

Lebanese American University
Compliance Program for United States Sponsored Programs & Procurement Contracts
Public Sector Supplement to Code of Ethics

1. PURPOSE

The purpose of this Policy is to supplement LAU's Code of Ethics to provide additional detail for compliance with Awards and FAR Contracts, as defined below. The guidelines in this Policy are not new—they are included within LAU's current ethical practices. This Policy simply provides additional detail to reinforce the importance of these guidelines to LAU in connection with its dealings with the U.S. Government and the Awardees, Prime Contractors, and the Subrecipients and FAR Subcontractors who serve such entities ("Public Sector"). LAU and all LAU employees are committed to ethical behavior in all Public Sector dealings.

The performance of Awards and FAR Contracts invokes a complex set of laws, regulations, and clauses which—in some instances—vary from those governing relationships with commercial entities. This policy touches on a few core differences.

2. TERMS AND DEFINITIONS

2.1 The following terms shall have the meanings indicated below for purposes of this Policy, regardless of whether the terms are capitalized:

- 2.1.1 Agreements Officer – The individual designated as such by the Awarding Agency. This individual is the Government official authorized to execute and modify Awards on behalf of the Government and the Awarding Agency. This individual may also be referred to as the Grants Officer. The terms may be used interchangeably.
- 2.1.2 Award – U.S. grants, cooperative agreements, and any other Federal financial assistance from an Awarding Agency. These are agreements that would be subject to [2 CFR Part 200](#), if entered into after December 26, 2014.
- 2.1.3 Award Subcontract – A subcontract issued under an Award strictly for the purchase of property or services needed to carry out the performance of the Award. This term does not include an agreement that qualifies as a Subaward (i.e., an agreement to actually carry out part of the Award scope of work). "Procurements, Subawards, and Subrecipient Monitoring" Policy for further explanation of the differences between a Subaward and an Award Subcontract.
- 2.1.4 Awardee – The recipient of an Award directly from an Awarding Agency.

- 2.1.5 Awarding Agency - The Government department or agency that solicits and enters into an Award or a FAR Contract.
- 2.1.6 Contracting Officer or CO – The individual designated as such by the Awarding Agency. The Contracting Officer is the official authorized to execute and modify FAR Contracts on behalf of the Government and the Awarding Agency.
- 2.1.7 Costs – All costs incurred in connection with an Award or FAR Contract, charged directly or indirectly to an Award or FAR Contract, and/or which LAU claims as part of a Cost Share for an Award.
- 2.1.8 FAR Contract – Any contract awarded to LAU by an Awarding Agency for the acquisition of goods or services and that is subject to the FAR. Except in very limited circumstances, all contracts awarded by the Government for the acquisition of goods and services, as opposed to providing financial assistance, are subject to the FAR.
- 2.1.9 FAR Subcontract – A subcontract issued under a FAR Contract for the purchase of property or services needed to carry out the performance of the FAR Contract.
- 2.1.10 Federal Acquisition Regulation or “FAR” – The regulations in Title 48 of the Code of Federal Regulations ([and found here](#)) implementing uniform policies and procedures for acquisitions by Government executive agencies. The FAR is the primary set of regulation for this purpose, but Government agencies can issue their own acquisition regulations to supplement the FAR.
- 2.1.11 Government – The federal government of the United States of America.
- 2.1.12 Grants Officer – See definition of Agreements Officer above. The terms Grants Officer and Agreements Officer are interchangeable.
- 2.1.13 LAU –refers to the Lebanese American University.
- 2.1.14 Prime Contractor – The recipient of a FAR Contract directly from an Awarding Agency.
- 2.1.15 Sponsored Program – A program funded at least in part with an Award or Subaward.
- 2.1.16 Subaward – An agreement issued under an Award by the Awardee to a Subawardee, or made from one Subawardee to another, to carry out part of the performance of an Award. It

does not include an agreement by which an Awardee or Subawardee merely purchases property or services needed to carry out the Award. See “Procurements, Subawards, and Subrecipient Monitoring” Policy for further explanation of the differences between a Subaward and an Award Subcontract.

2.1.17 Subawardee or Subrecipient – Recipient of a Subaward.

2.1.18 Uniform Requirements – the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Award at [2 CFR Part 200, as supplemented by applicable agency supplements, including, for example, 2 CFR Parts 600 \(Department of State\) and 700 \(USAID\)](#).

