



Ethics in Purchasing # 140.105

<b>INITIAL EFFECTIVE DATE:</b>	<b>LAST REVISION DATE:</b>	<b>RESPONSIBLE UNIVERSITY DIVISION/DEPARTMENT</b>
August 3, 2009	July 19, 2023	Office of Finance and Administration Office of the Controller

**POLICY STATEMENT**

**Ethics in Doing Business with the University - General Policy**

All Florida International University employees who are engaged in doing business with, or on behalf of a business entity, with the University must conduct business dealings in an unbiased manner that is above reproach in all respects. When doing business with, or on behalf of a business entity, with the University, FIU employees have the responsibility and duty to conduct business in compliance with the highest ethical standards.

FIU employees are prohibited from corruptly using or attempting to use their positions in order to obtain special benefits or privileges for themselves or others.

**Restrictions on Doing Business with the University**

Employees may not rent, lease or sell any realty, goods or services to the University or act as an agent in the rental, lease or sale of realty, goods or services on behalf of another person or entity. This restriction also applies to a business entity in which the employee, his or her spouse, or child owns more than a 5% interest.

Employees may not purchase, rent, or lease any realty, goods, or services for the University from a business entity in which the employee, his or her spouse or child owns more than a 5% interest.

Employees are also prohibited from holding any employment or contractual relationship with any business entity doing business with the University.

Florida law also prohibits any University employee from having any employment or contractual relationship that would create a continuing or frequently recurring conflict between the University employee’s private interests and the performance of his/her duties at the University.

The foregoing restrictions do not apply in certain narrowly defined circumstances which are expressly set forth in the Florida Code of Ethics, including:

- The purchase or sale is for legal advertising in a newspaper, for any utilities service, or for passage on a common carrier.
- An emergency purchase or contract must be made in order to protect the health, safety, or welfare of the citizens of the state or any political subdivision thereof.
- The total amount of the transactions in the aggregate between the business entity and the University does not exceed \$500 per calendar year.
- Technology transfer agreements, including intellectual property licenses and research agreements, if specifically approved by the University president and the chair of the university board of trustees. Please refer to the Office of Research and Economic Development #2370.005(a), Ethics in Purchasing for Research and Intellectual Property Contracts under Florida Law for more information.

In accordance with FIU's Conflict of Interest policy #1710.075, employees and faculty members are required to file a Report of Outside Activity Form with the University. Outside activities which could implicate these restrictions on doing business with the University should be disclosed in detail through the Report of Outside Activity Form, so that a determination may be made as to the permissibility or impermissibility of the activity.

#### **SCOPE**

This policy applies to all University employees.

#### **REASON FOR POLICY**

Florida International University employees are governed by the provisions of the Code of Ethics for Public Officers and Employees, Part III of Chapter 112, Florida Statutes (the "Code.") This policy has particular application to those employees who are involved in the purchase of goods and services for the University and to those employees who are deemed procurement employees and reporting individuals under Florida law. It is the intent of this policy to provide guidance to these University employees regarding their ability to solicit or receive gifts from any vendor doing business with the University, political committee, or lobbyists to the University, so that they may abide by the requirements of the Code.



DEFINITIONS	
TERM	DEFINITIONS
“Conflict” or “conflict of interest”	A situation in which regard for a private interest tends to lead to disregard of a public duty or interest.
“Business entity”	Any corporation, partnership, limited partnership, company, limited liability company, proprietorship, firm, enterprise, franchise, association, self-employed individual, or trust, whether fictitiously named or not, doing business in this state.

ROLES AND RESPONSIBILITIES
<p>Please note that under Florida law, violations of the Code, in addition to any criminal penalty or other civil penalty involved, constitutes grounds for, and may be punished by, one or more of the following:</p> <ul style="list-style-type: none"> <li>a. Impeachment (for public officers)</li> <li>b. Removal from office (for public officers)</li> <li>c. Dismissal from employment</li> <li>d. Demotion, suspension, reduction in salary level</li> <li>e. Civil penalty in an amount not to exceed \$10,000</li> <li>f. Restitution of any pecuniary benefits received</li> <li>g. Public censure and reprimand</li> </ul>

RELATED RESOURCES
<p>State of Florida Code of Ethics for Public Officers and Employees, Chapter 112, Part III, Florida Statutes</p> <p>Office of Research and Economic Development Procedure # 140.105(a), Ethics in Purchasing for Research and Intellectual Property Contracts under Florida Law</p> <p>Florida International University Regulation, FIU-2201, Purchasing</p> <p>University Gift Policy # 140.131</p>

