

FOREIGN CORRUPT PRACTICES ACT (FCPA) POLICY

1. INTRODUCTION

The Foreign Corrupt Practices Act (FCPA) is a federal law (15 U.S.C. § 78-dd-21 *et seq.*) that exists to prevent corrupt practices in international transactions. The Act prohibits bribery of foreign officials and employees who work for foreign governments. *The FCPA prohibits the corrupt payment (or offer, promise or authorization of payment) of anything of value to any foreign official or employee, directly or indirectly, for the purpose of obtaining or retaining business, directing business to any person or entity, or securing any improper advantage.*

The FCPA's prohibitions are applicable to United States organizations, public or private, and any person, including a foreign person or firm, if they commit a prohibited act in the United States. Further, a United States entity may be held liable under the FCPA for the improper activities of its foreign subsidiaries if the United States entity authorized or participated in the conduct. This Policy ensures the RIT community is aware of, monitors, and complies with this statute.

This Policy should be read with the explanatory procedures promulgated hereunder, the RIT Honor Code, and the other policies of RIT available at www.rit.edu/policies. The procedures accompanying this Policy contain vital information about the implementation and compliance with the policy. These procedures will be available on the Office of Legal Affairs website (<http://www.rit.edu/fa/legalaffairs/content/policies-procedures>). They may detail the applicability of the Policy to various situations at RIT.

2. EFFECTIVE DATE

This Policy will be effective on May 13, 2009 ("Effective Date"). It will apply to all divisions, department and academic units of RIT.

3. DEFINITIONS

A. Foreign Officials as defined by the FCPA includes **officials and employees of foreign governments, state-owned enterprises, public international organizations, and political parties, as well as agents and close relatives of these individuals.**

B. Anything of Value as interpreted by the FCPA includes not only cash or cash equivalents, but also trips, donations, and services. The determination is not retail value but whether the recipient subjectively attaches value to the disbursement.

4. GENERAL PROVISIONS

A. Statement of Policy.

It is the policy of the Rochester Institute of Technology ("RIT" or "University") that each of our employees, faculty, staff, agents, representatives, vendors and other third parties that work with RIT (including subsidiaries) comply with the anti-bribery laws of the United States and of the

foreign countries where RIT does business. Bribery of any kind in the United States and abroad, regardless of foreign custom or practice, is strictly prohibited. No RIT employee, faculty, staff, agent, representative, vendor or any other third party with which RIT works shall make any payment or provide anything of value, to any person, in order to improperly influence that person to secure any advantage for RIT, including obtaining or retaining business, or directing business to any person or entity.

It is also the policy of RIT that each of its employees, faculty, staff, agents, representatives, vendors and all third parties that work with RIT make and keep books, records, and accounts, which, in reasonable detail, accurately reflect any transactions and dispositions of the university and any of its subsidiaries or partners. Any contracts involving, directly or indirectly, foreign officials must be in writing and reviewed by the RIT Office of Legal Affairs prior to execution.

B. Scope of Policy and Violations.

This Policy applies to all RIT operations worldwide. It applies to the university's (including subsidiaries) own employees, faculty, and staff. The university expects that third parties with whom the university works, i.e., all vendors, representatives, joint venture partners, and other third parties on international operations will comply this Policy.

In addition to the federal civil and criminal fines and penalties imposed by the FCPA itself, violators of this RIT Policy may be subject to disciplinary measures imposed by the university. Penalties for violations will vary with the circumstances, but may include termination.

If any RIT employee is unsure about whether they are being asked to make an improper payment, they should not make the payment. They should consult with their supervisor, the RIT Office of Legal Affairs, or call the RIT Ethics Hotline at (866) 294-9358 or (866) 294-9572 TTY, or report the instance online at <http://finweb.rit.edu/svp/ethics/> if there is any doubt about the propriety of the payment. University policies prohibit retaliation for good faith reporting.

C. Compliance Procedures.

The "RIT FCPA Compliance Procedures," are designed to provide guidance concerning compliance with the FCPA and this Policy. They are maintained by the Office of Legal Affairs and are available on the Office of Legal Affairs website (<http://www.rit.edu/fa/legalaffairs/content/policies-procedures>). These procedures provide details and updates concerning additional FCPA compliance components such as training, compliance certification, audits, and procedures concerning due diligence in the hiring of third parties, contract formation, and internal controls and records. These procedures provide specifics that must be followed to ensure that the university operates in a manner that prevents violation of the FCPA, and also that the university retains and contracts with individuals and entities that comply with the FCPA. These procedures must be followed as part of RIT's FCPA Policy.

Responsible Office: Office of Legal Affairs

Policy History
Edited August, 2010