

**Eastern Kentucky University**  
Policy and Regulation Library**1.2.1P**

Volume 1, Governance

Chapter 2, Code of Ethics

Section 1, Code of Ethics

Approval Authority: Board of Regents

Responsible Executive: President

Responsible Office(s): Office of Internal Audit

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## Code of Ethics

### Statement

The responsibility for utilizing public funds and private donations for the purpose of educating and training the future leaders of the state and nation carries with it the duty to adhere to high ethical standards and principles. To provide further emphasis and support of its continuing commitments, the Eastern Kentucky University Board of Regents promulgates the following ethical principles and standards, which shall apply in all its operations and to all persons employed by the University, regardless of rank or position. These principles serve as the permanent foundation upon which the University operates, and more specific policies implementing these principles have been and may be enacted from time to time to help ensure understanding and compliance of these commitments.

### Entities Affected

University Board of Regents  
University Officials  
University Employees

### Background

N/A

## Procedures

### **PRINCIPLES OF ETHICAL CONDUCT**

- University employees shall not hold financial interests that are in conflict with the conscientious performance of their official duties and responsibilities.
- University employees shall not use their public offices and/or positions for private gain.
- University employees shall put forth honest effort in the performance of their duties and give first consideration to the objectives and policies of the University.
- University employees shall make no unauthorized commitments or promises of any kind purporting to bind University. University employees are prohibited from negotiating or entering into contracts or other agreements which claim, imply or appear to involve the University, unless such actions are part of their official university duties and within the scope of their employment. The University President will specifically designate in writing those employees with signatory authority to contractually commit the University.
- University employees shall act impartially and not give preferential treatment to any private or public organization or individual. All University expenditures shall be made without prejudice, seeking to obtain the maximum ultimate value for each dollar of expenditure.
- University employees shall protect and conserve public property and shall not use it for purposes other than authorized activities. No property belonging to or under contract to the Commonwealth may be used for unauthorized activities.
- University employees shall promptly disclose waste, fraud, abuse, and corruption in accordance with the University's Fiscal Misconduct Policy, approved by the Board of Regents, at its meeting on November 8, 2002.
- University employees must follow all applicable provisions set forth in the statutes of the Commonwealth of Kentucky, and applicable federal or local laws, rules and regulations.

### **CONFLICTS OF INTEREST**

#### **Kentucky Statutory Requirements**

- No officer or employee of the University shall make transactions of any business with himself/herself, or with any corporation, company association, or firm in which he/she or his/her spouse has any interest greater than five percent (5%) of the total value.
- No University officer or employee shall knowingly for himself/herself or by his/her partners or through any corporation which he/she controls or in which he/she owns or controls more than ten percent (10%) of the stock, or by any other person for his/her use or benefit or on his/her account, undertake, execute, hold, or enjoy, in whole or in part, any contract, agreement, sale or purchase of the value of twenty-five dollars (\$25) or more, made, entered into, awarded or granted, unless said contract, agreement, sale or purchase was made or let after public notice and competitive bidding.

- No University officer or employee, including persons who serve without salary or other payment for their services, shall knowingly receive or agree to receive, directly or indirectly, compensation for any services rendered or to be rendered, either by himself/herself or another, in any cause, proceeding, application or other matter which the University functions.
- No member of the University Board of Regents shall have an interest in any contract with the University unless such contract shall have been subjected to competitive bidding, unless such Regent shall have been the lowest bidder and unless such Regent shall have first notified in writing the remaining members of the board, and the newspaper having the largest circulation in the county of the University, of his/her intention to bid on such contract.
- No University employee shall be interested in any contract or purchase for the building or repairing of any structure or furnishing of any supplies to the University.

#### **Outside Employment and Service of Employees**

University employees shall not engage in outside employment or activities, including seeking or negotiating for employment, that conflict with University duties and responsibilities.

#### **Disclosure of Interest in Possible Contract or Property to be Acquired**

If any University employee shall be interested, either directly or indirectly, or shall be an officer or employee of or have an ownership interest in any firm or corporation interested directly or indirectly in any contract with the University or have any legal or equitable interest in property that may be acquired by the University, such interest shall be disclosed and shall be set forth in an affidavit filed with the Office of University Counsel, and the University employee shall not participate on behalf of the University in the authorization or awarding of any such contract. Such disclosure shall be made as soon as possible upon the employee's learning of the potential contract and in no event, less than thirty (30) days prior to the authorization or award of any such contract.

### **ACCEPTANCE OF GIFTS AND BENEFITS**

**Definition.** A "benefit" is anything reasonably regarded as pecuniary gain or pecuniary advantage, including benefit to any other person in whose welfare an employee has a direct and substantial interest or otherwise any money, article or other thing of value.

**Undue Influence.** No University employee may solicit, offer, confer, agree to confer, accept, or agree to accept any benefit in exchange for his or her decision, opinion, recommendation, vote, or other exercise of official power or discretion. A benefit that is otherwise allowed by University is nevertheless prohibited if it is offered in exchange for official action, as described above.

**Prohibited Benefits.** University employees who exercise discretion in connection with contracts, purchases, payments, claims, and other pecuniary transactions of government may not solicit, accept, or agree to accept any benefit from any person the employee knows is interested in, or is likely to become interested in any

contract, purchase, payment, claim, or transaction involving the employee's discretion. This prohibition does not apply to gifts or other benefits conferred on account of kinship or a personal, professional, or business relationship wholly independent of the employee's status as a University employee.

**Awards.** University employees may accept plaques and similar recognition awards, including achievement and recognition awards.

## UNIVERSITY PROPERTY AND SERVICES

**Abuse of Official Capacity:** University employees shall not act with the intent to obtain a benefit, with intent to harm or defraud another, or to intentionally or knowingly misuse anything of value belonging to the University that comes into their custody or possession by virtue of their office or employment.

**Confidentiality of Official Information:** University employees, in reliance on information to which he or she has access in his or her official capacity and which has not been made public, shall not (1) acquire or aid another to acquire a pecuniary interest in any property, transaction, or enterprise that may be affected by the information; or (2) speculate or aid another to speculate on the basis of the information. University employees, with the intent to obtain a benefit or with intent to harm or defraud another, shall not disclose or use information for a nongovernmental purpose that he or she has access to by means of his or her employment and that has not been made public.

### Definitions

N/A

### Responsibilities

See "Policy Procedures" section of this policy.

### Violations

Violations of this policy will be handled through normal University procedures.

## Interpreting Authority

Pursuant to the Fiscal Misconduct Policy, the Office of Internal Audit has the primary responsibility for coordinating the initial assessment, investigation and internal reporting of known or suspected fiscal misconduct. All complaints of any possible violation by employees shall be reported to the Division of Internal Audit, and any questions regarding the application of this Code of Ethics shall be directed to the Office of University Counsel.

## Statutory or Regulatory References

N/A

## Relevant Links

N/A

## Policy Adoption Review and Approval

Approved by the Board of Regents June 28, 2004