CONTACTS
<p><i>For the <u>policy</u>, questions about this policy should be directed towards:</i></p> <p style="text-align: center;">Office of the Controller 11200 SW 8<sup>th</sup> Street, CSC 410 Miami, FL 33199 Phone: 305-348-2161</p>



For the procedure, questions about this policy should be directed towards:

Office of Research and Economic Development  
Florida International University  
11200 S.W. Eighth Street - MARC 430  
Miami, Florida 33199  
Telephone: (305) 348-2494

### HISTORY

**Initial Effective Date:** August 3, 2009

**Review Dates** (review performed, no updates): February 9, 2024

**Revision Dates** (updates made to document): February 11, 2015; February 5, 2018; April 23, 2020; October 10, 2022; July 19 2023.



**Ethics in Purchasing for Research and Intellectual Property Contracts  
under Florida Law # 140.105(a)**

<b>INITIAL EFFECTIVE DATE:</b>  August 24, 2012	<b>LAST REVISION DATE:</b>  March 2021	<b>RESPONSIBLE UNIVERSITY DIVISION/DEPARTMENT</b> Office of Research and Economic Development/ Office of Research Integrity
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**PROCEDURE STATEMENT**

Florida law prohibits a University employee acting in his or her official capacity as a purchasing agent from either directly or indirectly purchasing, renting, or leasing any realty, goods, or services on behalf of the University from any business entity in which the University employee or his/her spouse or child is an officer, partner, director, or proprietor or in which such University employee or his/her spouse or child, or any combination of them, has a material interest of more than 5 percent of the total assets or capital stock. Nor shall a University employee, acting in a private capacity, rent, lease, or sell any realty, goods, or services to the University. Florida law also prohibits any University employee from having any employment or contractual relationship that would create a “continuing or frequently recurring” conflict between the University employee’s private interests and the performance of his/her duties at the University.

In very limited circumstances, Florida law permits these activities when related to the University’s research and/or technology transfer endeavors, as detailed in University policy #140.105, Ethics in Purchasing and Gift Policy. Specifically, the exemption is applicable to matters relating to the Office of Research and Economic Development (ORED) when a transaction is to be made pursuant to Fla. Stat. Section 1004.22 (the sponsored research statute) or s. 1004.23 ( the intellectual property statute) and the transaction is specifically approved by the University president and the chair of the University board of trustees.

A University employee who wishes to pursue any of the following transactions (including contractual relationships) or outside employment or contractual relationships must seek University approval as required by these procedures prior to such transaction/contractual relationship or outside employment being effectuated:

1. The University employee seeks for the University to enter into a transaction (including a contractual relationship) with an entity in which the University employee or his/her spouse or child is an officer, partner, director, or proprietor or in which the University employee or his/her spouse or child, or any combination of them, has a material interest of more than 5 percent of the total assets or capital stock or;

2. The University employee seeks for the University to enter into a transaction (including a contractual relationship) that would create a continuing or frequently recurring conflict between the University employee's private interests and the performance of his/her duties at the University; or
3. The University employee, acting in his/her private capacity, seeks to rent, lease, or sell any realty, goods, or services to the University; or
4. The University employee seeks to have an outside employment or contractual relationship that would create a "continuing or frequently recurring" conflict between the University employee's private interests and the performance of his/her duties at the University.

As noted above, in order to fall within the exemption in the Florida statutes, the above transactions must all be in furtherance of the University's research or intellectual property endeavors.

If any of the above circumstances exist, the University employee who desires the University to approve the transaction/outside employment or contractual relationship at issue must complete the required paperwork as detailed on the Office of Research and Economic Development (ORED) Conflicts of Interest in Research webpage.

The University employee should submit the required documents to the Office of Research Integrity in ORED. The Conflict of Interest in Research Committee shall review the matter and the employee shall be contacted for any additional information required. After a determination has been made, the University employee will be advised of the outcome of the review. As noted above, the Florida Statutes require the approval of the Vice President for Research, University president and the chair of the University board of trustees before the transaction/outside employment or contractual relationship may proceed. Any approval of the proposed transaction will require the institution of a monitoring plan addressing the management and mitigation of the associated conflicts of interest.

For related information, see Policy #140.105, Ethics in Purchasing and Gift Policy and Policy #2370.005, Conflict of Interest in Research.