

Statement of Business Conduct Standards

*A University guide of key principles for ethical
business and administrative conduct for faculty
and staff.*

2014



VirginiaTech

Key Administrative Contacts

Controller's Office - www.co.vt.edu

540-231-6418

Environmental Health & Safety - www.ehss.vt.edu

540-231-3600

***Information Technology Security Office -
www.security.vt.edu***

540-231-7694

Human Resources - www.hr.vt.edu

540-231-9331

***Office for Equity and Access -
<http://www.hr.vt.edu/oea/index.html>***

540-231-9331

Purchasing - www.purch.vt.edu

540-231-6221

Sponsored Programs - www.osp.vt.edu

540-231-5281

Key Ethical Subjects of Business Conduct Standards

University Citizenship

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- We treat all persons with courtesy, respect, and dignity in the course of university business.
 - We affirm the inherent dignity and value of every person and strive to maintain a climate for work and learning based on mutual respect and understanding, we affirm the right of each person to express thoughts and opinions freely, we encourage open expression within a climate of civility, sensitivity, and mutual respect, and we affirm the value of human diversity because it enriches our lives and the University, acknowledging and respecting our differences while affirming our common humanity.
 - We reject all forms of prejudice and discrimination, including those based on age, color, disability, gender, national origin, political affiliation, race, religion, sexual orientation, and veteran status. We take individual and collective responsibility for helping to eliminate bias and discrimination and for increasing our own understanding of these issues through education, training, and interaction with others.
 - We are committed to ensuring the safety of employees, students, volunteers, visitors, and the community by providing a safe work place and by protecting the environment.

Professional and Personal Integrity

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- We are fair, ethical, and honest in all business dealings.
 - We make business decisions in the best interest of the university and avoid any potential conflicts of interest.
 - We maintain the confidentiality of sensitive records and information, including social security numbers and other personal data.
 - We do not accept gifts or favors of monetary value, or engage in private business or professional activities that may appear to affect professional judgment or create conflicts of interest.
 - We do not tolerate fraud, theft, waste, or abuse and we immediately report suspected irregularities to our supervisor, the Virginia Tech Police Department, or Internal Audit.

Stewardship of Resources

Pages 9 – 11

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- We make wise, careful, and respectful use of all university and Virginia Tech Foundation resources.
 - We utilize resources to achieve the university's mission and strategic objectives. We provide good value for services and understand that all university expenditures are subject to scrutiny by state authorities, sponsors, auditors, and other interested parties.
 - We do not use university or foundation resources for personal gain.
 - We ensure that expenses are necessary, reasonable, fiscally responsible, and allowable per any applicable laws, regulations, or policies.
 - We account for financial and personnel actions correctly and we identify and correct errors in records quickly.

VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY
An equal opportunity, affirmative action institution

UNIVERSITY CITIZENSHIP

Principles of:

