University of California, Irvine

Business Conduct Principles
Reference Guide
This guide will be revised periodically.
Please address comments to the Controller’s Office at bizconduct@uci.edu

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Dear Colleagues:

This guide is intended to help members of the UCI community apply the principles that underpin ethical business practices at the University of California. The University is a public trust that receives its support from taxpayers, contributors, corporations, public and private funding agencies, patients, and students and their families. These supporters rightfully expect our stewardship and accountability.

Accordingly, ethical behavior and integrity are expected of every member of the faculty and staff, and anyone who acts on behalf of the University. In addition, administrators, principal investigators, department heads, and others in supervisory positions assume responsibility for ensuring that the conduct of those they supervise complies with University policies and ethical business practices.

This guide’s emphasis on policy is not intended to promote excessively bureaucratic behavior. Our supporters and the public expect accountability that extends well beyond compliance. Fundamentally, they expect resourcefulness and efficiency in meeting our teaching, research, and public service obligations.

Indeed, overly complicated policies can thwart resourcefulness and efficiency. I therefore expect all administrative units that create, monitor, and administer policies to continually seek ways to simplify policies — to eliminate those that have outlived their usefulness; to clarify policies that are difficult to understand; and to streamline policies that over-control risks, costing more to administer than potential losses warrant.

If you encounter policies that embody these problems, please bring your concerns to the attention of the unit responsible for administering the policy. The University’s policy infrastructure should not be static. Although some policies are rooted in external regulations or laws, others may warrant simplification. Please raise questions rather than simply ignore policies that may warrant change.

I hope that you find this guide useful.

Ralph J. Cicerone
Chancellor
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Fundamental Principles and Responsibilities

UCI is dedicated to protecting the reputation of the University and maintaining the public’s trust by adhering to consistent standards of conduct in its business activities. UCI must earn and maintain a reputation for integrity. Business activities undertaken on behalf of the University with the public, private sponsors, government, suppliers, students, and one another must reflect consistent standards of integrity and fairness.

Individuals who accept employment at UCI assume the rights and responsibilities entrusted to members of the University community. As such, they are expected to treat others honestly, ethically, and fairly; to communicate in a scrupulous and straightforward manner; and to support an environment of goodwill and mutual respect.

The appearance of misconduct or impropriety can be very damaging to the University. When University activities are not governed by specific laws or regulations, integrity and respect for the rights of others should guide our conduct. No unethical practice can be justified because it is “customary” outside UCI or because it serves other worthy goals.

Related Policies, Guidelines, and Resources

University of California Accounting Manual
University of California Code of Conduct for Trademark Licensees
University of California Conflict of Interest Code
University of California Business and Finance Bulletins
University of California Facilities Management and Construction Manual
University of California Policies Applying to Campus Activities, Organizations, and Students
University of California Policy on Sexual Harassment and Complaint Resolution Procedures
UCI Administrative Policies & Procedures
Accountability Framework

The Chancellor has delegated financial, administrative, and management responsibilities to administrative officials responsible for the operation of departments or business units. These delegations can be accessed at:

www.policies.uci.edu

The term “administrative official” refers to any UCI employee who holds one of the following positions, and/or to whom financial, administrative, or management responsibilities have been delegated:

- deans
- vice chancellors
- associate vice chancellors
- assistant vice chancellors
- department chairs
- principal investigators
- academic business officers
- directors
- managers
- unit/department heads

Administrative officials are charged with efficiently managing resources and risks to attain program objectives while maintaining sound financial condition and compliance with applicable laws and regulations. While administrative officials may delegate many responsibilities, they retain accountability for:

- compliance with applicable laws and regulations, University policies, collective bargaining agreements, and terms and conditions of gifts, contracts, and grants;
- sound financial condition and good business practices;
- a system of internal controls that identifies and manages risks;
- employee relations practices that ensure due process, nondiscrimination, and freedom from harassment and retaliation;
- the integrity of data needed to support these accountabilities.
Workplace Respect and Tolerance

UCI is committed to fostering a community in which all persons who participate in University programs and activities can work together in an atmosphere free of harassment, discrimination, exploitation, and intimidation. UCI provides avenues for faculty, staff, students, visitors, and individuals conducting business with the University to voice their concerns regarding harassment, equal opportunity, and discrimination.

