Policy *151* Version 3 09/20/16

**Policy Change Cover Sheet**

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| **This form must be attached to each policy presented. All areas in red, including the header, must be completed; if not, it will be sent back to you for completion.** | | |
|  | *I****f the changes you are requesting include housekeeping, please submit those changes to*** [***ndsu.policy.manual@ndsu.edu***](mailto:ndsu.policy.manual@ndsu.edu) ***first so that a clean policy can be presented to the committees.*** | |
| **SECTION**: | Policy 151: Code of Conduct | |
| 1. **Effect of policy addition or change (explain the important changes in the policy or effect of this policy). Briefly describe the changes that are being made to the policy and the reasoning behind the requested change(s).** | | |
| * Is this a federal or state mandate?  Yes XXXX No * Describe change: The previous language was vague and ambiguous, such as what the requirements to be collegial and positive entailed. As a result, unfortunate misinterpretations of policy could adversely affect employment. The new language focuses on professional conduct with clearer guidance. * As per Matt Hammer:   Section 2. General Conduct, please add “the” to the first sentence of the second paragraph as shown below:  cid:image001.png@01D15E6D.E29AFF70  Additionally with Section 2., Subsection A.; Please add: “or as assigned by respective department or unit;”  cid:image002.png@01D15E6D.E29AFF70  Section 2., Subsection B. In the parenthetical.  (See Policy 100: Equal Opportunity and Non-discrimination Policy, Policy 325: Academic Freedom, or other relevant policies for guidance.) | | |
| 1. **This policy change was originated by (individual, office or committee/organization):** | | |
| * Office/Department/Name and the date submitted – Faculty and Staff Senates * Email address of the person who should be contacted with revisions - [dennis.cooley@ndsu.edu](mailto:dennis.cooley@ndsu.edu) | | |
| ***This portion will be completed by Mary Asheim.***  Note: Items routed as information by SCC will have date that policy was routed listed below. | | |
| 1. **This policy has been reviewed/passed by the following (include dates of official action):** | | |
| **Senate Coordinating Committee:** | |  |
| **Faculty Senate:** | |  |
| **Staff Senate:** | |  |
| **Student Government:** | |  |
| **President’s Cabinet:** | |  |

The formatting of this policy will be updated on the website once the **content** has final approval. Please do not make formatting changes on this copy. If you have suggestions on formatting, please route them to [ndsu.policy.manual@ndsu.edu](mailto:ndsu.policy.manual@ndsu.edu). All suggestions will be considered, however due to policy format guidelines, they may not be possible. Thank you for your understanding!

**North Dakota State University  
Policy Manual  
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**SECTION 151  
CODE OF CONDUCT**

#### SOURCE: State Policy Manual, Section 308.1

#### State Policy Manual, Section 611.4 NDSU President

1. Introduction and Application.  
   This Code of Conduct ~~governs the State Board of Higher Education and its members and~~ establishes minimum standards for all ~~NDUS~~ NDSU~~officers and~~ employees. ~~The Board and entire NDUS are~~ NDSU is committed to uphold the highest ethical and professional standards. All ~~Board members and NDUS officers and~~NDSU employees must, at all times, comply with all applicable laws, regulations, policies and procedures. Activities that achieve results unlawfully or in violation of applicable policies or procedures or by unethical behavior - including, but not limited to, payments for illegal acts, indirect contributions, rebates, or bribery - are not tolerated and must be reported. All conduct must meet or exceed minimum standards established by law.
2. General Conduct.  
   NDSU supports an environment that is free of discrimination or harassment. All NDSU~~Board members, officers and~~ employees are expected to conduct themselves in a businesslike manner. Unlawful consumption of alcoholic beverages or use of illegal drugs, being at work while under the influence of alcohol or drugs, disruptive behavior, gambling, unauthorized use of public property or resources and other unauthorized activities that disrupt the efficient and economical administration of ~~the NDUS~~NDSU, are prohibited. Violation of applicable laws or policies governing possession and use of alcoholic beverages or drugs, including the Drug Free Workplace Act, SBHE Policy 615 or NDSU Policy 155 Alcohol and Other Drugs – Unlawful and Unauthorized Use by Students and Employees~~applicable system office or institution policies~~, are prohibited. Likewise, sexual or other harassment (including actions contributing to a hostile work environment) in violation of federal or state law, ~~or~~ SBHE Policy 603.1, or NDSU Policy 100 Equal Opportunity and Non-Discrimination Policy is prohibited.

