

Standards for Business Conduct



NORTHWESTERN
UNIVERSITY

<http://policies.northwestern.edu/standards>

Message from the President

Dear Colleague:

Our commitment to excellence extends to all aspects of our educational and research enterprises. As stewards of the University's resources, faculty and staff are responsible for conducting their work in the highest ethical fashion. It is imperative that each person exercises sound judgment that will further the interests of the University community.

This document provides a framework for appropriate stewardship of University resources. The policies, procedures, and guidelines discussed here establish a foundation for acceptable standards of behavior. Following these guidelines, as well as all University policies, is an important part of honoring the tradition of excellence at Northwestern.

We acknowledge the challenges inherent in a large, complex organization and endeavor to make wise choices and to avoid even the appearance of impropriety. Working together, we will continue to uphold the standards of excellence that define our institution.

Sincerely,

A handwritten signature in purple ink, appearing to read 'Morton Schapiro', with a stylized flourish extending from the end.

Morton Schapiro

Individual responsibility and accountability

Faculty and staff should assume and exercise responsibility appropriate to their positions and roles and, in the performance of their responsibilities, exercise sound judgment that will further the interests of the University. As stewards of the University's finances, assets, and resources, all faculty and staff are responsible for conducting their work in the highest ethical fashion and are accountable for their actions and their decisions.

Compliance with University policies and procedures

Faculty and staff are expected to know and comply with the policies and procedures the University has established for managing its activities and operations.

Respect for others

All members of the University community are expected to treat others with the utmost respect, honesty, and civility. They are responsible for promoting a spirit of respect that reflects the University's commitment to an inclusive community. This expectation applies to interactions with students, coworkers, and anyone else in our community.

Conflicts of interest and commitment

Faculty and staff should not allow outside activities or outside financial interests to interfere with their fundamental obligation to act in the best interests of the University. They are expected to apply their time and effort appropriately and to use University resources toward University ends. They should avoid engaging in transactions or relationships with vendors or potential vendors that might influence or appear to influence purchasing decisions. To avoid a conflict of interest, a faculty or staff member must not participate in making a decision for the University if his or her personal interest, professional interest, or economic gain may be directly or indirectly influenced or affected by the outcome. University policies obligate faculty and staff to disclose any potential conflicts of interest and commitment.

Compliance with applicable laws and regulations

The University conducts its business in a heavily regulated environment, and compliance with laws is important as a matter of legal responsibility as well as ethics. Faculty and staff must comply with federal, state, and local laws and regulations relevant to the performance of their University responsibilities. They should recognize that noncompliance can have severe adverse financial and other consequences, potentially affecting the reputation and operations of the entire University. Everyone has a duty to become informed about and keep current with relevant legal obligations. The Office of General Counsel should be asked for advice whenever the interpretation of an applicable law is in doubt.

Compliance with contracts, grants, and other University obligations

In the course of its operations the University frequently undertakes contractual and other formal obligations with outside entities, including sponsored project agreements, commercial contracts for the purchase of goods or services, software licenses, gift agreements, and memoranda of understanding with other organizations. Faculty and staff are expected to adhere to and act in good faith with regard to all obligations assumed by the University.

Stewardship of University resources

Faculty and staff are expected to use University resources prudently and only for their intended purposes, consistent with the tax-exempt status of the University. They should avoid waste and improper use, including not using University funds, property, or facilities for their personal benefit or, without proper approval, the benefit of a non-University organization.

Recordkeeping

Faculty and staff must allocate, assign, record, and approve costs and effort accurately and promptly. The accuracy and reliability of such reporting is an important compliance obligation of the University, and supporting documentation must be retained on file as required by the relevant University policies and procedures.

Internal controls

Faculty and staff are expected to maintain and support the internal control measures on which sound business practices are based. Internal controls are critical to ensuring efficient operations, responsible financial management, accurate financial reporting, protection of assets, and compliance with applicable laws and regulations. These controls include adequate segregation of duties; diligent application of preventive and detective control systems; and conscientious compliance with authorization, reporting, and other established management processes.

Appropriate treatment of confidential information

Certain information concerning the University—such as budget, financial, and research information, as well as personal information related to faculty, staff, students, or donors—is confidential and should only be disseminated within the University and then only to authorized personnel on a need-to-know basis. Faculty and staff must not divulge any information regarding the University to an outside party except for a legitimate business, research, or academic purpose or in accordance with relevant law.

Electronic resources and privacy

The University values privacy and recognizes its critical importance in an academic setting. However, given that its information systems are provided to conduct University business, the University maintains the right to access these systems. It does not routinely monitor the content of communications or transmissions using the University infrastructure, but legitimate reasons exist for persons other than the account holders to access these systems. Examples include but are not limited to ensuring the ongoing operations of the University systems or business operations; addressing violations or suspected violations of University policies, regulations, or rules; and responding to valid legal requests or demands for access to University systems and records.

Obligation to report

Faculty and staff at all levels are expected to support compliance with applicable University policies and procedures as well as applicable laws, rules, and regulations and to set a tone of intolerance for noncompliant, fraudulent, or illegal activities. Any faculty or staff member who has reason to believe noncompliance has occurred is obligated to report the incident(s) and all relevant information to an appropriate University authority. He or she must report the activity to his or her immediate supervisor when noncompliance is suspected, observed, or otherwise made known. If there is reason to believe the supervisor may be involved in the noncompliance, the report should be made to the next-higher level of management or to other University authorities, such as the Office of Human Resources or the Office for Audit and Advisory Services.

EthicsPoint is the University's phone- and web-based hotline system for confidentially reporting suspected noncompliant activity. Call 866-294-3545 or visit www.northwestern.edu/ethics. Reports made in good faith are protected under the University policy on nonretaliation and will not jeopardize the reporting person's status.

Consequences of violations

Violations of these standards, of laws and regulations, or of University policies and procedures may carry disciplinary consequences, up to and including separation from the University.

More information

University Policies

<http://policies.northwestern.edu>

Ethics and Compliance

www.northwestern.edu/ethics

Faculty Handbook

www.northwestern.edu/provost/policies/handbook/index.html

Staff Handbook

www.northwestern.edu/hr/policies-forms/staff_handbook.pdf

Office of the Provost

www.northwestern.edu/provost

847-491-5117

Office of Human Resources

www.northwestern.edu/hr

847-491-7507

Office of Financial Operations

www.northwestern.edu/financial-operations

847-491-7350

Office for Research

www.research.northwestern.edu

847-491-2101

Office of General Counsel

www.northwestern.edu/general-counsel

847-491-5605

Office for Audit and Advisory Services

www.northwestern.edu/auditing

847-491-3304

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