- Each employee makes an important contribution to the overall success of Virginia Tech by performing job responsibilities in accordance with University policies and procedures. The university has business standards that provide a strong foundation of business practices to support the core missions of learning, discovery, and engagement. These standards are described in this *Statement of Business Conduct Standards*. All employees are expected to ensure that business activities are conducted properly and in compliance with various federal and state laws.
- The university strives to provide a workplace where all employees, students, visitors, and volunteers are treated with dignity and respect. Thus, we will not tolerate harassment or discrimination of any kind against another person. This includes, but is not limited to, any discriminatory action on the basis of age, color, disability, gender, national origin, political affiliation, race, religion, sexual orientation, or veteran status.
- University administrators, faculty members, and others performing instructional or academic advising duties have an added responsibility to create and maintain a work and learning environment free of discrimination/harassment. If employees believe that they are subject to harassment or discriminatory treatment, they should report it to an administrator, faculty member, or the Office for Equity and Access.
- Administrators and faculty members should act whenever they learn of discrimination/harassment. In such cases, the administrator or faculty member should contact the Department of Human Resources in order to coordinate further action. This obligation exists even if the complainant requests that no action be taken. Furthermore, it is not the responsibility of the complainant to correct the situation.
- Administrators and faculty members have the legal responsibility to protect a complainant from continued discrimination, harassment or retaliation. They must also protect persons accused of discrimination/ harassment from potential damage by false allegations.
- The university is committed to ensuring the safety and security of employees, students, visitors, and volunteers. Employees are responsible for compliance with environmental, health and safety laws and regulations and should make every effort to maintain a safe and healthy working environment.
- In the event of an ongoing or immediate threat, either on campus or off, the Chief of the Virginia Tech Police may issue a warning utilizing the “VT Alerts” automated notification system depending on the nature of the crime. The university encourages its employees to report all crimes to the Virginia Tech Police Department. Voluntary confidential and/or anonymous reporting is available at www.stopabuse.vt.edu or by using the TIPS crime line at 231-TIPS.
- Employees are prohibited from engaging in conduct that includes, but is not limited to, injuring another person, engaging in behavior that creates a reasonable fear of injury, threatening to injure an individual or to damage property, or intentionally damaging property.

UNIVERSITY CITIZENSHIP (cont'd)

- It is imperative that university employees comply with all posted warnings and regulations and immediately report any accident or injury sustained on the job. Any environmental or safety concern identified should immediately be reported to management or the responsible department or authority.
- Virginia Tech is committed to providing reasonable accommodations to members of the university community to enable them to participate as fully as possible in all aspects of the university's work, learning, programs, and other activities. An individual may request assistance by contacting University ADA Services (UADAS) or Services for Students with Disabilities (SSD) as appropriate.
- The use of drugs and alcohol at work is incompatible with the goals of an academic community. This applies both to the university as an educational institution and the university as a workplace. The university, as a recipient of federal grants and contracts, is required to comply with the terms of the Drug-Free Workplace Act of 1988.
- The possession and use of alcoholic beverages is prohibited on all university properties except in certain facilities that are fully registered with the Virginia Alcoholic Beverage Control Board (ABC). Alcoholic beverages may be served in other facilities as specified in the University's Alcohol Policy, with appropriate campus approval and a banquet license issued by the ABC Board. The "University Policies for Student Life" govern the consumption of alcoholic beverages in private residence hall rooms and other special purpose housing units.

Key Policies: On the Web at www.policies.vt.edu

- Professional Responsibilities and Conduct, Faculty Handbook 2.7
- Anti-Discrimination and Harassment Prevention Policy, Policy 1025
- <http://www.vt.edu/diversity/principles-of-community.html>
- Non-Discrimination Statement, President's Policy Memorandum #112
- Guidelines for the Use of Volunteers, Policy 4330
- University Safety and Security, Policy 5615
- Campus and Workplace Violence Prevention Policy, Policy 5616
- Security Requirements for Events Sponsored by Student Organizations, Policy 8220
- Health and Safety Policy, Policy 1005
- Workers Compensation Program, Policy 4415
- Policy for University Accommodations of Persons with Disabilities, Policy 4075
- Policy on a Drug-Free University, Policy 1020
- Alcohol Policy, Policy 1015
- Policy on Smoking, Policy 1010

PROFESSIONAL and PERSONAL INTEGRITY

Principles of:

