New York University
UNIVERSITY POLICIES

Title: Employee Policy on Conflicts of Interest
Effective Date: December 18, 2014
Issuing Authority: Office of General Counsel
Responsible Officer: Vice President and Chief Global Compliance Officer, Office of Compliance and Risk Management

Purpose of this Policy

New York University, including its Schools and other units, Global Network University sites, and all University Affiliates (together, “NYU”), is committed to operating in an ethical manner and in compliance with applicable legal and regulatory requirements. Even the appearance of a conflict can be damaging to the reputation of NYU. All decisions by employees covered by this policy (described below) must be made solely in the best interests of NYU.

NYU recognizes that situations may on occasion arise where an employee’s private interests conflict with or appear to conflict with his or her obligations to NYU or the interests of NYU. This policy is intended to educate employees about situations that generate the potential for Conflicts of Interest; to clarify expectations about disclosing interests and activities that might result in Conflicts of Interest; and to identify means to manage, reduce, or eliminate such Conflicts of Interest.

Scope of this Policy

This policy applies to all employees of NYU except for (1) faculty and investigators subject to the Policy on Academic Conflict of Interest and Conflict of Commitment, and (2) members of the University Leadership Team and others to the extent subject to the Conflicts of Interest Policy for Trustees, Officers, and Senior Administrators or a University Affiliate policy approved as exempt from that policy. Certain Schools or units of NYU may have conflicts of interest policies, consistent with this policy that supplement this policy and are tailored to the activities of those Schools or units within NYU. Applicable employees also are subject to those policies.

Policy

Employees should seek to avoid Conflicts of Interest. A “Conflict of Interest” is any circumstance in which the personal, professional, financial, or other interests of an employee may potentially or actually diverge from, or may be reasonably perceived as potentially or actually diverging from, his or her obligations to NYU and the interests of NYU. It includes indirect conflicts, such as benefits provided to an Immediate Family Member of an employee.
An employee (i) must promptly disclose any Conflict of Interest and should anticipate the possibility of a Conflict of Interest whenever possible so that the possible Conflict of Interest can be reviewed prior to occurrence and (ii) where relevant, cooperate with any plan adopted by NYU to manage, reduce, or eliminate the Conflict of Interest. Where an employee is not initially aware of the Conflict of Interest but becomes aware of it at a later time, the individual should disclose the Conflict of Interest promptly upon learning of it. In addition, some employees are required to complete an annual disclosure form or forms and submit such form or forms to the Office of Compliance and Risk Management.

This policy applies to any circumstance that may constitute a Conflict of Interest, regardless of whether it is specifically described in this policy. For example, while personal interests of employees are defined to include those of the person and his or her Immediate Family Members, there also may be situations where the interests of other persons, such as a close friend or other family member, create a Conflict of Interest.

The following is not a comprehensive list of the types of Conflicts of Interest that may arise but provides examples of some common types:

(1) **Business Arrangements.** Participating, directly or indirectly, in the selection, approval, facilitation, or administration of any business arrangement involving NYU and an Immediate Family Member of an employee or an enterprise in which the employee or Immediate Family Member holds, directly or indirectly, more than a *de minimis* ownership or other financial interest or has an employment, management, or fiduciary role (such as serving as an officer or director).

(2) **Competing with NYU.** Engaging, directly or indirectly, in activities that are in competition with NYU or appropriating or diverting business opportunities of NYU. This includes (1) holding, directly or indirectly, an ownership or other financial interest (other than a *de minimis* interest) or having an employment, management, or fiduciary role (such as serving as an officer or director) in an enterprise that is a competitor of NYU, or seeking to advance the interests of such enterprise to the NYU Community; and (2) appropriating or diverting a business or financial opportunity that an employee knows or should know NYU is pursuing or is considering pursuing or reasonably might be interested in pursuing if it were aware of the opportunity.

(3) **Gifts.** (a) Accepting any gift or favor, even of nominal value, that is illegal under applicable law or prohibited under other applicable NYU policies; or (b) accepting a gift or favor of more than nominal value (including entertainment) or a loan (other than an arm’s length loan made in the ordinary course of business from a banking or other financial institution), even where not illegal under applicable law or prohibited under other applicable NYU policies, from any person or entity seeking a benefit from NYU (e.g., seeking to do business or continuing to do business with NYU, seeking to have a student admitted to NYU) if the offer or acceptance of the gift, favor, or loan could reasonably be viewed as intended to influence NYU to act favorably toward the person or entity. Where it is impracticable for the employee (or his or her Immediate Family Member) to decline a gift that would otherwise constitute a Conflict of Interest under this policy, and where it is neither illegal nor unethical for NYU itself to accept the gift, the individual may accept the gift on behalf of NYU with the permission of his or her supervisor and then transfer it to NYU. In such case, the individual should contact the Senior Vice President for University Development and Alumni Relations to discuss the transfer of the gift to NYU.
(4) Improper Use of NYU Resources. Unauthorized use of NYU resources, including the services of University employees, for personal purposes. For example, while an employee may make *de minimis* use of NYU computers and telephone devices for personal purposes provided, however, that he or she reimburses NYU if there are additional charges to NYU from such use (e.g., a charge for an international phone call), an employee may not use NYU students or staff to conduct personal business.

