

New York University

UNIVERSITY POLICY

Title: Anti-Bribery and Corruption Policy
Effective Date: September 15, 2017
Issuing Authority: Executive Vice President
Responsible Officer: General Counsel

Statement of Policy

NYU is committed to operating in an ethical manner and in compliance with applicable anti-bribery laws and regulations in the United States and other jurisdictions in which it operates. It is the policy of NYU to prohibit the direct or indirect giving or receiving of improper payments or other benefits for purposes of obtaining any advantage. More specifically, members of the University Community may not directly or indirectly:

1. make, promise, approve, authorize, or offer to give to anyone anything of value (including but not limited to cash payments) for the purpose of improperly inducing the recipient to take (or to refrain from taking) action that would bestow a benefit on NYU or any other party; or
2. receive or accept anything of value (including but not limited to cash payments), if such item of value is intended to induce or reward improper performance of one's responsibilities or duties or to gain an improper advantage.

Examples of proper and improper behavior are included in Addendum 1. Members of the University Community should not take any actions for the purpose of evading the requirements of this policy. For example, a person should not use a Third Party to do anything that is forbidden by this policy.

Applicable anti-bribery laws include the Foreign Corrupt Practices Act ("FCPA"), which is a U.S. law that prohibits bribery of foreign officials. The FCPA is interpreted broadly to include not only government personnel but also employees of state-owned entities (e.g., universities, hospitals, and media outlets) and public international organizations (e.g., the United Nations, World Bank Group, and the International Committee of the Red Cross). Various federal and state laws also prohibit bribery of U.S. public officials as well as commercial bribery in the private sector. Some jurisdictions prohibit gifts of any kind to public officials. Many countries in which NYU operates also have anti-bribery laws. The anti-bribery laws in jurisdictions such as the United Kingdom and People's Republic of China can be even more expansive than the FCPA.

Individuals found to violate this policy may be subject to disciplinary action by NYU and also may subject themselves and NYU to civil and criminal fines and prosecution and significant reputational damage.

Purpose of this Policy

The purpose of this policy is to ensure that members of the University Community conduct University business in an ethical manner and understand and adhere to the requirements of all applicable anti-bribery laws and best practices.

Scope of this Policy

This policy applies to all members of the University Community, wherever located, with respect to their activities for or on behalf of NYU or otherwise in connection with NYU activities.

Procedures for Implementation

Dealing with Public Officials (Including Gifts to/from Public Officials)

While it is the policy of NYU to prohibit the provision of improper payments or other benefits to all individuals (in both the private and public sectors), interactions with Public Officials are of heightened concern due to the increased risk for violations of applicable anti-bribery laws. Bribery of Public Officials is against the law in many countries and can result in criminal penalties for the individuals involved as well as for NYU.

U.S. Public Officials: For such reasons any direct or indirect dealings with U.S. Public Officials that involve the provision of anything of value to a U.S Public Official, including, but not limited to, the provision of any Gift/Favor, must be approved in advance by the Office of Government and Community Affairs (the “OGCA”). Please refer to NYU’s [Policy on Interaction with Government Officials](#) for additional guidance on interactions with U.S. Public Officials, political campaign activity, and lobbying.

Non-U.S. Public Officials: A Gift/Favor to or from a non-U.S. Public Official that meets all of the following criteria is generally permitted:

- a) It does not include cash or a cash-equivalent (e.g., gift certificates, vouchers, or other items that can be readily exchanged for cash);
- b) It is not intended to improperly influence or reward any person regarding any matter or transaction involving NYU or another party;
- c) It is unsolicited, given infrequently, and given openly, not secretly;
- d) It does not breach any other law or NYU policy;
- e) It is given or received in NYU’s name and not in the name of the individual member of the University Community;
- f) It is of an appropriate type and value, given at an appropriate time, taking into account the motive, local custom and laws, and the rules of the employer of the Third Party making or receiving the Gift/Favor; and

- g) It has a value of less than US\$100.

If there are questions about whether a Gift/Favor meets all of the criteria, please contact the Office of General Counsel. Any Gift/ Favor to or from a non-U.S. Public Official that does not meet the criteria outlined above must be approved in advance by the Office of General Counsel. Employment, internship (paid or unpaid), or admission opportunities may not be used as a Gift or Favor for non-U.S. Public Officials.