All NDSU personnel are subject to the rules and policies of the North Dakota State Board of Higher Education, NDSU, and their respective department or unit.  NDSU expects all University personnel to be aware of, and comply with, NDSU’s policies and procedures that apply to them, and requires those reporting to them to do the same.  Employees are expected to uphold the values of honesty, respect, integrity, and trust.

NDSU requires all employees to act professionally in their interactions with others including:

A. Following training and job specific requirements as stated in the employee’s job description or appointment letter, or as assigned by respective department or unit,

B. Respecting the value, creativity, and diversity of all persons, which includes diversity of opinions and professional approaches to doing things, (See Policy 100: Equal Opportunity and Non-discrimination Policy, Policy 325: Academic Freedom, or other relevant policies for guidance.)

C. Contributing to an environment of respectful and productive working relationships with those with whom the person interacts, and

D. Making good faith efforts to resolve differences constructively.

1. Conflicts of Interest.  
   All ~~Board members, officers and~~NDSUemployees are expected to perform their duties conscientiously, honestly, and in accordance with the best interests of ~~the~~ ~~NDUS~~NDSU. All ~~Board members, officers and~~ employees must comply with applicable federal and state laws. ~~Board members, officers and e~~Employees may not unlawfully use their position or the knowledge gained as a result of their position for private or personal advantage. All ~~Board members, officers and~~ employees are responsible for their own actions. Any individual who has concerns or questions regarding a perceived or potential conflict or regarding application or interpretation of federal or state law or SBHE policy or NDSU policy is encouraged to communicate with a superior or appropriate administrative official at NDSU..

*3.1       Conflict of Interest – Contracts.*   
*An employee of NDSU authorized to sell or lease any property or make any contract in the ~~officer's~~ employee’s official capacity is subject to the provisions of N.D.C.C. Section 12.1-13-03 and may not be interested in any such sale, lease or contract.*

*Pursuant to N.D.C.C. Section 48-02-12, employees ~~of the Board~~ may not have any interest in a public construction or repair contract.*

*An employee ~~of the Board~~ may not have an interest in any contract involving the expenditure of public or institutional funds entered into by NDSU~~that the employee serves or by the Board~~ unless:*

* 1. *N.D.C.C. Sections 12.1-13-03 and 48-02-12 do not apply; and*
  2. *The contract is approved by the NDSU President or designee~~institution's chief financial officer~~ or, if the employee in question is the chief financial officer or president of an institution or an officer of the Board, by the Board, following full disclosure of the employee's interest.*

*All employees involved in projects receiving federal funds shall consult applicable federal laws and regulations and comply with conflict of interest rules which may govern federal grants or other sponsored agreements.*

*An ~~officer or other~~ employee who violates this policy is subject to dismissal or other disciplinary action.*

*Employees of NDSU authorized (including delegated authority) by Policy 712 to enter into contracts on behalf of the University must sign the North Dakota State University Conflict of Interest Disclosure Statement. All other employees will be provided notice about this Policy but need only sign the statement if they have a conflict. Notices and collection of statements shall be administered by the Purchasing Office.*

*Employees have an obligation to act in the best interests of NDSU. Any direct or indirect personal or financial interest which could create a conflict of interest or the appearance of a conflict of interest in any agreement, transaction or relationship must be disclosed by the employee by completing and signing the North Dakota State University Conflict of Interest Disclosure Statement and submitting it to the employee's supervisor. This includes but is not limited to the disclosure of privately owned assets being used or otherwise commingled with state assets and participation in any foundation, business or public entity which may create a conflict with an employee's obligations to NDSU. See also NDSU Policy 152: External Professional Activities.*

1. Outside Activities and Employment.  
   Employees share responsibility for good public relations, especially at the community level. Their readiness to help with religious, charitable, educational, and civic activities brings credit to ~~the NDUS~~NDSUand is encouraged. However, ~~officers and~~ employees must comply with applicable federal and state laws, policies in Section 611 of the SBHE Manual and NDSU related policies. At all times, employees must avoid outside activities that create an excessive demand upon their time and attention, thus depriving ~~the NDUS~~ NDSU of their best efforts in fulfilling their job duties or that create a conflict of interest, or an obligation, interest, or distraction that interferes with the independent exercise of judgment in NDSU's best interest.
2. ~~Relationships with Clients and Suppliers; Conflicts of Interest.  
   Board members are not NDUS employees and may have other full or part-time employment and other professional, civic and personal responsibilities and activities, in addition to their part-time service as Board members. Nevertheless, Board members must be familiar with and comply with applicable laws governing conflict of interest that apply to Board members and should strive to avoid other activities that create an obligation, interest or distraction that interferes with the independent exercise of judgment in the best interest of the NDUS. They should avoid investing in or acquiring a financial interest for their own accounts in any business organization that has a contractual relationship with the NDUS or NDUS institution, or that provides goods or services to the NDUS, if such investment or interest could influence or create the impression of influencing their decisions in the performance of their duties.~~

