The following pages contain the detailed scoring for this company based on publicly available information.

The table below shows a summary of the company’s scores per section:

<table>
<thead>
<tr>
<th>Section</th>
<th>Number of Questions*</th>
<th>Score Based on Publicly Available Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Leadership and Organisational Culture</td>
<td>4</td>
<td>0/8</td>
</tr>
<tr>
<td>2. Internal Controls</td>
<td>6</td>
<td>1/12</td>
</tr>
<tr>
<td>3. Support to Employees</td>
<td>7</td>
<td>3/14</td>
</tr>
<tr>
<td>4. Conflict of Interest</td>
<td>4</td>
<td>3/8</td>
</tr>
<tr>
<td>5. Customer Engagement</td>
<td>5</td>
<td>2/10</td>
</tr>
<tr>
<td>6. Supply Chain Management</td>
<td>5</td>
<td>1/10</td>
</tr>
<tr>
<td>7. Agents, Intermediaries and Joint Ventures</td>
<td>3</td>
<td>0/6</td>
</tr>
<tr>
<td>8. Offsets</td>
<td>0</td>
<td>N/A</td>
</tr>
<tr>
<td>9. High Risk Markets</td>
<td>1</td>
<td>0/2</td>
</tr>
<tr>
<td>10. State-Owned Enterprises</td>
<td>0</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>10/70</strong></td>
<td></td>
</tr>
<tr>
<td><strong>BAND</strong></td>
<td><strong>F</strong></td>
<td></td>
</tr>
</tbody>
</table>

*This column represents the number of questions on which the company was eligible to receive a score; i.e. where the company did not receive a score of N/A.
### Question

1.1. Does the company have a publicly stated anti-bribery and corruption commitment, which is authorised by its leadership?

| Score | 0 |

| Comments |

The institute has a publicly stated commitment to adhere to relevant legislation concerning anti-bribery and corruption, such as the U.S. Foreign Corrupt Practices Act. However, further details are not publicly available and it is not clear whether this statement is endorsed by a senior figure. The Lincoln Laboratory, the federally funded research and development centre through which MIT undertakes work for the U.S. Department of Defense, likewise does not publish a separate statement regarding anti-bribery and corruption authorised by a senior figure.

### Evidence

Accessed 29/07/2019  
https://icc.mit.edu/manage/regulations-compliance

Regulations & Compliance  
All international projects need to be in compliance with U.S. laws and those of the host country. The regulatory environment in the U.S. and abroad is becoming more focused on foreign activities, seeking greater transparency into their scope and substance.

In the U.S., a range of federal agencies are charged with enhancing transparency and increasing enforcement of existing legislation. Enforcement is also being stepped up, with large penalties for failure to file on a range of federally-mandated information filings. The pace of new legislative activity around international transactions continues to be significant.

Major U.S. regulations that govern the conduct of our international activities include:

- Foreign Corrupt Practices Act  
- U.S. Anti-Boycott Laws  
- Office of Foreign Assets Control  
- Export Controls  
- Import Controls

The above list is non-exhaustive for the U.S., and the government(s) of a foreign sponsor will have different and possibly more onerous regulatory requirements. The ICC is here to provide guidance on the specifics of these regulations. Please contact us so that we can discuss how they may impact your project.

[07] Lincoln Laboratory MIT TCI-001, Code of Conduct (Document)  
Accessed 23/07/2019  
https://www.ll.mit.edu/doc/code-conduct

[p. 1] 1.2 Integrity in Our Compliance with Laws and Regulations  
Each individual is expected to remain in strict compliance with all applicable laws and regulations, and to seek help when a proper course of action is not clear. Individuals are expected to:

- Comply with all applicable US Government contracting requirements for procurement integrity and for interacting with current or former Government personnel;  
- Refuse any illegal or improper payments and refrain from anticompetitive behavior and activities construable as insider dealings;  
- Seek guidance in work-related interactions with foreign nationals and foreign countries;  
- Cooperate with government agencies responsible for compliance, audit, or investigation; and  
- Abide by the requirements of all environmental, health, and safety laws and regulations.
Question

1.2. Does the company have a comprehensive anti-bribery and corruption policy that explicitly applies to both of the following categories:
   a) All employees, including staff and leadership of subsidiaries and other controlled entities;
   b) All board members, including non-executive directors.

Score

0

Comments

There is evidence that the Lincoln Laboratory has a code of conduct, which applies to all personnel, including board members. However, this code of conduct makes no reference to anti-bribery and corruption; rather it states that employees must contribute to an ethical atmosphere and comply with laws and regulations.

Evidence

[01] People and Culture – MIT Lincoln Laboratory (Website)
Accessed 23/07/2019
https://www.ll.mit.edu/careers/people-and-culture

[p. 2] The code of conduct applies to all Laboratory personnel and individuals affiliated with the Laboratory including employees, advisory board members, Intergovernmental Personnel Act assignees, subcontractors, consultants, resident subcontractors, interns, Lincoln Scholar students, student advisers, cadets, and research assistants at all locations. Adherence to the Code of Conduct and to Laboratory procedures in general is a condition of employment.

- Employees, students, interns, and cadets may be subject to disciplinary action (including termination of employment or other relationship with the Laboratory) for violations of the Code of Conduct or Laboratory policies and procedures.
- For subcontractors, vendors, and consultants, a violation of the Code of Conduct may lead to a contractual action including suspension or termination.

[07] Lincoln Laboratory MIT TCI-001, Code of Conduct (Document)
Accessed 23/07/2019
https://www.ll.mit.edu/doc/code-conduct

[p. 2] 3.3. Code of Conduct Scope Of Applicability
The code of conduct applies to all Laboratory personnel and individuals affiliated with the Laboratory including employees, advisory board members, Intergovernmental Personnel Act assignees, subcontractors, consultants, resident subcontractors, interns, Lincoln Scholar students, student advisers, cadets, and research assistants at all locations. Adherence to the Code of Conduct and to Laboratory procedures in general is a condition of employment.