Providing or Receiving Gifts/Favors: Persons Other than Public Officials

Providing Gifts/Favors to, and receiving Gifts/Favors from, Third Parties on behalf of NYU can play an important role in strengthening relationships and promoting the educational and research mission of NYU. However, the provision or receipt of Gifts/Favors that are excessive or inappropriate may create the appearance of impropriety or violate anti-bribery laws.

The principal guide in providing or receiving Gifts/Favors is a rule of reasonableness. These practices vary among cultures and what may be normal or acceptable in one culture may not be normal or acceptable in another. Members of the University Community should always consider whether a Gift/Favor is reasonable and justifiable, taking into account all relevant circumstances, including the intentions of the parties and whether they or their colleagues would be comfortable seeing the Gift/Favor reported publicly.

A Gift/Favor that is not directly or indirectly provided to or received from a Public Official and that meets all of the following criteria is generally permitted:

- a) It does not include cash or a cash-equivalent (e.g., gift certificates, vouchers, or other items that can be readily exchanged for cash);
- b) It is not intended to improperly influence or reward any person regarding any matter or transaction involving NYU or another party;
- c) It is unsolicited, given infrequently, and given openly, not secretly;
- d) It does not breach any other law or NYU policy;
- e) It is given or received in NYU's name and not in the name of the individual member of the University Community; and
- f) It is of an appropriate type and value, given at an appropriate time, taking into account the motive, local custom and laws, and the rules of the employer of the Third Party making or receiving the Gift/Favor.

If there are questions about whether a Gift/Favor meets all of the criteria, please contact the Office of General Counsel. Any Gift/Favor that does not meet all of the criteria must be approved in advance by the Office of General Counsel.

The reimbursement of travel expenses of Third Parties may not be used as a Gift/Favor and is permissible only when the travel serves a legitimate University purpose, is appropriately documented, and complies with NYU's [Business Expenses Policy](#).

Facilitating Payments

Facilitating payments are not permissible under this policy other than as specified below. A facilitating payment is a payment made to a Public Official to further routine governmental action (e.g., processing visas, clearing customs, providing police protection, or providing mail services) that is of a non-discretionary nature (i.e., that the official is already bound to perform). A legally mandated administrative fee for expediting government services is not a prohibited facilitating payment (in such cases, a proper receipt should be retained). A facilitating payment may be made by a member of the University Community or on that person's behalf to secure the personal health or safety of members of the University Community from imminent threats of physical harm (mere economic coercion does not satisfy this criterion). Any such payment should be reported to the Office of General Counsel

Engaging Third Parties

NYU may be held liable for the actions of Third Parties acting for or on its behalf. Thus, Third Parties may not engage in activities in which a member of the University Community may not engage when acting for or on NYU's behalf. To minimize the risk of potential liability resulting from the acts of others, a Third Party may only be engaged after the department, school or unit engaging the Third Party on NYU's behalf performs due diligence to verify that the Third Party is reputable and committed to operating in an ethical and legally compliant manner. Where appropriate based on an assessment of risk, this policy will be communicated to Third Parties and appropriate contractual arrangements will be implemented to ensure compliance by such Third Parties.

Compliance Training

To promote this policy, members of the University Community, including, but not limited to, Senior Administrators, staff in Procurement, University Development and Alumni Relations, Office of Global Programs, and Office of Sponsored Programs, and other staff who may have interactions with Public Officials or Third Parties in the performance of their University activities (e.g., researchers and faculty), will undergo periodic compliance training. NYU will provide and make available appropriate educational and training programs and resources.

Accounting Books and Records

Compliance with the accounting and internal control procedures of NYU, including, but not limited to, NYU's Business Expenses Policy, Expense Reimbursement Policy, Petty Cash Funds Policy, Purchasing Policies and Procedures Manual, and Sponsored Programs Administration Post-Award Handbook, is mandatory to ensure all accounting records, payments by or on behalf of NYU, expenditures, expense reports, invoices, vouchers, Gifts, and any other business expenses are accurately and reliably reported and recorded. False or misleading entries or invoices are prohibited. In addition to being required and governed by applicable accounting standards, maintaining accurate

books and records and adequate internal accounting controls is required under many anti-bribery laws and is an international best practice for preventing improper behavior.