5. Gifts, Entertainment and Favors; Kickbacks and Secret Commissions.  
Excluding *de minimus* contributions, such as purchase of a meal at reasonable value as part of a conference or other event with no conditions attached to such purchase and as permitted under applicable federal and state laws, ~~Board members, officers and~~ employees may not accept favor of any person or organization with whom or with which ~~the NDUS or NDUS institution~~ NDSU has, or is likely to have, business dealings. Similarly, ~~Board members, officers and~~ employees may not accept any other preferential treatment under circumstances that because of their position with ~~the NDUS~~NDSU, the preferential treatment may influence or be perceived as influencing their official conduct. ~~Board members, officers and e~~Employees may not receive payment or compensation of any kind from any source for ~~NDUS~~ NDSU duties and responsibilities, except as authorized under applicable law or NDUS and NDSU pay policies. Specifically, the acceptance of "kickbacks" or commissions in any form from vendors, suppliers or others is prohibited.

1. ~~NDUS~~ NDSU Funds and Other Assets  
   ~~Board members, officers and e~~Employees who have access to ~~NDUS~~ NDSU funds and other assets in any form must follow the prescribed procedures for recording, handling, and protecting money and other assets as detailed in applicable ~~NDUS~~ NDSU procedure manuals or other explanatory materials. Any person who has information concerning possible fraud or dishonesty shall immediately report such information to a superior or appropriate administrative official at NDSU. .  
     
   ~~Board members, officers and e~~Employees responsible for spending or approving expenditure of ~~NDUS~~ NDSU funds or incurring any reimbursable expenses must comply with all applicable laws and policies and use good judgment on behalf of ~~the NDUS~~ NDSU to ensure that good value is received for every expenditure. ~~NDUS~~ NDSU funds and all other assets are for ~~NDUS~~ NDSU purposes only and not for personal use or benefit. ~~NDUS~~ NDSU or other public equipment, supplies and other property or assets may not be used for private or personal use, except as authorized under SBHE Policy 611.5or other applicable law or NDSU policy.
2. 7.~~NDUS~~ NDSU Records and Communications.  
   Accurate and reliable records of many kinds are necessary to meet ~~NDUS~~ NDSU legal and financial obligations and to manage the affairs of ~~the NDUS~~NDSU. ~~NDUS~~ NDSU books and records must reflect in an accurate and timely manner all business transactions. Employees responsible for accounting and recordkeeping must fully disclose and record all assets and liabilities and exercise diligence in enforcing these requirements. Employees must not make or engage in any false record or communication of any kind, whether internal or external, including, but not limited to, false expense, attendance, enrollment, financial, or similar reports and statements, or false advertising, deceptive marketing practices, or other misleading representations.
3. 8. Dealing with Outside People and Organizations.  
   ~~Board members, officers and~~ NDSU employees must take care to separate their personal roles from their ~~NDUS~~ NDSU positions when communicating on matters not involving ~~NDUS~~ NDSU business. They may not use ~~NDUS~~ NDSU identification, stationery, supplies, and equipment for personal or political matters. When communicating publicly on matters that involve ~~NDUS~~ NDSU business, ~~Board members, officers and~~ employees may not represent that they speak for the ~~NDUS~~NDSU, unless that is one of their duties or they are otherwise authorized to do so. When dealing with anyone outside the ~~NDUS~~NDSU, including public officials, ~~Board members, officers and~~ employees must take care not to compromise the integrity or damage the reputation of ~~the NDUS or any institution~~NDSU
4. 9. Prompt Communications.  
   In all matters involving communication with ~~NDUS~~ NDSU students, customers, suppliers, government authorities, the public and others, ~~Board members, officers and~~ employees must endeavor to make complete, accurate, and timely communications and respond promptly and courteously to all proper requests for information and complaints.
5. 10. Privacy, Confidentiality and Open Records.  
   Employees must at all times comply with applicable laws, regulations and SBHE and NDSU policies concerning privacy, confidential records, access to open records and records retention.
6. 11. Reporting Suspected Violations; Procedures for Investigating Reports.  
   Employees shall report suspected violations of this Code to their superior, or appropriate administrative official at NDSU. In addition, the ~~NDUS shall~~ NDSU maintains a [fraud hotline](http://www.ndsu.edu/fraud_hotline/) and suspected violations may be reported by use of that hotline. Any ~~officer or~~ employee who makes a report in good faith shall be protected against retaliation of any kind; any ~~officer or~~ employee who retaliates or attempts retaliation in response to a good faith report shall be subject to dismissal or other discipline. Failure to report known or suspected violations is in itself a violation and may lead to dismissal or other disciplinary action.  
     
