

# Juilliard

**Title:** Anti-Corruption Policy

**Policy Owner:** Office of the General Counsel

**Contact Information:** Room 225 Main Building  
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**Applies to:** All members of the Juilliard School community, including faculty; staff; members of the Board of Trustees; employees; volunteers; students who are acting as employees or volunteering as part of a Juilliard sponsored program, activity, or event; interns; contractors; consultants; agents; and other persons and organizations acting on the School's behalf. This includes all affiliates and other entities formed by the School, and any joint ventures the School participates in, whether or not the School owns the majority interest.

**Effective Date:** March 1, 2018

## Policy Statement

As The Juilliard School and its affiliates expand and develop internationally, the School is subject to a variety of laws prohibiting corrupt Payments to Government Officials (as defined below) and others, including but not limited to the U.S. Foreign Corrupt Practices Act ("FCPA"). All members of the Juilliard community, wherever they are located, are strictly prohibited from engaging in any type of corrupt activity, including unlawful bribery of a Government Official or private person, in connection with School activities. This prohibition extends to persons acting on the School's behalf or on behalf of the School's affiliates, including agents, attorneys, and consultants. All members of the Juilliard community are expected to recognize and appropriately address situations that raise corruption or bribery concerns.

## Reason for the Policy

This Policy provides guidance on how to recognize and respond to situations that may implicate laws prohibiting corruption and bribery, including:

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- The FCPA – The FCPA prohibits payment of anything of value to foreign government officials to influence their acts or decisions or to secure any other improper advantage in retaining or obtaining business.
- U.K. Bribery Act 2010 – The Bribery Act has worldwide scope and makes it unlawful to offer, give, or promise to give a “financial or other advantage” to either a private individual or government official in exchange for improperly performing a function or activity. It is more expansive than the FCPA in that it prohibits not only the paying and receiving of bribes, but also the failure of an organization to prevent bribery. In addition, the Bribery Act has a broad jurisdictional reach that extends to actions taken by any organization that has a “business presence” in the U.K., regardless of where the bribe is paid.
- Similar laws in P.R. China – Prohibit giving and receiving property in order to obtain an improper benefit, including an unfair commercial advantage. Under P.R. China law, bribery is typically divided into two categories—official bribery and commercial bribery. “Official bribery” involves bribes to a government agency, governmental officials or personnel performing public duties in state-owned enterprises or private companies. “Public duties” include the carrying out of organizational, leadership, supervisory, and management functions on behalf of enterprises or institutions of any kind owned in whole or in part by the state. “Commercial bribery” means the offering or receiving of bribes between non-governmental agencies, companies, or personnel. Individuals as well as entities can be prosecuted for the crime of offering or accepting bribes. Chinese unfair competition law also prohibits commercial bribery, defined under the law as giving, receiving, or demanding things of value in connection with the sale or purchase of goods or services. The granting of secret off-record payments or kickbacks to any individual or company is considered to be a bribe.
- Anti-Corruption Laws in Other Countries – The School is subject to the laws in each of the jurisdictions where it acts or operates, including anti-corruption laws. Many of the countries where the School operates or may operate in the future have adopted the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (the “Convention”). The Convention requires adopting nations to ensure that their legislatures approve the Convention and pass legislation to implement it into national law. The anti-corruption laws in foreign jurisdictions can be more expansive than the FCPA.

## Definitions

- Government Official – Any officer or employee of a foreign government or any department, agency, or any person acting in an official capacity for or on behalf of a foreign government, government entity, or public international organization, any foreign political party

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or party official, any candidate for foreign political office, or any employee of a state-owned or controlled entity or institution (e.g., an employee of a state-owned university or a physician at a state-owned hospital). “Government Official” also includes the family members of any of the groups listed above.

- **Payment** – Paying or offering to pay now or in the future anything of value with the intent to induce improper behavior. “Anything of value” is broadly defined and can include cash, gift cards, vouchers, or things similar to cash; services; gifts; lavish meals; investment opportunities in other than arm’s length transactions; offers of employment; charitable donations to legitimate charities if they are intended to obtain or retain business, to secure a business opportunity or any other business advantage, or to obtain beneficial government treatment, contracts or other business opportunities; entertainment; travel expenses; favors for family or acquaintances; or the uncompensated use of School facilities or property.
- **Corruption** – Activities taken to induce a Government Official or private person to misuse his or her authority, such as inducing the person to take any improper action or to refrain from taking appropriate actions.

## Policy Text

All members of the Juilliard School community governed by this Policy, as listed above, are strictly prohibited from engaging in any type of corrupt activity, including unlawful bribery of a Government Official or private person in connection with School activities. A bribe does not actually have to take place or be accepted; offering or agreeing to a bribe is itself a violation of this Policy.

Each member of the School community engaged in a School activity must refuse to participate in any attempt to bribe or make any other improper Payment to a Government Official or private person intended to induce the recipient to misuse his or her authority, such as inducing the person to perform his or her responsibilities or duties improperly or to give an improper advantage. This includes, as examples only: (i) offering or providing a Payment to a Government Official to rule favorably on an application for a tax exemption or a permit, registration, license, or other authorization; (ii) making a Payment to a Government Official or private person who has responsibility for awarding or influencing the award of a grant, contract, or gift; (iii) reimbursing a Government Official for personal expenses other than as part of bona fide, documented School activity or project in accordance with Juilliard policies; and (iv) providing any Payment to a consultant, agent, or other person to enable any of the foregoing or any other corrupt activities. “Facilitation payments” made to Government Officials

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to expedite or secure a non-discretionary routine government action (e.g., issuing a visa or providing for mail pick-up) are forbidden by this Policy, no matter how small.

