STANDARD OPERATING PROCEDURE:

10.0 ETHICAL CONDUCT

This procedure is in accordance with Procurement and Payment Policy 20.1.11.

Introduction

Care must be taken to avoid the intent and appearance of unethical practice in relationships, actions and communications. All procurement activities conducted on behalf of the university must be in compliance with the standards outlined in federal, state and local laws; university policies; and the University Procurement Services procedures. University Procurement Services may require individuals involved in supplier proposal evaluations, or contract activities, to sign confidentiality agreements and/or conflict of interest disclosures.

Procedure Outline

10.1 Confidentiality
10.2 Conflicts of Interest
10.3 Prohibition of Gifts from Suppliers
10.4 Unauthorized Purchases
10.5 Debarred Supplier List

Definitions

Standard Operational Procedure (SOP): A set of instructions that functionally describes the key procedures.

Procedures

10.1 Confidentiality

In an effort to protect the interest of the university and all the parties involved in the procurement process, it is imperative for employees to understand the sensitivity of the process. University employees must handle confidential or proprietary information with due care and proper consideration. University Procurement Services employees and other Rutgers employees are prohibited from discussing pricing, terms, conditions or quotes given by suppliers except with Rutgers employees involved in the procurement process.

10.2 Conflict of interest

Any employee who believes that they have or have the appearance of a potential purchasing–related conflict of interest should remove themselves from any sourcing activity, including bid evaluations.
University employees should not make purchasing decisions or otherwise influence the university’s decisions to do business with any supplier affiliated with the university employee, a relative of the university employee, or any other individual who would be perceived as a potential conflict, including participation in the selection, award, or administration of a contract if he or she has a real or apparent conflict of interest.

10.3 Prohibition of Gifts from Suppliers

University employees should neither solicit nor accept money, loans, credits, entertainment, favors, services or gifts from current or prospective suppliers. Such gifts and gratuities, even if of seemingly low value, can give rise to a conflict of interest or the appearance of a conflict of interest.

University employees should never accept gifts and gratuities from a current or prospective supplier that has submitted or may submit a bid for a university contract for which a bid solicitation is being contemplated, developed or is actively accepting bids. If it is deemed necessary to visit a supplier site for a demonstration, the university pays all related expenses. Please see Rutgers policy 40.2.12 - Gratuities, Guests, Gifts and Use of University Resources.

In the event that University employees receive gift(s) from Suppliers, they should contact University Finance and Administration at 848-932-4300 for further assistance.

10.4 Unauthorized Purchases

Employees should refrain from purchasing goods and/or services, or commit Rutgers to the purchase of goods and/or services without processing the procurement request through an approved University Procurement Services process. Procurements that bypass University Procurement Services may expose the university and the requesting unit to unnecessary legal repercussions. Procurements, unless specifically exempted, will not be processed by University Procurement Services unless good cause is demonstrated. A university employee who makes an unauthorized purchase may have their purchasing responsibilities suspended or revoked. In addition, the employee may face disciplinary action, and may be held personally liable for any charges incurred.

Examples of unauthorized purchases, include, but are not limited to:

10.4.1 Splitting Purchases

Splitting a transaction into smaller dollar amounts, delaying, staggering purchases, and using multiple staff members to purchase the same or related items to avoid competitive bidding, are serious violations. Any transaction found to be in violation of the university’s competitive bid requirements may be reported to the Executive Vice President of University Finance and Administration for further action.
10.4.2 Personal Purchases

University funds may not be used for personal purchases for university faculty, staff or students at any time. Similarly, a unit may not place an order for an individual employee or student and then have those individuals reimburse the unit.

10.5 Supplier Debarred List

Rutgers University complies with Federal regulations that prohibit transacting or making payments to suppliers that are debarred or appear on a prohibited list maintained by the U.S. Federal Contractor Registration, or other federal agency. This applies to all procurement and disbursement transactions including but not limited to suppliers, individuals, external/independent contractors or consultants, professional services providers, entertainers, performers, one-time lecture fees and construction related goods and services.

No contract, agreement, purchase order, or payment by the University is allowed at any time to debarred suppliers or parties. Units should not initiate a request for contract, agreement, purchase order or payment to these suppliers or parties. University Procurement Services will cancel any contracts, agreements, or purchase orders inadvertently issued, and will return unprocessed any invoices submitted for payment.

If any current suppliers appear on the denied parties/debarred list, the following steps will be taken by University Procurement Services:

1) Deactivation of the supplier in RU Marketplace/Oracle.

2) Notification to University Ethics and Compliance.

3) Location of any open transactions with the supplier and notification to the unit responsible for the transaction.

4) Closure of any open transactions subject to the terms of any existing contracts.

References
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