Reporting

Members of the University Community should report immediately any suspected or actual violations of this policy or anti-bribery laws. Complaints should be made in accordance with the Compliance Complaint Policy.

Consequences of Violation

Any member of the University Community who violates this policy may be subject to disciplinary action, up to and including dismissal or expulsion, as applicable. Third Parties who violate this policy are subject to termination of all relationships with NYU. Violations of this policy may also result in civil and criminal penalties for such individuals in multiple jurisdictions.

Policy Definitions

“Gift/Favor” means anything of value, including, but not limited to, money, stored-value cards, gratuities, commissions, rebates, loans, loan guarantees, payment of debts, transportation, use of property, charitable donations, medical treatments, medication, entertainment, hospitality, travel, internships (paid or unpaid), employment opportunities, admission opportunities, goods, or services.

“NYU” means New York University and all University Affiliates, and includes the schools, colleges, institutes, and other administrative units of New York University, all University Affiliates, and the Global Network University sites.

“Public Official” means (i) any officer or employee of a government or any department, agency or instrumentality thereof (which includes a government-owned or government-controlled state enterprise) or of a public international organization, such as the United Nations; (ii) any person acting in an official capacity for or on behalf of a government or government entity or of a public international organization, any political party or party official or any candidate for political office (including, for example, consultants who hold government positions or act in an official capacity on behalf of a government, employees of companies owned or controlled by governments, civil servants, administrative and judicial officers, political candidates and members of the military); and (iii) family members and close personal friends of any of the foregoing, even if they are not otherwise associated with a government or public office.

“Senior Administrators” means, with respect to New York University, the members of New York University’s leadership team, and with respect to each University Affiliate, the directors, officers, and key employees of the University Affiliate.

“Third Party(ies)” includes all joint venture partners, agents, contractors, distributors, consultants, vendors, individuals and any other third party representatives retained in connection with the operations of the University.

“University Community” means the trustees, directors, officers, employees, and volunteers of NYU; and Third Parties. Students generally are not considered to fall within this definition except when (i) they undertake work for NYU that is not a normal part of their course of study or (ii) they act in a formal or official representative capacity for NYU or in connection with an NYU-related activity.

“University Affiliates”: consist of those entities controlled, directly or indirectly, by NYU 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). A University Affiliate may adopt its own anti-bribery policy as necessary or advisable to comply with local laws and practices provided that such policy is consistent with and no less restrictive than this policy.

Related Policies

[Academic Conflict of Interest and Conflict of Commitment](#)

[Business Expenses Policy](#)

[Compliance Complaint Policy](#)

[Conflict of Interest Policy for Trustees, Officers, and Senior Administrators](#)

[Employee Policy on Conflicts of Interest](#)

[Expense Reimbursement Policy](#)

[Interaction with Government Officials Policy](#)

[Petty Cash Funds](#)

[Purchasing Policies and Procedures Manual](#)

[Sponsored Programs Administration Post-Award Handbook](#)

Addendum 1: Examples of Proper and Improper Behavior

Example A

A Member of the NYU Board of Trustees invites the Minister of Education in Foreign Country ABC to New York to discuss whether NYU will be permitted to open a study abroad campus in Foreign Country ABC. The Minister flies first class, stays in a hotel suite, and brings family members, all at NYU's expense. At lunch, the Board Member presents the Minister with an expensive bottle of champagne and tickets to a Broadway show. Such lavish entertainment and hospitality for a Public Official is prohibited under this policy and in many jurisdictions in which NYU operates.

Example B

The dean of an NYU school travels to Foreign Country ABC to meet with the leadership of a public university to discuss a proposed academic collaboration. During an introductory meeting, the NYU dean gives books published by NYU faculty members relating to the topic of the proposed academic collaboration to each of the three members of the public university's leadership present for the meeting. The value of the books presented to each member of the public university's leadership is approximately \$60. This Gift/Favor, which is an expression of goodwill and is intended to introduce the members of the public university's leadership to NYU faculty and to promote the academic collaboration, is permissible because it meets all of the criteria for a Gift/Favor to a Non-U.S. Public Official.