- Employees, students, interns, and cadets may be subject to disciplinary action (including termination of employment or other relationship with the Laboratory) for violations of the Code of Conduct or Laboratory policies and procedures.
- For subcontractors, vendors, and consultants, a violation of the Code of Conduct may lead to a contractual action including suspension or termination.
<table>
<thead>
<tr>
<th>Question</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.3. Does the board or a dedicated board committee provide oversight of the company's anti-bribery and corruption programme?</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>There is evidence that the Risk and Audit Committee is responsible for the oversight of the institution's compliance programme. However, this is only evident from simple statements that do not offer details into oversight functions, such as reviewing reports from management or the results of internal and external audits. There is no publicly available information about whether the committee specifically oversees anti-corruption efforts, nor whether it specifically oversees the Lincoln Laboratory.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Evidence</th>
</tr>
</thead>
</table>
| [14] Risk Management & Compliance Services (Webpage)  
Accessed 29/07/2019  
https://riskandcompliance.mit.edu/about  
Risk Management & Compliance Services (RMCS) serves as a resource to the MIT community in the areas of risk management and compliance. The office reports to the Vice President & General Counsel as well as the Risk and Audit Committee of the MIT Corporation. Since risk at the Institute is an important topic to MIT governance, the Risk and Audit Committee oversees the activity and policies of RMCS.  
Kathleen K. Miller  
Manager of Institutional Compliance  
Kate Miller joined MIT in 2014 as the Manager of Institutional Compliance. In this role, Kate is creating an Institute-wide compliance network that builds upon the many, varied compliance activities at MIT. In collaboration with colleagues across the Institute, Kate works to identify and assess legal and regulatory risks facing MIT and represents Risk Management & Compliance Services in compliance initiatives. She provides support and education to members of the MIT community on compliance issues and regularly collaborates with the Office of the General Counsel, the Institute Auditor, and other areas that play significant roles in MIT’s compliance efforts. |

<table>
<thead>
<tr>
<th>Evidence</th>
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</thead>
</table>
Accessed 29/07/2019  
https://corporation.mit.edu/sites/default/files/images/Bylaws%20of%20the%20Corporation%20as%20of%20June%208%2C%202017_0.pdf  
[p. 17] The Risk and Audit Committee shall employ public accountants to examine the books of MIT for the next fiscal year, and such other financial and investment records as the Risk and Audit Committee deems appropriate from time to time. The public accountants shall report thereon to the Risk and Audit Committee, which shall in turn present the report of audit, including the scope of the examination, to the members of the Corporation at their next annual meeting with such recommendations as the Risk and Audit Committee shall deem appropriate. The Risk and Audit Committee undertake other responsibilities with respect to the quality and integrity of MIT’s financial statements, MIT’s external and internal auditors, MIT’s tax filings and compliance with law, regulation, and standards of ethical behavior, and risk management as are stated in a charter adopted by the Risk and Audit Committee following review by the Executive Committee. |

<table>
<thead>
<tr>
<th>Evidence</th>
</tr>
</thead>
</table>
| [18] Partners - Risk Management & Compliance Services (Webpage)  
Accessed 29/07/2019  
https://riskandcompliance.mit.edu/resources/partners  
Partners  
Risk Management & Compliance Services conducts work in partnership with other Institute central offices for which the subject of risk is core to their mission. Collectively these offices provide a comprehensive resource for mitigating adverse outcomes from risks, and helping the Institute take informed risks.  
Office of the General Counsel  
The Office of the General Counsel’s (OGC) mission is “to educate as to the laws, policies and procedures applicable to MIT’s activities, to prevent legal problems and solve those that occur, to facilitate transactions, and to
provide independent, timely and thoughtful advice and representation, to help MIT’s faculty, administration, staff, and students fulfill their goals in teaching, research, and service."

Risk Management & Compliance Services, principally through the Manager of Institutional Compliance, partners with the OGC and others throughout the Institute with compliance responsibilities to promote good practices and provide education and support. The Offices also share knowledge, expertise and perspectives to provide advice and support throughout the Institute on wide-ranging matters of legal and regulatory risk.

**Office of Insurance**

The Office of Insurance’s mission is “to protect the Institute, and its community members against risk of financial loss to property & casualty related occurrences.” The Office strives to raise awareness of proper risk assessment, loss mitigation and contractual risk transfer; it is a key component in the Institute’s overall risk management system. Risk Management & Compliance Services partners with the Office of Insurance by coordinating approaches to existing and emerging risks where risk transfer and risk financing can effectively mitigate or reduce loss.

**Audit Division**

The Audit Division is an independent and objective assurance activity responsible for examining and evaluating internal control, risk management, compliance and governance activities Institute-wide. This is done through a risk-based program of activities, including compliance, financial, information technology and operational audits and advisory engagements. The Audit Division is distinct from the above offices in its independent reporting line to the Risk and Audit Committee, and its broad charge of providing assurance to Institute management and the Risk and Audit Committee of the adequacy of controls designed to mitigate risks, and the effectiveness of the overall system for managing risk as designed by Risk Management & Compliance Services. Both offices work in concert with owners and managers of risk throughout the Institute to promote risk awareness and informed risk-taking.
### Question

1.4. Is responsibility for implementing and managing the company’s anti-bribery and corruption programme ultimately assigned to a senior executive, and does he or she have a direct reporting line to the board or board committee providing oversight of the company’s programme?

### Score

0

### Comments

There is evidence that the institution has assigned responsibility for implementing and managing its compliance programme to several managerial-level employees. However, anti-bribery and corruption is not mentioned explicitly as a part of the compliance programme. Additionally, there is no evidence of reporting and feedback activities between these individuals and the board as part of the institution’s reporting structure, for example through attendance or participation at board-level committee meetings.

### Evidence

<table>
<thead>
<tr>
<th>Evidence Reference</th>
<th>Source Description</th>
</tr>
</thead>
</table>
David Suski joined MIT as counsel in the Office of the General Counsel (OGC) in September 2012. He is the onsite legal advisor for MIT Lincoln Laboratory and serves as the MIT/OGC advisor for legal matters affecting the Laboratory and its personnel. He focuses on contractual issues arising out of the Laboratory’s national defense research, with particular focus on MIT’s contract with the Department of Defense for the operation of the Laboratory. Additionally, he provides interpretations of federal and state laws and regulations, and advises the Laboratory and its personnel on their applicability and effect in areas such as security, environmental issues, data rights, and export control compliance. His key responsibilities include the drafting of legal documents, contracts, legislative materials, and other correspondence to ensure that the interests of the Laboratory are safeguarded, while also advising MIT and Laboratory management on the legal implications of actions under consideration and providing recommendations where appropriate. |
Donald L. Vandeveer is the Head of the Contracting Services Department (CSD) at MIT Lincoln Laboratory. He is responsible for directing all aspects of contracting (buying and selling); technology and software licensing; export and publication release reviews; logistics; ethics, compliance, and conflicts of interest; and initiatives to foster connections with small and diversity businesses. |
[p. 2] Lincoln Laboratory’s Technology and Contracts Office (TCO) is responsible for creating and supporting a comprehensive ethics and compliance program. The office provides training to staff on this Code of Conduct. The TCO is responsible for investigating alleged violations of ethics-related regulations and conducting an annual review of the compliance program. In compliance with the DoD mandate, Lincoln Laboratory has a Laboratory Ethics Officer (LEO) who has the ability to bring any ethics-related matter to the Laboratory Director’s Office. The LEO is available to assist with questions and concerns relating to all ethics and compliance matters. |
Risk Management & Compliance Services (RMCS) serves as a resource to the MIT community in the areas of risk management and compliance. The office reports to the Vice President & General Counsel as well as the Risk and Audit Committee of the MIT Corporation. Since risk at the Institute is an important topic to MIT governance, the Risk and Audit Committee oversees the activity and policies of RMCS.  
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### 2. Internal Controls

