



# **CONFLICT OF INTEREST AND DISCLOSURE POLICY FOR AUB MEDITERRANEO EMPLOYEES**

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## DOCUMENT TYPE

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Policy

Procedures

## SCOPE

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This policy applies to all full-time and part-time academic and non-academic personnel at the American University of Beirut (AUB Mediterraneo ). Suppliers, contingent workers, consultants and others should refer to the supplier registration policy.

## PURPOSE

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The purpose of this policy is to set the duty to disclose interests, and identify potential and actual conflicts of interest for the best interest of the University.

## DEFINITIONS

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Capitalized terms shall have the meaning attributed to them in this section:

- **Compensation:** refers to the total cash and non-cash payments that are given to an AUB Mediterraneo employee in exchange for their work at AUB Mediterraneo.
- **Confidential Information:** refers 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; strategy information; information regarding business and donor relationships; information technology system passwords, security codes, and other security information; proprietary and sensitive information; unpublished grant proposals and nonpublic research data, manuscripts, and correspondence; nonpublic financial, procurement, health and safety, audit, and insurance information; nonpublic information relating to internal investigations, litigation, administrative agency charges, audits, and inquiries; and any other information the confidentiality of which is protected by law or AUB Mediterraneo policies.
- **Employees:** refer to all academic and non-academic personnel (full time and part time) of AUB Mediterraneo .
- **Insignificant Ownership:** refers to ownership of property or venture (not exceeding 5% of the entity) whose nature cannot reasonably be regarded as likely to influence the employee, employee's work and/or the daily operations of the University.
- **Non-financial interest:** refers to a stake or involvement in any range of personal and/or professional relationships with organizations and individuals, including membership of governmental, non-governmental, advocacy or lobbying organizations, or serving as an expert witness, advisor or consultant.
- **Organization/Cost Center:** refers to a unit administratively and/or financially independent and has its own budget.
- **Relative:** refers to AUB Mediterraneo employee's ancestors; siblings and half-siblings; spouses of siblings and half-siblings; the employee's spouse or domestic partner; children, grandchildren and great-grandchildren; and the spouses or domestic partners of AUB Mediterraneo employee's children, grandchildren and great-grandchildren.

- **Senior Administrator:** refers to the President and Rector.
- **Significant Financial interest:** refers to a stake or involvement in an undertaking, a legal concern, a consultancy, title or right in property or venture. It can include salary, other types of payment for services (honoraria, consulting fees, royalties, stocks, patents, copyrights and others).
- **Unresolved Conflict:** refers to a conflict of interest that is not solved at a certain level. This conflict is accordingly reported to a higher level of authority for management.

## POLICY STATEMENT

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The American University of Beirut (“AUB Mediterraneo ” or the “University”) strives to maintain high ethical standards and expects its employees to dedicate their time, efforts, skills and judgement to conduct the University affairs in the interest of the University. University interest should be conducted without favor or preference based on possible direct or indirect personal gain, whether financial or otherwise, and in a manner consistent with the mission and purposes of AUB Mediterraneo, its economic and other best interests, and applicable laws. However, situations may arise whereby the diverse interests of AUB Mediterraneo employees’ conflict with the University’s interests. As such, the University has established this Conflict of Interest and Disclosure Policy (“Policy”) to govern the disclosure and management of such conflicts.

### 1. Conflict of Interest

A conflict of interest exists when:

- 1.1 There is any proposed transaction, investment, employment, arrangement, grant, program, contract or any activity in which AUB Mediterraneo would be a participant and an AUB Mediterraneo employee would have a financial interest; or
- 1.2 There could be an actual or perceived conflict of interest for some other reason, including any transaction, investment, employment, arrangement, grant, program, or other activity in which the interests of an AUB Mediterraneo employee could be seen as competing with the interests of AUB Mediterraneo; or
- 1.3 The decision of an AUB Mediterraneo employee is influenced in a manner that could result in actual or apparent favoritism, negative bias, or exploitation at the expense of the University’s interests; or
- 1.4 The AUB Mediterraneo employee is working in the same organization/cost center as a relative

### 2. Disclosure

#### 2.1 What to Disclose

- 2.1.1 AUB Mediterraneo employees have a duty to disclose in good faith, at the beginning and during the course of their employment, to the respective Office of the Rector the material facts of any proposed transaction or situation in which they have any actual or potential conflict of interest. Complete, candid, and timely completion of the Conflict of Interest Disclosure Form is an obligation of all employees. When employees have difficulty in assessing if the situation constitutes a conflict of interest, they should always err on the side of disclosing. It is up to the University to determine whether a conflict of interest exists or whether the facts disclosed do not constitute a conflict of interest.