- University executives, management, and supervisory personnel must set an ethical example by complying with the policies outlined in the *Statement of Business Conduct Standards*. Supervisors must avoid words and/or deeds that place, or appear to place, undue pressure on employees that could cause them to depart from legal, ethical, or policy-compliant behavior.
- University employees must not tolerate theft, waste, or abuse of state, university, or university-related funds, property, or other resources through fraudulent means. Employees should report suspected irregularities or possible fraudulent transactions to the Internal Audit Department or the Virginia Tech Police Department. Employees may also contact the Virginia State Employee's Fraud, Waste, and Abuse Hotline at (800) 723-1615. Employees must not be subjected to harassment or retaliation for reporting these concerns.
- Employees must be fair, ethical and honest in all internal and external business dealings. The university shall not conduct any business activities that unfairly compete with the private sector. University departments may not carry out business activities that compete unfairly with the private sector. By following state regulations and university purchasing policies, employees will ensure fair competition for our vendors, suppliers, and partners.
- State laws and university policies prohibit employees from giving or accepting gifts or favors from bidders, vendors, contractors, or customers, which either create, or gives the impression of favorable business treatment.
- State employees are in a position of public trust and therefore cannot accept gifts, gratuities, or favors for any services they perform in connection with their positions.
- Employees who find themselves in a situation where they or their family members may have the opportunity to conduct business with the university should immediately discuss it with their supervisor. The department head must review the situation and work with the employee to ensure that no conflict will exist. In some cases, it may be possible to establish additional oversight procedures to manage the potential conflict in accordance with the appropriate university policies and procedures.
- University records are the property of the university. In the course of performing their jobs, employees may have access to a wide variety of information, files and records. Employees having approved access to university information and records must use this information only for job-related purposes, not for personal use by others or themselves.
- Many transactions are performed using the university's administrative information systems. Electronic entries and approvals must be performed by the employees who have been appropriately authorized to carry out these activities. Employees must not share their passwords with anyone inside or outside the university.

PROFESSIONAL and PERSONAL INTEGRITY (cont'd)

- Employees with access to Social Security numbers (SSNs) are required to maintain SSNs securely and are only allowed to access or collect SSNs when legally necessary to complete certain transactions.
- If employees receive a request for information from an outside attorney, investigator or law enforcement official, or a request for information citing the freedom of information statutes, they should refer the request to the Office of University Relations.
- Upon accepting employment with Virginia Tech, employees owe their primary employment responsibility to the university. In the event an employee has outside employment, they must notify their supervisor and take steps to ensure that holding other employment does not negatively affect their commitment to their university employment or their job performance.
- Employees are expected to report to work as scheduled, and should notify (as soon as possible) their supervisor or appropriate department personnel of any planned or unexpected absences.
- Employees must use the correct type of leave for the purpose for which it is intended, and must record leave accurately. The university's leave report is to be used to report all types of leave, by all salaried employees.
- The university encourages interest in civic affairs. The only restriction placed upon such activities is that such activities not interfere with the employee's job responsibilities. Employees must take care to ensure that their university related activities are kept separate from their political activities; it must be clear that they act as citizens in such activities, not as representatives of the university. Further, employees must not use university resources, including computer and network systems and university work time to promote political positions or political campaigns.
- All public employees are subject to state and federal law regarding conflicts of interest. In general, a conflict of interest may occur when an individual's private interests influence his or her professional obligations such that an independent observer might reasonably question whether the individual's actions or decisions are determined by considerations of personal gain, financial or otherwise. State and federal law define differently a *significant financial interest* and the conditions under which a conflict of interest may be deemed acceptable. Employees must be familiar with the requirements of state and federal law, which are specified in Policy 13010.
- Scholarly activities in a university setting create Intellectual Properties. Intellectual Property includes research papers, books, software programs, new inventions, journal articles, and so forth. While it is recognized that faculty mission and expertise is concentrated and directed in areas other than commercial utilization, originators of new technology are strongly encouraged to submit a disclosure when doubt as to its commercial potential exists. As soon as the researcher/inventor/creator obtains research results that may be considered an intellectual property with potential for commercial utilization, the employee has an obligation to bring these results to the attention of the university in the form of a disclosure.

PROFESSIONAL and PERSONAL INTEGRITY (cont'd)

- All university personnel conducting research are required to do so in a manner consistent with ethical standards by avoiding activities that could lead to fabrication, falsification, or plagiarism in research. Employees should report any observed or suspected research misconduct to the Research Integrity Officer.