   ~~Board members who have information concerning a possible violation of this Code or are uncertain about application or interpretation of any legal requirement should report the matter to the chancellor, attorney general or the attorney general.~~  
   Alleged violations of this Code involving ~~NDUS officers or~~ NDSU employees shall be investigated by the appropriate ~~NDUS~~ NDSU officer. All ~~officers and~~ employees shall cooperate in investigations of alleged violations. A violation of this Code is cause for dismissal or other appropriate disciplinary action, in addition to any criminal or other civil sanctions that apply.
7. Institution Codes.  
   The NDUS office and each NDUS institution shall adopt and implement a Code of Conduct consistent with this Code and Committee of Sponsoring Organization of the Treadway Commission (COSO) Standards. NDUS office and institution codes shall include:

a. A Statement of the organization's values;

b. The people or groups of people affected;

c. A brief description or list of key behaviors that are accepted and not accepted;

d. How to identify and resolve conflicts of interest;

e. How to report violations and to whom;

f. Consequences of violating the Code;

g. Consequences of failure to report known or suspected violations; and

h. How reports will be investigated.  
  
~~The NDUS office and each institution shall~~ NDSU requires that each new employee reviews the Code of Conduct and sign a statement certifying the employee has read and agrees to comply with the Code. Further, all benefited employees are require to annually certify in writing that they have read and are in compliance with the Code of Conduct.  
  