2.1.2 Each AUB Mediterraneo employee must disclose on the Conflict of Interest Disclosure Form all situations that pose a potential or actual conflict of interest and must identify (among other things), to the best of their knowledge any transaction in the below areas:

- a. **Participating in business arrangements:** Participating, directly or indirectly, in the selection, approval, facilitation, or administration of any business arrangement involving AUB Mediterraneo and a relative or an enterprise in which the AUB Mediterraneo employee or relative has, directly or indirectly, more than an insignificant ownership or other financial and or non-financial interest or has an employment, management, or fiduciary role (e.g., serving as an officer or director).
- b. **Competing with AUB Mediterraneo :** Engaging, directly or indirectly, in activities that compete with AUB Mediterraneo or that appropriate or divert business opportunities of AUB Mediterraneo, including holding, directly or indirectly, an ownership or other financial or non-financial interest or having an employment, management, or fiduciary role in an enterprise that is a competitor of AUB Mediterraneo, and (2) appropriating or diverting a financial or other opportunity that the AUB Mediterraneo employee knows or should know AUB Mediterraneo is pursuing or considering pursuing or might reasonably be interested in pursuing if aware of the opportunity.
- c. **Accepting gifts:** Accepting any gift or favor that is illegal under applicable law or prohibited under applicable AUB Mediterraneo policies, or accepting a gift or favor (even where not illegal or prohibited under applicable AUB Mediterraneo policies) from any person or entity seeking a benefit from AUB Mediterraneo, if the offer or acceptance of the gift or favor could reasonably be viewed as intended to influence decisions at AUB Mediterraneo.
- d. **Using AUB Mediterraneo resources for personal reasons:** Unauthorized use of AUB Mediterraneo resources, including the services of AUB Mediterraneo employees, for personal purposes.
- e. **Using Confidential Information:** Accessing, using, or disclosing Confidential Information of AUB Mediterraneo for personal interest, profit, or advantage, whether direct or indirect, or for a purpose that may be detrimental to AUB Mediterraneo, or disclosing Confidential Information to an unauthorized person or entity.
- f. **Using AUB Mediterraneo's name and goodwill:** Use of an AUB Mediterraneo employee's employment at AUB Mediterraneo or AUB Mediterraneo's name, contacts, work products, opportunities, or other property to: (i) further an AUB Mediterraneo employee's or a relative's outside activities; (ii) lend weight or prestige to an AUB Mediterraneo employee's or a relative's sponsorship of a political party or cause or otherwise to intervene in a political campaign; or (iii) endorse the products or services of any outside company or organization.
- g. **Working or engaging with relatives:** AUB Mediterraneo employees are prohibited from exercising academic, professional, financial, supervisory, evaluative authority or attempting to influence a decision in favor of a relative. Situation involving relatives but not involving any academic, professional, financial, supervisory, evaluative authority or decision-making are not prohibited by this policy, but are subject to disclosure and the approval of the President upon the recommendation of the respective dean and the rector.

## 2.2 When to Disclose:

- 2.2.1 All full-time academic and non-academic employees must complete the form on an annual basis.
- 2.2.2 All part-time academic employees must complete the form upon signing their contracts.
- 2.2.3 AUB Mediterraneo employees, prior to their initial appointment or hiring, should complete, sign, and submit the Conflict of Interest Disclosure Form to the Office of the Rector.
- 2.2.4 They should also fill the form prior to any consideration of a transaction that may create a conflict of interest, or within the 15 calendar days after the employee has knowledge of the relevant facts if he or she has no actual knowledge prior to the relevant action.

**2.3 After Disclosure:**

- 2.3.1 The employee should refrain from taking any action or pursue the activity pending authorization from the Office of the Rector.
- 2.3.2 When a particular matter involves a person, firm, organization, or corporation with which an AUB Mediterraneo employee (or a relative) has an affiliation, and should the matter arise at any meeting, such disclosure shall be made by the employee involved prior to any discussion or vote and shall be noted in the minutes of the meeting. The employee shall refrain from participating at the meeting in the discussion and from voting on the matter.

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