Key Policies: On the Web at www.policies.vt.edu

- Reporting Suspected Fraudulent Activities, Policy 1040
- Internal Audit Charter, Policy 3350
- University-Related Business Activities, Policy 3005
- Standards of Conduct (http://www.dhrm.virginia.gov/hrpolicy/web/pol1_60.pdf)
- Purchasing Standards of Conduct and Ethics (<http://www.purch.vt.edu/Department/Ethics.html>)
- Individual Conflicts of Interest and Commitment, Policy 13010
- Additional/Outside Employment for Salaried Classified and University Staff, Policy 4070
- Appropriate Use of Electronic Personnel and Payroll Records, Policy 4082
- Policy on Social Security Numbers, Policy 1060
- Acceptable Use and Administration of Computer and Communication Systems, Policy 7000
- Safeguarding Nonpublic Customer Information, Policy 7025
- Guidelines for the Release of Human Resources Records, Policy 4080
- Responding to Virginia Freedom of Information Act Requests, Policy 12205
- Conflicts of Interest, Faculty Handbook 2.16, Policy 13010
- Human Resources Leave Manual (<http://www.hr.vt.edu/leave/manual/>)
- Department of Human Resource Management Leave Policies (http://www.dhrm.state.va.us/hrpolicy/policy/pol4_30LeavePolicies.pdf)
- Policies Governing University Staff, Policy 4010
- Political Activities, Faculty Handbook 2.20
- Political Activities, Staff Handbook
- Sales, Solicitation and Advertising on Campus, Policy 5215

The following policies are particularly useful for employees engaged in research and providing outside consulting services.

- Faculty Handbook (<http://www.provost.vt.edu/facultyhandbooks.php>)
- Policy on Intellectual Properties, Policy 13000
- Policy on Misconduct in Research, Policy 13020

STEWARDSHIP of RESOURCES

Principles of:

- Virginia Tech has been entrusted with great resources and commensurately great responsibilities for the creation, dissemination, and preservation of knowledge. University employees play a key role in assuring that high standards of business and ethical practices permeate throughout the activities surrounding the custody and use of these resources.
- The university's policies and procedures are intended to safeguard its resources. Internal control activities are mechanisms which support policies and procedures that, when carried out properly and in a timely manner, reduce the risk of an event or action adversely affecting the organization. Each group, business unit, or department head is specifically responsible for ensuring that internal control activities are established, properly documented, and maintained for their respective area. All university employees are responsible for understanding and adhering to the operating procedures and internal controls established by their organizational units.
- Employees should use good judgment and protect all university resources against fraud, waste, and abuse. Employees are encouraged to suggest ways to utilize resources more efficiently and reduce costs.
- The university has a significant investment in fixed assets (land, buildings, equipment, and infrastructure) used to carry out its instruction, research, and outreach or public service missions. The university's fixed assets must be acquired, safeguarded, controlled, disposed of, and accounted for in accordance with state and federal regulations, auditor requirements, and applicable accounting pronouncements.
- Every effort must be made to record and report all administrative and financial information accurately and honestly. Employees should ensure that transactions for labor, equipment, supplies, and services are accurately recorded and charged appropriately in the university's records.
- The university is required to maintain records supporting charges to all sponsored projects in accordance with applicable federal regulations and in accordance with the terms and conditions of the sponsored agreement. Particular emphasis should be placed on properly maintaining records and recording expenditures in support of sponsored programs, grants, and contracts.
- University communication and computing resources are used to support the educational, research, and public service missions of the institution. Activities involving these resources must be in accordance with university honor codes, employee handbooks, student handbooks, and relevant local, state, federal, and international laws and regulations.
- Personal use of university assets is prohibited, although some limited, personal use of computer or communications systems may be permitted. This must always be in accordance with university policy and departmental procedures and must not be detrimental to job performance or department operations. However, the use of university assets for personal profit or non-university employment is expressly prohibited.