<table>
<thead>
<tr>
<th>Question</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1. Is the design and implementation of the anti-bribery and corruption programme tailored to the company based on an assessment of the corruption and bribery risks it faces?</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>There is evidence that the institution has a formal risk assessment procedure that informs the design of its compliance programme, and that the results of these assessments are reviewed at board level. These procedures do not explicitly apply to bribery or corruption; however, it seems clear that the programme would include these issue areas. It is unclear how often risk assessments are conducted.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Evidence</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accessed 29/07/2019</td>
</tr>
<tr>
<td><a href="https://corporation.mit.edu/sites/default/files/images/Bylaws%20of%20the%20Corporation%20as%20of%20June%2008%202017_0.pdf">https://corporation.mit.edu/sites/default/files/images/Bylaws%20of%20the%20Corporation%20as%20of%20June%2008%202017_0.pdf</a></td>
</tr>
<tr>
<td>[p. 17] The Risk and Audit Committee shall employ public accountants to examine the books of MIT for the next fiscal year, and such other financial and investment records as the Risk and Audit Committee deems appropriate from time to time. The public accountants shall report thereon to the Risk and Audit Committee, which shall in turn present the report of audit, including the scope of the examination, to the members of the Corporation at their next annual meeting with such recommendations as the Risk and Audit Committee shall deem appropriate. The Risk and Audit Committee undertake other responsibilities with respect to the quality and integrity of MIT’s financial statements, MIT’s external and internal auditors, MIT’s tax filings and compliance with law, regulation, and standards of ethical behavior, and risk management as are stated in a charter adopted by the Risk and Audit Committee following review by the Executive Committee.</td>
</tr>
</tbody>
</table>

| [16] Risk Council Charter - Risk Management & Compliance Services (Webpage) |
| Accessed 29/07/2019 |
| [https://riskandcompliance.mit.edu/risk-council/charter](https://riskandcompliance.mit.edu/risk-council/charter) |
| Charter |
| Introduction |
| MIT seeks to push beyond existing boundaries and to seize opportunities in support of its mission. The Institute supports a system of risk identification and assessment to increase awareness and understanding of the risks taken on in this pursuit, and manage them effectively. Through execution of responsibilities described below, the MIT Risk Council is an important part of the system in which the Institute takes informed risks. |
| Formation |
| The MIT Risk Council was formed in 2012 with a membership of individuals in operational and advisory roles representing multiple areas of central and academic operations, to address risk. Members bring a deep understanding of MIT’s risk-taking culture, and of the delicate task of eliminating or mitigating risks that may degrade the Institute’s ability to achieve its mission. They are part of a broader community of individuals who bear responsibility for, and may actively manage, risks of all types. The Risk Council is chaired by MIT’s Institute Risk Officer, who reports to the Vice President and General Counsel. Members are invited by the Chair and broad representation is welcome. The Risk Council is accountable to the central senior administration team in the President’s Office. |
| Mission |
| The Risk Council works in partnership with Risk Management & Compliance Services who advises senior administration risk owners on matters related to Financial, Operational, Safety, Behavior, Compliance, Reputation, and Strategic Risks. The Risk Council supports the Institute’s system of risk identification and assessment, and helps maintain awareness of top risks. As part of a network, Risk Council members share risk concerns and possible solutions, advise Risk Management & Compliance Services, and communicate within individual operating units and to their senior supervisors on matters of risk. |
Key Responsibilities
Risk Council does not supplant existing risk management activities, or assume ownership of risks beyond each member’s organizational responsibilities. Accordingly the Risk Council contributes to the integrity of the framework for understanding and taking risks at MIT through the following activities:

- Advise and partner with Risk Management & Compliance Services;
- Be a sounding board for, and bring, questions regarding risk ownership, risk assessment, and risk management strategies;
- Bring knowledge and information about risk to own units and areas, to increase risk awareness;
- Through participation, learn about matters of Institute risk, risk management principles and practices, and senior administration perspectives on risk at MIT;
- Contribute ideas for discussion, review or exploration by Risk Council.

Assessing Risk - Risk Management & Compliance Services (Webpage)
Accessed 29/07/2019
https://riskandcompliance.mit.edu/riskmit/assessing-risk

Assessing Risk
Risk management promotes awareness and understanding of risk taking throughout the Institute. It can inform decision making and enable prioritization of activities and resources based upon risk. It can also help the Institute, or individual units and DLCs, identify areas for enhanced controls, process improvement or other mitigation activities.

Risk Types
Risk is the effect (positive or negative) of uncertainty on the Institute's mission and goals. Generally, risks at MIT are grouped into five categories: Safety, Operational, Behavior, Financial, Compliance. Additionally, Reputation is another risk type that could result from risks in any of these five categories.

<table>
<thead>
<tr>
<th>Reputation</th>
<th>Safety</th>
<th>Operational</th>
<th>Behavior</th>
<th>Financial</th>
<th>Compliance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Risks of loss from an unsafe or unsecure campus, including risks of external events affecting the campus</td>
<td>Risks of loss or opportunities for gain from the management of MIT’s academic, research and business activities</td>
<td>Risks of loss or opportunities for gain from conduct in the community that is inconsistent with or tests standards, values, law or policy</td>
<td>Risks of loss or opportunities for gain related to financial resources and assets</td>
<td>Risks of loss from violations of law, regulation or policy</td>
</tr>
</tbody>
</table>

“Loss” means injury, liability, penalties, reduced funding or other damage

Risk Assessment Framework
Assessing risks at the Institute can help identify potential events that may affect its people, operations, research, or academic mission. It encourages continuous focus on the most important risks and opportunities in order to most effectively allocate resources and adjust work priorities. The framework below may serve as an informal model to analyze risk.

The goal of MIT’s risk assessment framework is to foster a culture of risk awareness that promotes intelligent, informed decisions about risk consistent with the MIT values of excellence and integrity, and within the decentralized, collaborative and entrepreneurial spirit of MIT. The steps of the assessment process are:

- (Step 1) Identify Internal & External Risks
- (Step 2) Determine Risk Owner(s)
- (Step 3) Assess Risks & Evaluate Current Procedures
- (Step 4) Mitigate, Avoid, Accept
• (Step 5) Monitor Effectiveness of Mitigation Plans
• (Step 6) Repeat process beginning with step 1, as risk management is a continual, iterative process.

Risk Management & Compliance Services serves as a resource for areas across the Institute interested in assessing its relevant risks. If a unit or DLC is interested in learning more about assessing risks in its area, please contact riskmanagement@mit.edu for more information.