Example C

On a trip to Foreign Country ABC with students and professors, an NYU administrator arranging the trip makes a payment in cash directly to a customs official at the airport so that the customs official will release equipment being brought into the country for the academic program. The payment is not an official fee or required under the laws of Foreign Country ABC and is made to the customs official and not to the government of Foreign Country ABC. This is a facilitation payment, which is prohibited under this policy and in many jurisdictions in which NYU operates.

Example D

An NYU faculty member is conducting research in Foreign Country ABC when a coup occurs, and the government of Foreign Country ABC is overthrown. The situation on the ground is unstable, and the faculty member's personal safety is at risk. The faculty member purchases a plane ticket on the first flight out of the country but when s/he is going through immigration at the airport, an immigration official demands a bribe of \$500 (i.e., a payment that is not an official fee or otherwise required by the laws of Foreign Country ABC) to allow the faculty member to board the flight. The faculty member may pay the \$500 and any other amount necessary to ensure the faculty member's personal safety. As soon as practicable, the faculty member should report the incident and the payment to the Office of General Counsel.

Example E

An NYU administrator who is involved with procurement of services on behalf of NYU is approached by a new supplier and offered (at the expense of the supplier) a vacation in Paradise, including a room at the Swankiest Hotel. The supplier says the offer is to seal the deal on a forthcoming tender. This is likely to be interpreted as an attempt to improperly influence the University's actions in a tender and should be refused. Acceptance of such gifts is prohibited under this policy and in many jurisdictions in which NYU operates. This prohibition applies whether the trip is accepted by the NYU administrator or anyone to whom the NYU administrator offers the trip (e.g., NYU student, faculty or administrator or a family member or friend of the NYU administrator).

Example F

An NYU employee (faculty or administrator) attends an academic or business conference where a current NYU vendor is a main sponsor. As part of its conference sponsorship, the vendor hosts a dinner at a popular local restaurant and invites current and potential clients, including the NYU employee, to attend. At the end of the meal, representatives of the vendor hand out vendor branded t-shirts and mugs. The NYU employee's attendance at the dinner and receipt of the vendor branded merchandise is permissible because it meets all of the criteria for a Gift/Favor from a Third Party that is not a Public Official and is consistent with applicable NYU policies.

Example G

A Third Party offers to give a family member of an NYU faculty member a job in Foreign Country ABC, but makes it clear that in return they expect the NYU faculty member to use her position to influence the chances of the Third Party's niece being admitted into NYU. Never having met the niece, the NYU faculty member agrees to speak with the Dean of Admissions. Acceptance of such job is prohibited under this policy and in many jurisdictions in which NYU operates.

Example H

An NYU faculty member meets with a government official in Foreign Country ABC who is responsible for issuing a permit that the faculty member needs for a research project in Foreign Country ABC. The faculty member offers to help a child of the government official obtain an unpaid internship at NYU with the intention of influencing the government official to issue the permit needed for the research. Offering anything of value, whether cash or employment or internship (paid or unpaid) or admission to NYU, to induce the recipient to take an action that would benefit NYU is prohibited under this policy and in many of the jurisdictions in which NYU operates.

Example I

A member of the University Community meets with a potential institutional collaborator (other than a Public Official). At the conclusion of the meeting, a representative of the collaborating institution offers the member of the University Community a painting valued at \$5,000 as a personal gift. Because of the gift giving culture where the collaborating institution is located, the member of the

University Community believes that refusing the painting might jeopardize the proposed project and will greatly offend the institution's representative. Where it is impractical for a member of the NYU Community to decline a gift that would otherwise constitute a violation of this policy or another NYU policy, and where it is neither illegal nor unethical for NYU itself to accept the gift, a member of the University Community may accept a gift on behalf of NYU with the permission of his or her supervisor (to the extent possible) and then transfer the gift to NYU. In such cases, the member of the University Community should report the gift to the Office of General Counsel and contact the Senior Vice President for University Development and Alumni Relations to discuss the transfer of the gift to NYU.