. We do not tolerate retaliation. We will take disciplinary action if retaliation occurs.



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## CONFLICT OF INTEREST DISCLOSURE STATEMENT

I, \_\_\_\_\_, have read and understand the Loyola University Chicago Conflict of Interest Policy, and I will conduct myself so as to avoid any conflicts or potential conflicts of interest relating to my position as an employee of Loyola University Chicago (the “University”).

I, and the members of my family (spouse, parents, siblings, children, their spouses, etc.), now have the following affiliations or interest and have taken part in the following transactions, that when considered in conjunction with my position as an employee of the University, might constitute a conflict of interest. (Check “None” where applicable). If additional space is needed, please use as much space as required. The disclosure should signed and sent to the next higher administrator in the employee’s supervisory line who is at least at the level of departmental director or chair for review and that administrator will involve the appropriate Vice President, Provost or President as necessary.)

1. **Outside Employment or Service:** Identify any outside employment or provision of outside services, current or planned, which may be in conflict with your position as an employee of the University.

None \_\_\_\_\_ or please explain:

2. **Outside Interests, Financial and Other:** Identify any interests or positions which you or your family (as defined above), directly or indirectly, hold in any outside concern from which the University secures, or will secure goods or services, or that provides services competitive with the University

None \_\_\_\_\_ or please explain:

3. **Gifts, Gratuities, Services and Entertainment:** Identify any gifts, gratuities, services or entertainment in excess of \$250.00 that you or your family (as defined above) have accepted that might influence your judgment or actions concerning business of the University.

None \_\_\_\_\_ or please explain:

4. **Other:** Identify any other activities in which you or your family (as defined above) are engaged that might be regarded as constituting a conflict of interest.

None \_\_\_\_\_ or please explain:

*I hereby agree to promptly file a further Disclosure Statement regarding any situation that may develop before the scheduled completion of my next Disclosure Statement.*

\_\_\_\_\_  
Faculty / Staff Signature

\_\_\_\_\_  
Date