[18] Partners - Risk Management & Compliance Services (Webpage)
Accessed 29/07/2019
https://riskandcompliance.mit.edu/resources/partners

Partners
Risk Management & Compliance Services conducts work in partnership with other Institute central offices for which the subject of risk is core to their mission. Collectively these offices provide a comprehensive resource for mitigating adverse outcomes from risks, and helping the Institute take informed risks.

Office of the General Counsel
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Audit Division
The Audit Division is an independent and objective assurance activity responsible for examining and evaluating internal control, risk management, compliance and governance activities Institute-wide. This is done through a risk-based program of activities, including compliance, financial, information technology and operational audits and advisory engagements. The Audit Division is distinct from the above offices in its independent reporting line to the Risk and Audit Committee, and it’s broad charge of providing assurance to Institute management and the Risk and Audit Committee of the adequacy of controls designed to mitigate risks, and the effectiveness of the overall system for managing risk as designed by Risk Management & Compliance Services. Both offices work in concert with owners and managers of risk throughout the Institute to promote risk awareness and informed risk-taking.

[14] Risk Management & Compliance Services (Webpage)
Accessed 29/07/2019
https://riskandcompliance.mit.edu/about

Deborah L. Fisher
Institute Risk Officer

As Institute Risk Officer, Debby Fisher leads Risk Management & Compliance Services and is responsible for creating a comprehensive Institute-wide system of risk identification and assessment that supports informed risk-taking. Reporting to her are the Manager of Institutional Compliance and the Manager of Institutional Risk Services, both staff of Risk Management & Compliance Services.

Saumya Khanduja
Manager of Institutional Risk Services

Saumya Khanduja joined MIT in March 2018 as the Manager of Institutional Risk Services. In her role, Saumya is responsible for working with leadership and all levels of management to balance MIT’s entrepreneurial culture with risk-informed decision making. This includes directing a risk assessment and analysis program, facilitating risk
identification and mitigation strategy discussions, assisting in efforts to enhance existing risk management practices, creating awareness around emerging risks, presenting on top identified risks to various community stakeholders, and serving as a resource across the wider community to effectively leverage mutual knowledge and understanding of risk and risk management.
Question
2.2. Is the company’s anti-bribery and corruption programme subject to regular internal or external audit, and are policies and procedures updated according to audit recommendations?

Score
0

Comments
The institute states that it has an Audit Division which regularly undertakes audits into its various divisions, inclusive of the Lincoln Laboratory. While there is some evidence that the institute's audits entail the review of compliance concerns, it is not explicitly clear whether this component of the Lincoln Laboratory's operations is subject to review.

Evidence

[23] Who We Are - MIT Audit Division (Webpage)
Accessed 29/07/2019
http://audit.mit.edu/about-us/who-we-are

Who We Are
The Audit Division supports the Institute’s efforts to follow good practices, control risks, and keep assets safe. Like you, we work for MIT and share your commitment to its mission.

We are internal auditors. Our objectives are different from external auditors that provide oversight to federal agencies. We recommend process improvements and encourage your efforts to fine-tune your operations.

How we’re organized
We have a dual reporting structure to ensure our independence: We work for the MIT Corporation Risk and Audit Committee and are supported administratively by the Executive Vice President and Treasurer.

Independence and objectivity are two critical components of the work we do. We’re authorized to access all functions, records, property, and personnel, but we don’t have any personal or professional involvement with the areas we audit. This structure enables us to be unbiased and impartial.
Quality Assurance
We hold ourselves to the highest standards in the internal audit industry and adhere to stringent professional principles. In 2016, an outside firm audited us, and we’re proud to have received a top rating.

Standards
We perform all work according to the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors (IIA). These standards, which provide a framework for conducting internal audits and advisory (consulting) services, require objectivity and independence when delivering reviews.

Professional principles
We strengthen our team and evolve our work processes through an ongoing quality assurance program, including:
- Professional development: We support our team’s efforts to pursue relevant certifications, participate in training, and attend industry conferences and seminars. Members of our team enhance their knowledge and skills through ongoing continuing professional education, as required by their professional certifications.
- Post-engagement surveys: After every audit, we solicit feedback from our clients and use this insight to improve our operations.

Roles and responsibilities
Within the Audit Division, we have a specialized role: Manager of Audit Quality. The manager doesn’t perform audits, but is dedicated to improving our service delivery and ensuring the effectiveness of everything we do.
Responsibilities include:
- Keeping up to date on the professional standards we follow and how they apply to our work.
- Analyzing completed audits and comparing them to our standards.
- Aligning our processes to meet new professional guidelines.
- Evaluating post-engagement client surveys and using the feedback to refine our priorities.
- Reviewing audit reports.

External evaluations
We get audited too. In 2016, an independent firm performed a quality assessment review of the Audit Division. We received a top rating for conforming to the International Standards for the Professional Practice of Internal Auditing. We were also recognized as a well-established function that delivers value to the MIT community and contributes to the Institute’s mission and governance.
The firm noted these key strengths in its final report:
- Experienced and skilled staff perceived as collaborative, professional, open, and applying best practices.
- Focus on professional standards and practices.
- Support to Institute-wide process improvements.
- Strong satisfaction level of the MIT Corporation Risk and Audit Committee.
- Involvement in Institute-wide committees and task forces.
- Effective collaboration with Risk Management and Compliance Services.

Questions about quality assurance?
Kimberly Ahern, Manager of Audit Quality

What are audit ratings?
At the end of each audit, we issue an audit report. The report contains our unbiased assessment of the effectiveness of your unit’s processes. It includes an overall audit rating, audit findings (if any), and a list of recommended improvements.

Audit findings
As a first step, we evaluate processes and report on those that bear a medium risk or high risk.

Medium risk indicates:
- There are weaknesses in the process that present risk exposure to the unit under review.
- The significance of these weaknesses makes it important to correct them.
Senior management attention is recommended, and operating management action is required.

High risk indicates:
- There are weaknesses in the process that present risk exposure to the unit under review.
- The significance of these weaknesses makes it imperative to correct them.
- Senior management attention is required.

We also discuss less significant or low-risk issues with process area managers, and these discussions are noted in our report. Details of these issues aren’t included in the report.

Audit ratings
Based on the aggregate level of risk, we issue an overall audit rating. Audit ratings indicate if your unit’s processes are effective, need to be better, or aren’t effective.

There are three ratings:
- Satisfactory: The processes are generally effective in mitigating risks.
- Needs improvement: The processes are only partially effective in mitigating risks.
- Unsatisfactory: The processes don’t mitigate risks and are seriously flawed in design or operation.

Keep in mind that “needs improvement” is not a negative audit rating! The MIT Corporation Risk and Audit Committee and senior leaders understand that many audit ratings fall into this category. How your management team responds with an action plan to improve processes is more important than the rating.