*Resources and Related Policies:*[*NDSU Policy 100: Equal Opportunity and Nondiscrimination Policy*](http://www.ndsu.edu/fileadmin/policy/100.pdf)[*NDSU Policy 110: Employment of Relatives*](http://www.ndsu.edu/fileadmin/policy/110.pdf) *[NDSU Policy 100.1: Nondiscrimination of the Basis of Disabilities and Reasonable Accommodation](http://www.ndsu.edu/fileadmin/policy/100_1.pdf)*[*NDSU Policy 112: Pre-employment and Current Employee Criminal Record Disclosure*](http://www.ndsu.edu/fileadmin/policy/112.pdf) *~~[NDSU Policy 151: Conflict of Interest](http://www.ndsu.edu/fileadmin/policy/151.pdf)~~*[*NDSU Policy 151.1: External Activities and Conflicts of Interest*](http://www.ndsu.edu/fileadmin/policy/151_1.pdf)[*NDSU Policy 152: External Professional Activities*](http://www.ndsu.edu/fileadmin/policy/152.pdf)[*NDSU Policy 155: Alcohol and Other Drugs: Unlawful and Unauthorized Use by Students and Employees*](http://www.ndsu.edu/fileadmin/policy/155.pdf) *[NDSU Policy 160: Political Activities and Voting Rights of University Employees](http://www.ndsu.edu/fileadmin/policy/160.pdf)*[*NDSU Policy 161: Fitness for Duty*](http://www.ndsu.edu/fileadmin/policy/161.pdf)[*NDSU Policy 162: Sexual Harassment Policy*](http://www.ndsu.edu/fileadmin/policy/162.pdf)[*NDSU Policy 162.1: Consensual Relationships*](http://www.ndsu.edu/fileadmin/policy/162_1.pdf)[*NDSU Policy 169: Employee Responsibility and Activities: Theft and Fraud*](http://www.ndsu.edu/fileadmin/policy/169.pdf)[*NDSU Policy 169.1: Employee Misuse of Property Reports - - Protections*](http://www.ndsu.edu/fileadmin/policy/169_1.pdf)[*NDSU Policy 190: Employee Responsibility and Activities: Intellectual Responsibility*](http://www.ndsu.edu/fileadmin/policy/190.pdf)[*NDSU Policy 323: Selection of Textbooks and other Curricular Materials*](http://www.ndsu.edu/fileadmin/policy/323.pdf)[*NDSU Policy 326: Academic Misconduct*](http://www.ndsu.edu/fileadmin/policy/326.pdf)[*NDSU Policy 345: Research Involving Human Subjects*](http://www.ndsu.edu/fileadmin/policy/345.pdf)[*NDSU Policy 340.1: Coursepacks*](http://www.ndsu.edu/fileadmin/policy/340_1.pdf)[*NDSU Policy 400: Purchasing - General Policies*](http://www.ndsu.edu/fileadmin/policy/400.pdf)[*NDSU Policy 406: Surplus Property*](http://www.ndsu.edu/fileadmin/policy/406.pdf)[*NDSU Policy 505: Property, Plant and Equipment*](http://www.ndsu.edu/fileadmin/policy/505.pdf)[*NDSU Policy 700: Services and Facilities Usage*](http://www.ndsu.edu/fileadmin/policy/700.pdf)[*NDSU Policy 700.1: Use of University Name*](http://www.ndsu.edu/fileadmin/policy/7001.pdf)[*NDSU Policy 700.2: Taking Equipment Off-Campus*](http://www.ndsu.edu/fileadmin/policy/700_2.pdf)[*NDSU Policy 700.3: Personal Use of State Property*](http://www.ndsu.edu/fileadmin/policy/700_3.pdf)[*NDSU Policy 710.1: Web Advisory Board*](http://www.ndsu.edu/fileadmin/policy/710_1.pdf)[*NDSU Policy 712: Contract Review*](http://www.ndsu.edu/fileadmin/policy/712.pdf)[*NDSU Policy 718: Public/Open/Restricted Records*](http://www.ndsu.edu/fileadmin/policy/718.pdf) *[NDSU Policy 823: Financial](http://www.ndsu.edu/fileadmin/policy/823.pdf) ~~[Disclosure –](http://www.ndsu.edu/fileadmin/policy/823.pdf)~~[Conflict of Interest – Public Health Service Sponsored](http://www.ndsu.edu/fileadmin/policy/823.pdf) ~~[Projects](http://www.ndsu.edu/fileadmin/policy/823.pdf)~~ Research*[*NDUS Policy 603.3: Nepotism*](http://www.ndus.edu/makers/procedures/sbhe/default.asp?PID=50&SID=7)[*NDUS Policy 611.2: Employee Responsibility and Activities: Intellectual Responsibility*](http://www.ndus.edu/makers/procedures/sbhe/default.asp?PID=63&SID=7)[*NDUS Policy 611.4: Employee Responsibility and Activities: Conflict of Interest*](http://www.ndus.edu/makers/procedures/sbhe/default.asp?PID=64&SID=7)[*NDUS Policy 611.9: Selection of Textbooks and Other Curricular Materials*](http://www.ndus.edu/makers/procedures/sbhe/default.asp?PID=202&SID=7)[*NDUS Policy 803.1: Purchasing Procedures*](http://www.ndus.edu/makers/procedures/sbhe/default.asp?PID=19&SID=9)[*Conflict of Interest Form*](http://www.ndsu.edu/fileadmin/generalcounsel/Forms-Contracts/COI.pdf)[*NDSU Consulting Authorization Request Form*](http://www.ndsu.edu/fileadmin/vpaa/Forms/ConsultingAuthorizationRequest.pdf)[*NDSU Fraud Hotline*](http://www.ndsu.edu/fraud_hotline/)[*AAUP Statement of Professional Ethics*](http://www.aaup.org/AAUP/pubsres/policydocs/contents/statementonprofessionalethics.htm)[*NDSU Research Foundation*](http://ndsuresearchfoundation.org/index.aspx)[*N.D.C.C. Ch. 12.1-13 (See section 12.1-13-03: Public servant's interest in public contracts.)*](http://www.legis.nd.gov/cencode/t12-1c13.pdf)[*N.D.C.C. Ch.48-01.2: (See section 48-01.2-08: Officers must not be interested in contract.)*](http://www.legis.nd.gov/cencode/t48c01-2.pdf)[*N.D.C.C. Ch. 44-04: (See section 44-04-09: Nepotism.)*](http://www.legis.nd.gov/cencode/t44c04.pdf)

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HISTORY:   
New July 1990

Amended November 1996

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Housekeeping August 2009

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Housekeeping August 18, 2011

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