The University seeks to foster an environment conducive to sharing, extending, and critically examining knowledge and values, and furthering the search for wisdom. Recognizing diverse beliefs and practices of others, we seek a community that promotes tolerance and intercultural understanding. These goals rest on mutually supportive relationships among individuals. Accordingly, every member of the University community has a responsibility to treat the opinions and beliefs of others with respect and tolerance.

Related Policies, Guidelines, and Resources
Personnel Policies for UC Staff Members
Personnel Procedures for UCI Staff Members
University of California Academic Personnel Manual APM-015, Faculty Conduct
University of California Nondiscrimination and Affirmative Action Policy Regarding Academic and Staff Employment
University of California Policy on Sexual Harassment and Complaint Resolution Procedures
University of California Policies Applying to Campus Activities, Organizations and Students-UCI Campus Implementation
UCI Administrative Policies & Procedures
Section 700-16 Sexual Harassment Policy
Section 700-17 Sexual Harassment Complaint Resolution Procedures
UCI Office of Equal Opportunity and Diversity
Regulatory Compliance

UCI transacts its business in compliance with the laws of the jurisdictions in which it does business. Administrative policies further define how UCI will comply with such laws and describe expected employee behavior. If University policies appear difficult to interpret or apply, or if policies appear to conflict with laws, regulations, or ethical principles, the office that has oversight responsibility for clarification or guidance should be contacted.

Related Policies, Guidelines, and Resources
University of California Business and Finance Bulletins
BUS-29, Management and Control of University Equipment
BUS-43, Materiel Management
G-39, Conflict of Interest Policy and Compendium of Specialized University Policies, Guidelines, and Regulations Related to Conflict of Interest
BUS-50, Materiel Management Acquisition and Use of Narcotics and Dangerous Drugs
BUS-56, Purchases from Entities Violating State or Federal Water or Air Pollution Laws
University of California Code of Conduct for Trademark Licensees
University of California Facilities Management and Construction Manual
University of California Policy on Sexual Harassment and Complaint Resolution Procedures
University of California Whistleblower Policy
UCI Administrative Policies & Procedures
Section 400 Academic Personnel Office
Section 401 Academic Senate Office
Section 480-10 Research and Graduate Studies
Section 700-09 Policies on Gifts, Gratuities, and Conflict of Interest
Section 700-16 Sexual Harassment Policy
Section 701 Accounting Office
Section 706-10 Property Inventory Control System Policy
Section 707-15 Guidelines on Acquisition and Use of Controlled Substances (Narcotic and Non-Narcotic)
Section 710-10 Internal Audit
Section 900-13 Policy on Consumption of Alcoholic Beverages
Section 901-13 Design & Construction Services
Section 903-10 Environmental Health & Safety Policy
UCI Research Administration Policies
Conflict of Interest and Gratuities

As part of UCI’s community, each of us is in a position of public trust. We must be particularly aware of situations where a conflict may exist between our private interests and official responsibilities.

UCI employees may not give, offer, or promise anything of value to any vendor, contractor, or other individual for the purpose of receiving favorable treatment. Nor shall UCI personnel solicit or accept anything of value from any vendor, contractor, or other individual. No procurement arrangement can be made by an employee with a relative or near relative, unless determined by the Materiel Manager to be allowable within policy.

Employees may not give, offer, or promise anything of value to any government official in order to enhance relations, regardless of whether that official is in a position to influence any government decision that affects the University or its activities. This includes entertainment, gratuities, and gifts.

Related Policies, Guidelines, and Resources
University of California Business and Finance Bulletins
- IA Series - Internal Audit
- G-39, Conflict of Interest Policy and Compendium of Specialized University Policies, Guidelines, and Regulations Related to Conflict of Interest
- G-42, Gifts Presented to Non-Employees on Behalf of the University
- BUS-34, Securing the Services of Independent Consultants
- BUS-43, Materiel Management (Exhibit B, Prin. of Purchasing and Code of Ethics)
- BUS-77, Independent Contractor Guidelines
University of California Conflict of Interest Code
University of California Policy and Guidelines Regarding Acceptance of Gifts and Gratuities by Employees Under California’s Political Reform Act
University of California Policy on University Membership in Organizations
UCI Administrative Policies & Procedures
- Section 700-07 Policy on Memberships
- Section 700-09 Policies on Gifts, Gratuities, and Conflict of Interest
- Section 707-10 Purchasing Procedures
- Section 707-12 Guidelines for Securing Services of Independent Contractors
- Section 710-10 Internal Audit
- Section 712-10 Guidelines for Securing the Services of Independent Consultants
Contractual and Grant Obligations

The University takes seriously its contractual obligations to donors, governments, suppliers, and others. UCI adheres to its contractual obligations. In any instance where particular contractual or grant requirements are difficult to interpret or apply, clarification should be sought from the Sponsored Projects Office, Office of Research Administration.