STEWARDSHIP of RESOURCES (cont'd)

- The facilities of the university are intended for the use of its students, faculty, staff, and invited guests participating in university-approved programs or activities, sponsored by or under the direction of its related agencies or approved organizations. Use of university facilities by the public is restricted to those activities in which the public interest is readily and safely accommodated and that do not conflict with university program needs and schedules.
- Employees must comply with license agreements for software purchased by the university. Employees must also refrain from the unauthorized downloading, copying, or distributing of other licensed or copyrighted materials, including videos, books, music, games, etc.
- State law prohibits employees from accessing, downloading, printing, or storing information with sexually explicit content (*Code of Virginia* §2.1-804-805; §2.2-2827 as of 10/1/2001).
- Under the Fair Labor Standards Act, many university employees are eligible for overtime compensation if they work more than 40 hours in a work week. All wage and those salaried employees in pay bands one through three are in this category, as well as some employees in higher pay bands. These employees must have their supervisor's approval to work overtime and must keep accurate records of all time worked using the university's required procedures and forms. Although it is commendable when employees volunteer to perform additional work before or after their regular schedule, or during their lunch break, supervisors **must not** permit this to occur without ensuring that the employee is being appropriately compensated.
- When employees end their job with a department or the university, they must promptly return all university property including, but not limited to, keys, Identification cards, and records to the appropriate office.

The following are particularly useful for employees who have fiscal or supervisory responsibilities.

- Employees must use sound business practices when receiving cash, making deposits, ordering goods and services, initiating disbursements, and so forth. Fiscal personnel are responsible for ensuring that credit and disbursement transactions are necessary, reasonable, fiscally responsible, allowable per any applicable laws, regulations, or policies, and directly related to or in support of the goals and mission of the university.
- All expenditures of the university are subject to scrutiny by state authorities, sponsors, auditors and other interested parties. Persons authorizing expenditures should ensure that the expenditures of university funds are necessary, reasonable and directly related to the goals and missions of the university.
- Only those employees described in the university's Contract Signature Policy are authorized to sign University contracts. All contracts, including memorandums of understanding and agreement, collaboration agreements, and affiliation agreements must be reviewed by Legal Counsel before they can be signed. University policies and procedures also specify which employees are authorized to approve various financial, personnel, purchasing, and other business transactions.

Key Policies: On the Web at www.policies.vt.edu

- Maintenance of Internal Controls, Policy 3010
- Management of University Records, Policy 2000
- Reporting Suspected Fraudulent Activities, Policy 1040
- Fixed Asset Accounting, Policy 3950
- Transfer of Equipment from the University to Other Domestic Institutions, Policy 3951
- Management of Surplus Material, Policy 3955
- Acceptable Use and Administration of Computer and Communication Systems, Policy 7000
- University Facilities Usage and Event Approval, Policy 5000
- Policy for Securing Technology Resources and Services, Policy 7010
- Privacy Policy for Employees' Electronic Communications, Policy 7035
- Administrative Data Management and Access Policy, Policy 7100
- Commonwealth of Virginia Policy 1.75, Use of Electronic Communications and Social Media
- Guidelines for the Fair Labor Standards Act, Policy 4320
- State Vehicle Management, Policy 5500
- Access Control: Key Control Policy, Policy 5620

The following policies are particularly useful for employees who have fiscal and supervisory responsibilities.

- Fiscal Responsibility, Policy 3100
- Funds Handling and Deposit of State and Local Funds, Policy 3600
- Accounts Receivable, Policy 3605
- Disbursements, Policy 3200
- Prompt Payment Policy, Policy 3260
- Direct Payment Procedures, Policy 3220
- University Contract Signature Policy and Procedures, Policy 3015
- Definition and Deposit of Private Funds, Policy 3630