3. RESPONSIBILITIES

3.1 It is the responsibility of all departments, faculty, staff and other employees to fully comply with this Policy. It is imperative that each person reviews, understands, and complies with this Policy and all laws, regulations, and provisions governing our dealings with the Public Sector. Violations may result in severe consequences to LAU and all individual violators. Each person should seek help when questions arise relating to responsibilities relating to the Public Sector.

3.2 The Office of Grants and Contracts, in close coordination with the Human Resources department, will be responsible for:

3.2.1 Coordinating with Finance Department to properly educate all LAU faculty, staff, and other employees on the Policy and its purpose;

3.2.2 Updating the Policy as necessary to address changes in applicable Awards, FAR Contracts, and/or regulations;

3.2.3 Oversee the implementation of the Policy through coordination with Human Resources and Accounting.

3.3 Any questions concerning this Policy should be directed to the following, in this order:

3.3.1.1 Direct Supervisor

3.3.1.2 Director-Office of Grants and Contracts.

4. SCOPE / APPLICABILITY

This Policy applies to the performance of all Awards and FAR Contracts. This policy should be viewed as a supplement to LAU’s other policies, which can be found at <http://www.lau.edu.lb/about/governance-policies/policies/>. Implementation of this Policy is intended to ensure that the LAU’s performance of its Awards and FAR Contracts will comply with all applicable terms and laws.

5. STATEMENT OF POLICY

Our dealings with the Public Sector are guided by LAU's Code of Conduct and other policies, as clarified by the following guidelines and basic principles:

- 5.1 ***Books, Records and Communications.*** We will communicate truthfully and accurately with the Public Sector (and their agents) in all emails, letters, proposals, representations and certifications, and contract reports. We will never knowingly make a false statement or submit a false claim to a Public Sector entity, directly or indirectly. This includes the submission of inaccurate or misleading information in support of costs or prices, the submission of improper invoices, or inaccurate or misleading representations or certifications. We will maintain all relevant documentation in accordance with all applicable regulations and Award and FAR Contract provisions.
- 5.2 ***Gifts/Bribes/Gratuities/Entertainment/Kickbacks.*** The rules for gifts, gratuities and entertainment relating to Public Sector entities are different from those relating to commercial customers. In particular, LAU and its employees recognize that it is illegal and unethical to: (1) compete for Public Sector funds or award Public Sector work on anything other than the merits, and (2) provide anything of value or accept anything of value to reward or obtain favorable treatment. We will not offer, provide, solicit or accept anything of value in return for obtaining or rewarding favorable treatment concerning Public Sector funds; offer or provide anything of value in return for or to influence an act by a Government employee; or provide anything of value—even nominal value—to a Government employee unless explicitly authorized by LAU management after appropriate Legal review. Things of value include but are not limited to, cash, meals, cocktails, lodging, transportation, greens fees, free goods, tickets to events and gift certificates.
- 5.3 ***Cooperation with Government Reviews.*** Under the guidance and direction of necessary and appropriate legal representation, we will cooperate fully with all reviews (including audits) of our Awards and FAR Contracts and will make full disclosure, as appropriate, of legal violations of those agreements when required by regulation, contract or LAU policies and procedures. As part of our cooperation, we shall not alter or delete documents relating to these agreements except in accordance with established record retention requirements.
- 5.4 ***Cost Records.*** We will make and retain accurate records relating to time billed and work performed. We will comply with all laws, regulations, Award and FAR Contract provisions and LAU policies regarding Cost reporting, including time charging.
- 5.5 ***Hiring Government Employees.*** There are unique restrictions on employing current and former Government employees. We will fully comply with all laws and regulations relating to employment discussions and employment decisions involving Government officials and employees.

6. REFERENCES

Please refer to the following regulations and documents for further details regarding the above policy:

- 6.1 [2 CFR Part 200](#)
- 6.2 [FAR Part 3](#)
- 6.3 Code of Ethics
- 6.4 Conflict of Interest Policy
- 6.5 Personnel Policy
- 6.6 LAU Policies for United States Sponsored Programs and Contracts - Compliance Program for Financial Assistance Awards

Effective Date:

The foregoing Compliance Program for United States Sponsored Programs & Procurement Contracts: Public Sector Supplement to Code of Ethics was adopted by the Board of Trustees on September 6 & 7, 2018 and is effective as of September 7, 2018.