Who sees the audit report?
Key stakeholders who receive all of our reports include:
- Assistant Provost, Office of the Provost
- Deputy Executive Vice President, Office of the Executive Vice President and Treasurer
- Vice President and General Counsel, Office of the General Counsel
- Institute Risk Officer, Risk Management and Compliance Services
- In addition, other stakeholders within senior administration receive the report based on the focus of the audit (e.g. Chancellor if students are involved or Vice President for Research if it is about research).

[21] How do audits work - MIT Audit Division (Webpage)
Accessed 29/07/2019
http://audit.mit.edu/guidance-resources/what-expect/how-do-audits-work

How do audits work
Audits are a collaboration between the Audit Division and your unit. We know that you like to be prepared and informed — so we walk you through the phases of the audit upfront, keep you in the loop as our work unfolds, and preview our results with you. Here are the steps we follow:

Planning
Each audit engagement begins with a kickoff meeting to establish the objective and scope for the audit. During the meeting, we discuss any concerns you may have and any processes you’d like us to consider. We also ask you to gather background information that will help us conduct the audit. As the planning phase unfolds, we begin to interview members of your team. At the end of this phase, we issue an engagement letter to reconfirm the objective and scope for the audit and establish guidelines for our testing.

Fieldwork
During this phase, we continue our interviews, test compliance with policies, and evaluate processes to see if they’re effective and efficient. You may be asked to provide documentation to support the audit testing. Throughout this phase, we communicate with your unit to keep you informed and discuss any concerns with you as we identify them.

Results
The results phase includes several steps:

Draft report
The draft report features a rating for existing processes and recommendations for any process improvements. The draft report goes to your unit for review so that you can comment on and prepare your management action plan. We attempt to balance risks and costs in our recommendations. However, you are not obliged to accept them. A decision to accept risk for the Institute may need to be made by a higher authority.
Management action plan
Managers develop an action plan to improve processes or address identified problem areas. The plan summarizes what action will be taken, names the individuals who will organize and coordinate management actions and includes a timeline for completion.

Final report
We issue the final audit report to the appropriate parties on your team and across the Institute. Key stakeholders who receive all of our reports include:

- Assistant Provost, Office of the Provost
- Deputy Executive Vice President, Office of the Executive Vice President and Treasurer
- Vice President and General Counsel, Office of the General Counsel
- Institute Risk Officer, Risk Management and Compliance Services
- In addition, other stakeholders within senior administration receive the report based on the focus of the audit (e.g. Chancellor if students are involved or Vice President for Research if it is about research).

Client survey
After the final report, we send a survey to get your feedback about the audit engagement. Your feedback is important because it helps us improve service delivery and ensure audit quality.

Follow-up
We review the management action plan and follow up to see if your team is completing agreed-upon actions effectively. If your unit hasn’t been able to meet its deadlines, we’ll work with you to come up with a reasonable timeline to do so. Please keep in mind that it’s part of our job to bring unfinished actions to the attention of senior management.

[22] Why was I selected - MIT Audit Division (Webpage)
Accessed 29/07/2019
http://audit.mit.edu/guidance-resources/what-expect/why-was-i-selected

Why was I selected
We audit processes, not people. Each year, we choose which processes to audit by evaluating several factors:

- Input from management: We consult with managers on campus and at Lincoln Laboratory as well as with senior Institute management.
- Risks to MIT: We look at the top safety, operational, behavior, financial, and compliance risks that MIT faces. Reputation is a consequence of each of these risks.
- Emerging challenges within higher education: We continually monitor developments within higher education and consider information and insight from colleagues at other higher education internal audit organizations.
- External forces: We review federal, state, and local regulations that could affect the processes we employ at MIT.

Once our evaluation is complete, we present an audit plan that prescribes audit coverage across campus and Lincoln Laboratory to the MIT Corporation Risk and Audit Committee and management. The audit plan is approved by the MIT Corporation Risk and Audit Committee.

[25] External Audit Groups - MIT Audit Division (Webpage)
Accessed 29/07/2019
https://audit.mit.edu/guidance-resources/external-audit-groups

External Audit Groups
The Audit Division is an internal group that evaluates MIT’s processes on campus and at Lincoln Laboratory. The Institute also works with external audit groups, including:

- PricewaterhouseCoopers, an accounting firm that performs Institute-wide financial statement audits.
- The Defense Contract Audit Agency, Offices of the Inspector General, and other entities that report to the government to assure the effective oversight of public funds.

Internal vs. external auditors
All auditors conduct evaluations to provide an objective opinion. Here’s how the MIT Audit Division is different from external audit groups:
Requests for information

We don’t actively report our work to external audit groups, but we do respond to their legitimate requests for our audit work. If you receive a request for information from an external auditor, please coordinate with the appropriate MIT contact before releasing any information:

- For federal and sponsor inquiries: John Donahue, Director of Cost Analysis, Office of Sponsored Programs, jpd@mit.edu
- For non-sponsor financial inquiries: Danielle Khoury, Controller, Office of the Vice President for Finance, dkhoury@mit.edu
- For Lincoln Laboratory inquiries: Scott Thornhill, Assistant Department Head, Lincoln Laboratory, thornhill@ll.mit.edu
- For internal audit reports: Michael J. Moody, Institute Auditor, Audit Division, mjmoody@mit.edu

[18] Partners - Risk Management & Compliance Services (Webpage)
Accessed 29/07/2019
https://riskandcompliance.mit.edu/resources/partners

Audit Division
The Audit Division is an independent and objective assurance activity responsible for examining and evaluating internal control, risk management, compliance and governance activities Institute-wide. This is done through a risk-based program of activities, including compliance, financial, information technology and operational audits and advisory engagements. The Audit Division is distinct from the above offices in its independent reporting line to the Risk and Audit Committee, and it's broad charge of providing assurance to Institute management and the Risk and Audit Committee of the adequacy of controls designed to mitigate risks, and the effectiveness of the overall system for managing risk as designed by Risk Management & Compliance Services. Both offices work in concert with owners and managers of risk throughout the Institute to promote risk awareness and informed risk-taking.

Accessed 29/07/2019
https://corporation.mit.edu/sites/default/files/images/Bylaws%20of%20the%20Corporation%20as%20of%20June%2008%2C%202017%20.pdf

[p. 17] The Risk and Audit Committee shall employ public accountants to examine the books of MIT for the next fiscal year, and such other financial and investment records as the Risk and Audit Committee deems appropriate from time to time. The public accountants shall report thereon to the Risk and Audit Committee, which shall in turn present the report of audit, including the scope of the examination, to the members of the Corporation at their next annual meeting with such recommendations as the Risk and Audit Committee shall deem appropriate. The Risk and Audit Committee undertake other responsibilities with respect to the quality and integrity of MIT’s financial statements, MIT’s external and internal auditors, MIT’s tax filings and compliance with law, regulation, and standards of ethical behavior, and risk management as are stated in a charter adopted by the Risk and Audit Committee following review by the Executive Committee.
2.3. Does the company have a system for tracking, investigating and responding to bribery and corruption allegations or incidents, including those reported through whistleblowing channels?