(5) Confidential Information. Obtaining, using, or disclosing NYU Confidential Information for direct or indirect personal interest, profit, or advantage; obtaining or using NYU Confidential Information for a purpose that may be detrimental to NYU; or disclosing NYU Confidential Information to a person or entity that is not authorized by NYU to receive it.

(6) Compliance with NYU Policies. Failure to comply with applicable NYU policies.

For examples of specific Conflicts of Interest, see Appendix A.

**Procedures for Implementation**

**Disclosing Conflicts of Interest**

Employees have a duty to disclose on an ongoing basis any current, proposed, or pending situations that may constitute a Conflict of Interest and should disclose the material facts relating to any Conflict of Interest as soon as the existence of a possible Conflict of Interest is known.

An employee must disclose a Conflict of Interest to his or her supervisor. Prior to approving an actual Conflict of Interest, the supervisor must consult with the Office of Compliance and Risk Management.

Any employee or supervisor who has questions about this policy or its application may seek guidance from the Office of General Counsel and/or the Office of Compliance and Risk Management.

**Managing Conflicts of Interest**

Once a Conflict of Interest is disclosed, the relevant NYU administrator will determine the next steps with respect to the Conflict of Interest. NYU may determine that the Conflict of Interest should be managed, reduced, or eliminated, or NYU may proceed without a management plan. Any management plan will depend upon the facts and circumstances of the specific matter.

**Enforcement**

Violations of this policy are subject to disciplinary action, up to and including termination of the employee's association with NYU, in accordance with the NYU disciplinary policies and procedures applicable to the individual and the policies and procedures of the relevant School or unit, if any. This policy will not be enforced to the extent it is inconsistent with applicable law.
Policy Definitions

A “Conflict of Interest” is any circumstance in which the personal, professional, financial, or other interests of an employee may potentially or actually diverge from, or may be reasonably perceived as potentially or actually diverging from, his or her obligations to NYU and the interests of NYU. It includes indirect conflicts, such as benefits provided to an Immediate Family Member of an employee.

“Confidential Information” includes, but is not limited to: medical, personnel, security, academic, background check, conflict of interest, identifiable biometric records and other non-public information about individuals; business records; contracts and business terms; business strategy; business and donor relationships; computer system passwords and security codes; proprietary and competitively sensitive information, including non-public information about anticipated material requirements, price actions, programs, and selection of contractors and subcontractors in advance of official announcements; unpublished grant proposals, non-public research data, manuscripts and correspondence; non-public financial, procurement, health-safety, audit, insurance and claims information; and non-public information relating to internal investigations, pre-litigation and litigation and administrative agency charges, audits and inquiries; and other information whose confidentiality is protected by law or NYU policies.

“Immediate Family Member” means the spouse or domestic partner or person in a civil union or similar relationship, dependent children, and any other family members residing in the same household as an employee.

“NYU” means the Schools and other units of NYU, NYU’s Global Network University sites, and all University Affiliates.

“School” means each NYU school, college, and institute that functions similarly to a school or college (e.g., IFA, ISAW, Courant, and CUSP), each NYU portal campus (e.g., New York and Abu Dhabi), and may also include for purposes of this policy other global sites as designated by the Provost.

“University Affiliates” consist of those entities controlled, directly or indirectly, by the University through (a) ownership of more than 50% of the ownership interests in the entity or (b) the power to appoint or elect a majority of the organization’s governing body (e.g., directors or trustees).

“University Leadership Team” means those academic and administrative leaders who are designated as members of the University Leadership Team by the President of NYU.

Related Policies

Code of Ethical Conduct
Compliance Complaint Policy
Conflicts of Interest Policy for Trustees, Officers, and Senior Administrators
Policy on Academic Conflict of Interest and Conflict of Commitment
Appendix A Examples

of Conflicts of Interest

1. An employee works part-time for a new start-up company that seeks to advertise to NYU students. The employee is asked by the start-up to send an email to an NYU distribution list to advertise the start-up's services.

2. An employee encourages her brother to apply to an open position at NYU being reviewed by a hiring committee on which she sits.

3. An employee involved in executive education programs at NYU accepts a gift of an all-inclusive weekend in the Bahamas from an executive education company.

4. An employee who is involved in the NYU admissions process takes part in NYU’s assessment of her niece, who is applying for admission to NYU.