In addition, members of the Juilliard community are expected to recognize and appropriately address situations that raise corruption concerns, or so-called “red flags,” including when dealing with persons and organizations acting on the School’s behalf. Red flags include, but are not limited to: (i) a history of corruption in the country; (ii) an unusual payment pattern or financial arrangement; (iii) a party’s refusal to agree in writing not to violate applicable anti-corruption laws; (iv) a lack of transparency in expenses and accounting records; (v) an apparent lack of qualifications to perform the services offered; and (vi) proposed selection of a vendor or service provider based on the recommendation of a Government Official or other person with responsibility for or influence over the award of a grant, contract, or gift. These circumstances require closer scrutiny into the planned activities, but do not necessarily prohibit them after the responsible individuals confirm that the planned activities will be lawful and in keeping with the School’s policies.

Juilliard could be liable for the corrupt activity of persons acting on the School’s behalf, including agents, attorneys, and consultants, even if the School did not authorize the activity. When entering into a relationship with a third-party, members of the Juilliard community should complete sufficient due diligence to ensure that the retained individual or organization does not have a history of corrupt activity, and understands and agrees that they are not authorized to engage in corrupt activity on the School’s behalf. The level of due diligence required may vary depending on the level of risk involved in the transaction, including whether the third party will interact with Government Officials on behalf of the School or whether the services will occur in a country that involves a high risk of corruption. Care should be taken to ensure third parties’ understanding of and commitment to compliance with anti-bribery laws. At a minimum, members of the Juilliard community should ensure that third parties do not have a history of violating anti-bribery laws and regularly audit their activities to ensure ongoing compliance. Any agreements with third parties must include provisions that they will comply with any applicable anti-bribery laws.

All proposed contracts and transactions for grants, contracts, and gifts should go through routine appropriate channels within the School and have a documented legitimate purpose. Legitimate purposes may include, as examples only, making fair payment for services actually provided or for hosting conferences in accordance with School practices. Each department should maintain accurate and current financial records of its transactions and projects. Expenses and payments must never be hidden or purposefully misclassified. In addition, each department should have sufficient knowledge of its vendors, agents, consultants, and collaborators in any transaction or activity to reasonably assure that there is a common

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commitment to principles of lawful and ethical conduct, including compliance with anti-corruption laws.

## Gifts and Gratuities

No gifts may be given, directly or indirectly, to any Government Officials, except within the following guidelines:

- Gifts are restricted to items of minimal value or that are customary and reasonable in the industry, and are limited to either (i) souvenir-type items (e.g., books by Juilliard faculty or items bearing the School's logo); or (ii) customary gifts in connection with national, traditional, or religious holidays (e.g., a box of cookies or holiday decorations).
- No more than two such gifts may be given to any individual over the course of a 12-month period. Gifts may not exceed a total value per instance or per calendar year of \$100. For gifts given or received in P.R. China or involving P.R. China nationals, the value may not exceed RMB 100 per instance or per calendar year.
- No cash gifts or gift cards are permitted under any circumstances.

Under no circumstances may gifts be given in exchange for improper favorable treatment by a Government Official. Where local law prohibits the giving of any gift, this Policy also prohibits the giving of such a gift. In all instances in which gifts are given, the gifts must be recorded accurately and fully to reflect the true purpose of the expenditures.

## Charitable Contributions

Charitable contributions involving or at the bequest of a Government Official are generally prohibited absent prior written approval of the Office of the General Counsel.

## Travel and Entertainment/Educational Trips

The School may pay for or reimburse bona fide and reasonable/customary expenses incurred by or for a Government Official if the payments are directly related to either (i) the promotion, demonstration, or explanation of products or services, or (ii) the execution or performance of a contract with a foreign government or agency. Thus, reasonable travel, lodging, meal, and entertainment expenses may be paid if they are related to the attendance by a Government Official at business meetings with the School or its representatives, so long as such payments are permitted under local law in the home country of the Government Official.

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In general, meals, travel, lodging, and entertainment with Government Officials for a bona fide business purpose must be reasonable/customary and not extravagant. No payments should be made for travel by family members or guests of Government Officials, unless there is a legitimate, independent purpose for such expenditures, and only then when approved by the Office of the General Counsel.

Under no circumstances may even modest Payments be made toward meals, travel, lodging, or entertainment in exchange for improperly favorable treatment by Government Officials. Where local law prohibits or further restricts providing meals, lodging, travel, or entertainment to Government Officials, this Policy also prohibits such conduct. In all instances, expenditures associated with meals, lodging, travel, or entertainment must be recorded accurately and fully to reflect the true purpose of the expenditures.

## Consequences

Violations of this Policy could result in criminal or civil penalties against both the School and involved individuals in the U.S. and abroad. Some countries take broad jurisdiction over bribery and corruption offenses, so violations in one country could result in extradition to and prosecution in another country. Failure to comply with this Policy may also result in disciplinary action by Juilliard, up to and including termination of employment.

## Reporting Suspected Violations and Questions Regarding this Policy

To report violations of this Policy or for further information, please contact the Office of the General Counsel. Members of the School community should also report any instances where a corrupt Payment has been requested by a private person or Government Official.

## Reference Materials

- A Resource Guide to the U.S. Foreign Corrupt Practices Act, Criminal Division of the U.S. Department of Justice and the Enforcement Division of the U.S. Securities and Exchange Commission (Updated November 2, 2015), available at <http://www.justice.gov/criminal/fraud/fcpa/guidance/>.
- Other materials related to the FCPA are available at <http://www.justice.gov/criminal/fraud/fcpa> and <http://www.sec.gov/spotlight/fcpa.shtml>.

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- Guidance on the U.K. Bribery Act can be found at <https://www.justice.gov.uk/downloads/legislation/bribery-act-2010-guidance.pdf>.

## **Cross References to Related Policies**

- Gifts from External Parties Policy