Score
0

Comments
There is evidence that the institute has a complaint resolution procedure, which details actions and documentation to be taken at each step. However, publicly available evidence suggests that these procedures only relate to employment policy concerns, such as discrimination and harassment; there is no evidence that they extend to bribery, corruption or ethics-related concerns. The Lincoln Laboratory also publishes separate information for reporting violations, but it does not detail any specific procedures for dealing with such reports.

Evidence

Accessed 23/07/2019

MIT is committed to providing a prompt, fair and impartial process, with informal and formal options, to address concerns of harassment, discrimination, or other inappropriate conduct prohibited by MIT policy. The goals of the complaint resolution process are to stop inappropriate conduct, to respond effectively to allegations of inappropriate conduct, and to restore a productive and welcoming working or learning environment.

9.8.1 Application of Policy
The complaint resolution process described in Section 9.8 is available for any complaint by an MIT community member that an MIT faculty member, staff member, or postdoctoral scholar (fellow or associate) engaged in conduct that violates any of the following “Conduct Policies:”

Discrimination or Discriminatory Harassment
- Harassment when the alleged conduct is based on an individual’s protected class as defined in Section 9.2 (Section 9.4)
- Nondiscrimination (Section 9.2)
- Racist Conduct (Section 9.3)
- Retaliation when the alleged conduct is based on an individual’s protected class as defined in Section 9.2 (Section 9.7)
- Violence against Community Members (Section 9.6) based on an individual’s protected class

Other Inappropriate Conduct
- Harassment not based on an individual’s protected class (Section 9.4)
- Personal Conduct and Responsibilities Towards Students and Employees (Section 9.1)
- Relations and Responsibilities Within the MIT Community (Section 9.0)
- Retaliation not based on an individual’s protected class (Section 9.7)
- Violence against Community Members (Section 9.6) not based on an individual’s protected class

[...] For any complaint made against an MIT faculty member, staff member, or postdoctoral scholar that does not allege violation of a Conduct Policy, MIT will determine the process for review of the complaint on a case-by-case basis. In any formal investigation, the steps in Section 9.8.4.2 are usually followed.

9.8.3 Informal Options for Resolving Complaints

When appropriate and possible, faculty, supervisors, managers and other employees are encouraged to talk directly with one another about any concerns, with the goal of understanding perspectives and resolving differences. Supervisors are encouraged to address concerns informally, and as early as possible (see Section 7.3.1). Employees may also seek assistance from the Institute Discrimination and Harassment Response office (IDHR), a human resources professional in their department, lab, or center or in the Human Resources office, or from an MIT Ombudsperson to informally resolve a concern.
In some cases, a more structured informal process may be selected by the Complainant and the Respondent. This may include facilitation of an agreement between the parties, individual or group educational or training programs, and coaching or counseling assistance. This type of informal resolution may be conducted with the assistance of the IDHR, a human resources professional in the department, lab or center, the Ombuds Office, or the Human Resources office. As part of this more structured process, there may be factual inquiries to assist in informally resolving the concern. Any resolution resulting from this process is documented by the IDHR (with the exception of resolutions resulting from work with the Ombuds Office, which does not generate records).

With all informal resolution options, no determination is made as to whether a Conduct Policy was violated. At any time, either the Complainant or the Respondent may end any attempt at informal resolution of a Complaint, in which case the formal investigation process begins or resumes under Section 9.8.4. The IDHR office may also decide that a Complaint needs to be formally investigated even if both Complainant and the Respondent wish to resolve the matter informally.

9.8.4 Investigation of Complaints
9.8.4.1 Filing and Initial Assessment of a Complaint

Any member of the MIT community may file a Complaint online or with the Institute Discrimination and Harassment Response Office (IDHR) to initiate an investigation of an alleged violation of a Conduct Policy.

The Complainant is encouraged to file a Complaint as soon as possible after the offending conduct occurred. Although MIT does not impose a specific time limit for reviewing a Complaint, the Institute can respond more effectively to a Complaint that is filed while the underlying facts are recent. In its discretion, the IDHR may decide not to undertake an investigation due to the passage of time.

When a Complaint is filed, the IDHR does an initial assessment of the Complaint to determine whether the behavior would violate a Conduct Policy, assuming for purposes of this analysis that the factual allegations contained in the Complaint are true. If the IDHR determines that:

- The Complaint does not state a violation of a Conduct Policy, the IDHR closes the Complaint.
- The Complaint states a violation of a Conduct Policy in the category of Discrimination or Discriminatory Harassment (see Section 9.8.1), the IDHR will begin an investigation of the Complaint or attempt informal resolution.
- The Complaint states a violation of a Conduct Policy in the category of Other Inappropriate Conduct (see Section 9.8.1), the Complaint is referred to the Human Resources office to begin an investigation or attempt informal resolution.

The IDHR will inform the Complainant of its initial assessment decision. The IDHR’s initial assessment decision is final and cannot be appealed.

9.8.4.2 Investigation Process

The formal Investigation Process includes the following steps:

- The Complainant and Respondent are notified in writing of the name of the investigator, the nature of the allegations, and a summary of the process that will be followed. A copy of the written notification is also provided to the Respondent’s supervisor or manager.
- The Complainant and Respondent meet separately with the investigator and provide any information they would like the investigator to consider.
- The investigator may interview witnesses, collect other information, and consult with other individuals or offices, all as the investigator deems appropriate.
- The Complainant and the Respondent have an opportunity to review a draft investigation report and provide comments to the investigator.
- The investigator uses a preponderance of the evidence standard (“more likely than not”) in drafting the investigation report.

Investigations are usually completed within 75 calendar days from the date the investigation begins.

9.8.4.3 Findings and Discipline – Faculty Members, Senior Research Scientists, Senior Research Engineers, and Senior Research Associates
If the Respondent is a faculty member, senior research scientist, senior research engineer, or senior research associate, the investigator investigates and prepares a report with findings of fact and a recommendation as to whether the Respondent violated any Conduct Policy. The report is provided to a Faculty Panel. The Faculty Panel may meet or consult with the investigator or others but generally does not meet with the Complainant or the Respondent. The Faculty Panel decides if the Respondent violated one or more of the Conduct Policies.

If the Faculty Panel decides that the Respondent violated a Conduct Policy, the Faculty Panel recommends to the appropriate Dean (or other Academic Council member for some senior research scientists, engineers, and associates) what action should be taken in light of the finding. Examples of discipline include, but are not limited to, a reprimand (oral or written), a suspension, a salary reduction, a demotion, a removal of privileges, or termination of employment or appointment. See Section 3.4.2 Faculty Misconduct or Performance Below Standards regarding discipline for tenured faculty.