Related Policies, Guidelines, and Resources
University of California Business and Finance Bulletins
   BUS-43, Materiel Management
   G-39, Conflict of Interest Policy and Compendium of Specialized University Policies, Guidelines, and Regulations Related to Conflict of Interest
IA Series - Internal Audit
University of California Contract and Grant Manual
University of California Policies Pertaining to Research
University of California Development Policy and Administration Manual
University of California Policy and Administrative Guidelines on Support Groups, Campus Foundations, and Alumni Associations
University of California Whistleblower Policy
UCI Sponsored Projects Administration Policies & Procedures
UCI Administrative Policies & Procedures
   Section 701-10 Federal Funds Administrative Procedures
Financial Reporting

The University’s five medical centers, ten campuses, three national laboratories, and numerous other facilities comprise a single corporation. Accordingly, financial information must be recorded and reported on a consistent basis. In addition, all segments of the University must follow uniform procedures when handling transactions involving funds provided by the State of California or the federal government.

University accounts, financial reports, tax returns, expense reimbursements, time sheets, documents submitted to government agencies, and other documents must be accurate, clear, and complete. Entries in University books and records, including departmental accounts and individual expense reports, must accurately reflect each transaction. Care should be taken to ensure proper recording and charging of all costs to the appropriate account and fund.

Most UCI sponsored agreements are of the cost reimbursement type. Accordingly, reimbursement from the government must be requested only for costs that are reasonable, allowable, and allocable under the terms of the pertinent agreement. Unallowable costs cannot be charged to government sponsored agreements.

Related Policies, Guidelines, and Resources
University of California Accounting Manual
University of California Business and Finance Bulletins
A-47, University Direct Costing Procedures - References Introduction
UCI Federal Demonstration Project Manual
UCI Administrative Policies & Procedures
Section 701 Accounting Office
Section 701-10 Federal Funds Administrative Procedures
Section 701-17 Cost Transfers (Non-Payroll) - Procedures
Section 701-18 Cost Transfers (Payroll) - Procedures
Section 701-19 Personnel Activity Reporting (PAR) - Procedure
Section 704-10 Campus Cashiering Policy
Information Access and Disclosure

The University is entrusted with many kinds of confidential, proprietary, and private information. It is imperative that those who have access to it do not make unauthorized disclosures, as prescribed by State of California law, either during or after employment.

Related Policies, Guidelines, and Resources

University of California Business and Finance Bulletins
- RMP-1, University Records Management Program
- RMP-2, Records Disposition Program and Procedures
- RMP-7, Privacy of and Access to Information Responsibilities
- RMP-8, Legal Requirements on Privacy of and Access to Information
- RMP-9, Guidelines for Access to University Personnel Records by Governmental Agencies
- RMP-10, Instructions for Responding to Subpoena
- RMP-11, Student Applicant Records
- RMP-12, Guidelines for Assuring Privacy of Personal Information in Mailing Lists and Telephone Directories

University of California Electronic Communications Policy
- University of California Policy and Guidelines on the Reproduction of Copyrighted Materials for Teaching and Research
- University of California Policy on Copyright Ownership
- University of California Policies Applying to Campus Activities, Organizations, and Students

UCI Administrative Policies & Procedures
- Section 700-11 Guidelines on Subpoena, Subpoena Ducas Tecum, and Deposition Subpoena
- Section 714-18 Computer and Network Use Policy
- Section 720-10 Information from Public Records (California Public Records Act) - Guidelines
- Section 720-11 Privacy of and Access to Information (Excluding Student Records) - Guidelines
- Section 720-12 Student and Student Applicant Records - Guidelines
- Section 721-10 Records Management Guidelines
- Section 800-15 UCI Guidelines for the UC Electronic Communications Policy
Computing and Electronic Information

UCI provides computing resources and worldwide network access to members of the UCI community for legitimate academic and administrative pursuits. Use of University assets for commercial purposes or personal financial gain is prohibited. Activities with the potential for conflict of interest should be avoided. All members of the UCI community (faculty, staff, students, and authorized guests) accessing electronic resources assume the responsibilities for appropriate use.

