

University of North Carolina Employee Code of Ethics
DRAFT 042606

1. Purpose:

The University of North Carolina is entrusted by the State with great resources and commensurately great responsibilities for the creation, preservation, and dissemination of knowledge. It is the responsibility of the employees of the University to assure the use of ethical standards in the custody and use of resources entrusted to the University. It is of critical importance that decisions made on behalf of the University by its employees be in the best interest of the University and not be influenced by any potential financial gain to the decision-makers. Furthermore, to assure public confidence in the integrity of the University, it is important that the University not appear to be influenced by the personal financial interests of those in decision-making positions. The purpose of this policy is assure public confidence in the integrity of the University by preventing employees of the University from using their positions, or appearing to use their positions, to influence the decisions of the University for their personal financial gain.

2. Personal Conduct:

An employee's conduct should be characterized by integrity and dignity, and each employee should expect and encourage that conduct from others. Each employee's conduct should:

- a. Afford respect to other members of the University community and to members of the public;
- b. Preserve honesty in actions and words;
- c. Give fair and just treatment to all;
- d. Accept intellectual and moral responsibility;
- e. Aspire to achieve quality;
- f. Avoid conflict, or the appearance of conflict, between personal and institutional interests;
- g. Express the employee's views forthrightly and be tolerant of the views of others.

3. Conflicts of interest:

- a. An employee will not in any way
 1. participate in making or administering a contract on behalf of the University;
 2. attempt to cause or influence the University to make a contract; or
 3. attempt to influence the contract specifications or contracting process;

if the employee will derive a direct benefit from the contract, except as permitted by G.S 14-234(b).

- b. No employee may solicit or receive any gift, reward, or promise of reward in exchange for recommending, influencing, or attempting to influence the award of a contract by the University.

- c. If a University employee is also an employee or agent of a business entity, the University employee shall not attempt to influence the University to enter into a contract with the business entity that secondarily employs or retains the person.
- d. An employee shall not attempt to influence the administration of or payments under a contract if the employee will derive a direct benefit under the contract or if the contract is between the University and the University employee's secondary employer.
- e. No employee shall disclose or use confidential information or information concerning economic development or technology research or development which the employee received in his capacity as an employee of the University for the employee's financial gain.
- f. No employee shall accept a gift or favor from a business entity, or the principal in a business entity, which has entered into a contract with the University within the past year, who currently has a contract with the University, or who intends to attempt to enter into a contract with the University if the employee:
 - 1. has or will prepare plans, specifications, criteria or estimates for the contract;
 - 2. awards, approves, negotiates, or administers the contract; or
 - 3. inspects or supervises the contract.

This subparagraph e. does not prohibit the receipt of advertising items of nominal value, awards such as plaques or trophies, food served at professional meetings or banquets, or gifts from family members or personal friends when it is clear that the friendship extends beyond the business relationship or other meals or items specifically allowed under NCGS §133-32(d).

- g. This paragraph 3 does not prohibit activities disclosed and managed under Board of Governors Policies 300.2.2 and 500.6 if those activities do not violate G.S. §14-234 or S133-32 and are otherwise in compliance with State law..

4. Definitions:

As used in this policy:

- A. "Employee" means every part time or fulltime, temporary or permanent employee of the University of North Carolina or of any of its constituent institutions.

B. An employee will derive a direct benefit from a contract if:

1. the employee, together with his or her spouse, has more than a ten percent (10%) ownership interest in an entity that is a party to the contract;
2. the employee or the employee's spouse derives any income or commission directly from the contract; or
3. the employee or the employee's spouse acquires property under the contract.

5. Notice:

The President and each chancellor shall give each employee of the University a copy of this policy when the person is employed and shall provide a copy to all employees on an annual basis.