The Dean reviews the recommendation from the Faculty Panel and determines what discipline will be imposed or other action taken. If the Dean disagrees with the Panel’s recommendation, the Dean must meet with the Faculty Panel to discuss. If the Dean continues to disagree with the Faculty Panel’s recommendation after that discussion, the Dean must inform the Provost in writing of the reason(s) for their disagreement on discipline. In such cases, the Provost will make the final decision on discipline. If the Faculty Panel determines that the Respondent violated a Conduct Policy, the report and conclusions are also sent to the Respondent’s department/unit head and to the Dean of the unit in which the Respondent works.

The Respondent and the IDHR are provided written notice of any discipline. The Complainant is not generally provided with information about the discipline issued unless the discipline directly affects the Complainant, such as a “no contact” order. However, in cases of sexual assault, dating violence, domestic violence, or stalking, the Complainant and Respondent receive simultaneous notification in writing of the result of the investigation (including discipline), procedures for appeal (if applicable), any change to the result, and when the results become final.

[26] FAQs – Hotline (Webpage)
Accessed 05/08/2019
http://hotline.mit.edu/faqs

What if I have follow up information after my initial report?
When you file a report using the hotline, you receive a unique user name and are asked to choose a password. You can return to the EthicsPoint system again either by internet or telephone and access the original report to add more detail. In rare cases, we may pose follow up questions to you through the EthicsPoint system if we require more information than was initially provided. You would be able to see these questions by logging in.

Will I be given status updates on any investigation performed or informed of the outcome?
For confidentiality reasons, we are unable to share specific information about an investigation or the result. However, if upon closure of a report you continue to observe inappropriate behavior, you may make an additional report.

[07] Lincoln Laboratory MIT TCI-001, Code of Conduct (Document)
Accessed 23/07/2019
https://www.ll.mit.edu/doc/code-conduct

[p. 2] 3.4. REPORTING POTENTIAL VIOLATIONS
Violations of the Code of Conduct or Laboratory policies and procedures are detrimental to the Laboratory, its reputation, and its community. Both MIT and the Laboratory’s management encourage and trust that community members will report violations or suspected violations of law or Laboratory policies or procedures.

Those who report violations may do so anonymously and will be protected from reprisal.

For ethics or Code of Conduct-related questions or concerns or to report a violation or suspected violation, the following table lists available resources and mechanisms:
<table>
<thead>
<tr>
<th>TITLE OR POSITION</th>
<th>CONTACT</th>
</tr>
</thead>
</table>
| Laboratory Leadership            | • Your supervisor or manager, or  
                               | • Laboratory Senior Leadership in the Director’s Office at (781) 981-7000 |
| Laboratory Ethics Office         | • Laboratory Ethics Officer in the MIT Office of General Counsel at (781) 981-7094, or  
                               | • Assistant Laboratory Ethics Officer in the Technology and Contracts Office (TCO) at (781) 981-8344 |
| Laboratory Ethics Hotline        | (866) 862-6166  
                               | To file a report online:  
                               | http://www.miltolinolaboratory.ethicspoint.com  
                               | The Ethics Hotline is a 24-hour answering service through a third-party service provider called EthicsPoint. Communication with the Ethics Hotline can remain anonymous upon request.  
                               | Do not disclose classified information to the Ethics Hotline. |
| Department of Defense Fraud Hotline | Call (800) 424-9098  
                                            | To file a report online:  
                                            | http://www.dodig.mil/hotline/ |
| Laboratory Human Resources Division | Human Resources (781) 981-7064 |
| Laboratory Security Services Department | Laboratory Chief Security Officer (781) 981-7112 |
**Question**

2.4. Does the company have appropriate arrangements in place to ensure the quality of investigations?

| Score | 0 |

| Comments |

There is no evidence that the institute assures itself of the quality of its internal investigations relating to anti-bribery and corruption. There is some evidence that the institute commits to investigating misconduct, harassment and other employment policy complaints promptly and objectively; however the institute receives a score of ‘0’ because it is not clear that this extends to reports made about corruption and bribery concerns, and there is insufficient evidence that it assures itself of the quality through training of staff conducting investigations.

**Evidence**

[03] 9.8 Complaint Resolution Policies and Procedures and Policies (Webpage)

Accessed 02/04/2020


MIT is committed to providing a prompt, fair and impartial process, with informal and formal options, to address concerns of harassment, discrimination, or other inappropriate conduct prohibited by MIT policy. The goals of the complaint resolution process are to stop inappropriate conduct, to respond effectively to allegations of inappropriate conduct, and to restore a productive and welcoming working or learning environment.

9.8.4 Investigation of Complaints

9.8.4.1 Filing and Initial Assessment of a Complaint

[…] The Complainant is encouraged to file a Complaint as soon as possible after the offending conduct occurred. Although MIT does not impose a specific time limit for reviewing a Complaint, the Institute can respond more effectively to a Complaint that is filed while the underlying facts are recent. In its discretion, the IDHR may decide not to undertake an investigation due to the passage of time.

9.8.4.2 Investigation Process

The formal Investigation Process includes the following steps:

[…]

- The Complainant and Respondent meet separately with the investigator and provide any information they would like the investigator to consider.

[…] Investigations are usually completed within 75 calendar days from the date the investigation begins.

9.8.4.3 Findings and Discipline – Faculty Members, Senior Research Scientists, Senior Research Engineers, and Senior Research Associates

[…] The Respondent and the IDHR are provided written notice of any discipline. The Complainant is not generally provided with information about the discipline issued unless the discipline directly affects the Complainant, such as a “no contact” order. However, in cases of sexual assault, dating violence, domestic violence, or stalking, the Complainant and Respondent receive simultaneous notification in writing of the result of the investigation (including discipline), procedures for appeal (if applicable), any change to the result, and when the results become final.

9.8.4.5 Appeals

Either the Complainant or the Respondent may appeal a finding as to whether a policy violation occurred. Neither party may appeal a decision on discipline or other action taken. An appeal must be filed in writing with the Institute Discrimination and Harassment Response office within 21 calendar days of the date of the written notice of the decision as to whether a policy violation occurred. An appeal is limited to one or more of the following grounds:

- New significant information: There exists significant, substantive, and relevant information that was not available at the time of the decision.
- Material procedural issue: There was a substantial departure from the procedures in Section 9.8 that significantly affected the outcome.
Material finding against the weight of evidence: A material finding that formed a basis for the decision by the investigator or Faculty Panel was substantially against the weight of the evidence.

Appeals are decided as follows:

- The Provost decides appeals on cases in which the Respondent is a faculty member, senior research scientist/engineer/associate, principal research scientist/engineer/associate, research scientist/engineer/associate, or Academic Instructional staff. However, if the Provost made the decision on discipline due to disagreement between the Faculty Panel and the Dean, the President will decide the appeal.
- The Vice President for Research or the Provost decides appeals on cases in which the Respondent is a postdoctoral scholar.
- The Executive Vice President and Treasurer decides appeals on cases in which the Respondent is another category of employee.