Each administrative official (see page 3) must implement a system of controls to insure the integrity of data. This system must provide reasonable assurance that transactions are in accordance with the appropriate authorization and are recorded in an accurate and timely manner.

Related Policies, Guidelines, and Resources
University of California Business and Finance Bulletins
  IS-3, Electronic Information Security
  IS 6, Campus Communications Guidelines
  BUS-65, Guidelines for University Mail Services
University of California Electronic Communications Policy
University of California Policies Applying to Campus Activities, Organizations, and Students
University of California Policy and Guidelines on the Reproduction of Copyrighted Materials for Teaching and Research
University of California Policy on Copyright Ownership
UCI Administrative Policies & Procedures
  Section 714-12 Office of Academic Computing Policy on Ownership and Rights of Access to Software and Data
  Section 714-15 Policy on Access to University Administrative Information System
  Section 714-18 Computer and Network Use Policy
  Section 801 Distribution Services
  Section 800-15 UCI Guidelines for the UC Electronic Communications Policy
  Section 800-16 World Wide Web Policy
Reporting of Suspected Violations

Employees should report suspected violations of applicable laws, regulations, contract and grant requirements, or University policies. This reporting should be made initially through normal management channels, beginning with the immediate supervisor.

Alternatively, employees may report suspected violations to a higher level of management or to the Director of Internal Audit Services, the Executive Vice Chancellor, Ombudsman, Human Resources, Controller, or Counsel.

Violations in specific areas should be reported as follows:

- Report human or animal subject violations to Research Conduct Administration.
- Report violations related to grant or contract awards or proposals to Sponsored Projects Administration.
- Report violations related to research, including scientific misconduct, to the Vice Chancellor for Research.
- Report allegations of discrimination or harassment to the Office of Equal Opportunity and Diversity.

Employees are expected to cooperate fully with investigations of possible misconduct.

Related Policies, Guidelines, and Resources

University of California Business and Finance Bulletins
   IA Series - Internal Audit
University of California Whistleblower Policy
UCI Administrative Policies & Procedures
   Section 700-06 Policy and Guidelines on Reporting Improper Activities
   Section 700-15 Policy and Guidelines on Protection Against Retaliation for Reporting Improper Activities Under “Whistleblower” Policy
   Section 710-10 Internal Audit
Office of Equal Opportunity and Diversity
Informal Conflict Resolution

UCI is committed to providing individuals a safe, neutral process for the resolution of conflict — a process that is fair, efficient, and free from reprisal. Recognizing that individuals share in the responsibility for resolving conflicts, UCI encourages and facilitates informal conflict resolution.

- The University encourages individuals involved in a conflict to attempt resolution on an informal basis.
- Issues should first be brought to the attention of the appropriate individual(s).
- Administrative officials are encouraged to facilitate conflict resolution so that employees feel comfortable seeking resolution within the department.
- All parties involved in the resolution process should encourage open communication and cooperative problem solving.
- All parties involved in the resolution process should focus on the real issues and concentrate on a mutually equitable resolution.
- Employees may seek assistance from Human Resources, Ombudsman, Equal Opportunity and Diversity, or other support offices for clarification of disputed issues, information regarding available options and pertinent policies, articulation of interests and possible remedies, or referral resources.

Related Policies, Guidelines, and Resources
Personnel Policies for UC Staff Members
University of California Policies on Faculty Conduct and the Administration of Discipline
Resources

Academic Personnel
www.ap.uci.edu

Administrative Policies & Procedures
www.policies.uci.edu

Analytical Studies and Information Management
www.oas.uci.edu

Conflict of Interest
www.rgs.uci.edu/rig/coiindex.htm

Environmental Health & Safety
www.ehs.uci.edu

Human Resources
www.hr.uci.edu

Internal Audit Services
www.audit.uci.edu

Controller’s Office
www.internalcontrols.uci.edu

Materiel & Risk Management
www.mrm.uci.edu

Equal Opportunity and Diversity
www.eod.uci.edu

Ombudsman
www.ombuds.uci.edu

Research Administration
www.rgs.uci.edu

Technology Alliances
www.rgs.uci.edu/rig/ota/otaindex.htm