Both the Complainant and the Respondent will be informed in writing of the decision on the appeal. The decision on an appeal is final. Generally, the decision on an appeal is made within 30 calendar days from the date the appeal was submitted.
<table>
<thead>
<tr>
<th>Question</th>
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<tbody>
<tr>
<td>2.5. Does the company's investigative procedure include a commitment to report material findings of bribery and corruption to the board and any criminal conduct to the relevant authorities?</td>
</tr>
</tbody>
</table>

| Score | 0 |

<table>
<thead>
<tr>
<th>Comments</th>
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<tbody>
<tr>
<td>The institute commits to informing a relevant senior executive of the results of investigations regarding complaints about employment policy violations. However, there is no evidence that there are any mechanisms in place for reporting corruption or bribery investigations to the board, or for ensuring the disclosure of material findings of such investigations to the relevant authorities.</td>
</tr>
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<table>
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<tr>
<th>Evidence</th>
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<tbody>
<tr>
<td>Accessed 02/04/2020</td>
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<tr>
<td>9.8.4.3 Findings and Discipline – Faculty Members, Senior Research Scientists, Senior Research Engineers, and Senior Research Associates</td>
</tr>
<tr>
<td>[…] If the Faculty Panel determines that the Respondent violated a Conduct Policy, the report and conclusions are also sent to the Respondent's department/unit head and to the Dean of the unit in which the Respondent works.</td>
</tr>
<tr>
<td>Question</td>
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<tr>
<td>2.6. Does the company publish high-level results from incident investigations and disciplinary actions against its employees?</td>
</tr>
<tr>
<td>Score</td>
</tr>
<tr>
<td>Comments</td>
</tr>
<tr>
<td>The institute does not publish any data on ethical or bribery and corruption investigations or disciplinary actions.</td>
</tr>
<tr>
<td>Evidence</td>
</tr>
<tr>
<td>No evidence found.</td>
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</table>
## 3. Support to Employees

<table>
<thead>
<tr>
<th>Question</th>
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<tbody>
<tr>
<td>3.1. Does the company provide training on its anti-bribery and corruption programme to all employees across all divisions and geographies, and in all appropriate languages?</td>
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<table>
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<tr>
<th>Comments</th>
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<tbody>
<tr>
<td>There is evidence that the Lincoln Laboratory provides training on the Code of Conduct to all of its new employees. However, there is no evidence that the Code of Conduct includes anti-bribery and corruption principles.</td>
</tr>
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<table>
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<tr>
<th>Evidence</th>
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<tbody>
<tr>
<td>[07] Lincoln Laboratory MIT TCI-001, Code of Conduct (Document)</td>
</tr>
<tr>
<td>Accessed 23/07/2019</td>
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<tr>
<td><a href="https://www.ll.mit.edu/doc/code-conduct">https://www.ll.mit.edu/doc/code-conduct</a></td>
</tr>
<tr>
<td>[p. 3] All new Laboratory staff receives Code of Conduct training from the TCO during the new employee orientation program.</td>
</tr>
<tr>
<td>Question</td>
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<td>----------</td>
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</tbody>
</table>
| 3.2. Does the company provide tailored training on its anti-bribery and corruption programme for at least the following categories of employees:  
  a) Employees in high risk positions,  
  b) Middle management,  
  c) Board members. |

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<tbody>
<tr>
<td>There is no evidence that the institute tailors its anti-bribery and corruption training to employees based on an assessment of their role and exposure to corruption risk.</td>
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<tr>
<th>Evidence</th>
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<tbody>
<tr>
<td>No evidence found.</td>
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<td>Question</td>
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<td>--------------------------------------------------------------------------</td>
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<tr>
<td>3.3. Does the company measure and review the effectiveness of its anti-bribery and corruption communications and training programme?</td>
</tr>
<tr>
<td>Score</td>
</tr>
<tr>
<td>Comments</td>
</tr>
<tr>
<td>There is no evidence that the institute measures or reviews the efficacy of its anti-bribery and corruption communications or training programme.</td>
</tr>
<tr>
<td>Evidence</td>
</tr>
<tr>
<td>No evidence found.</td>
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<tr>
<td>Question</td>
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<tr>
<td>3.4. Does the company ensure that its employee incentive schemes are designed in such a way that they promote ethical behaviour and discourage corrupt practices?</td>
</tr>
<tr>
<td>Evidence</td>
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<tr>
<td>Question</td>
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<td>----------------</td>
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<tr>
<td>3.5. Does the company commit to and assure itself that it will support and protect employees who refuse to act unethically, even when it might result in a loss of business?</td>
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<th>Evidence</th>
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<tbody>
<tr>
<td>No evidence found.</td>
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</tbody>
</table>
Question

3.6. Does the company have a clear policy of non-retaliation against whistleblowers and employees who report bribery and corruption incidents?

Score
1

Comments

The institute promotes a clear policy of non-retaliation against both whistleblowers and employees. However, the institute’s reporting policy – and therefore also its non-retaliation policy – does not explicitly mention anti-bribery and corruption incidents, allegations or concerns. There is also no evidence to suggest that the institute takes steps to assure itself of its employees’ confidence in this commitment, through surveys or other clearly stated means.

Evidence

[02] 9.7 Retaliation (Webpage)
Accessed 23/07/2019
https://policies.mit.edu/policies-procedures/90-relations-and-responsibilities-within-mit-community/97-retaliation

No one shall be retaliated against for, in good faith, raising a complaint of a violation of an MIT policy, participating in the Institute’s complaint resolution process (whether as a complainant, a witness, an investigator, or in any other capacity), or opposing a violation of an MIT policy. Retaliation is any adverse action, harassment, threats or other conduct that would discourage a reasonable person from making a complaint or otherwise participating in a complaint resolution process. Retaliation may occur even where there is no finding of a policy violation, and a complaint of retaliation will be addressed independently through MIT’s complaint resolution process.

[07] Lincoln Laboratory MIT TCI-001, Code of Conduct (Document)
Accessed 23/07/2019
https://www.ll.mit.edu/doc/code-conduct

[p. 2] Violations of the Code of Conduct or Laboratory policies and procedures are detrimental to the Laboratory, its reputation, and its community. Both MIT and the Laboratory’s management encourage and trust that community members will report violations or suspected violations of law or Laboratory policies or procedures. Those who report violations may do so anonymously and will be protected from reprisal. For ethics or Code of Conduct-related questions or concerns or to report a violation or suspected violation, the following table lists available resources and mechanisms:

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<td>Laboratory Ethics Hotline</td>
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<td>To file a report online: <a href="http://www.dodig.mil/hotline/">http://www.dodig.mil/hotline/</a></td>
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[19] MIT Reporting Hotline (Webpage)
Accessed 23/07/2019

MIT has selected EthicsPoint to provide a simple, anonymous way to report activities that may involve misconduct or violations of MIT’s policies.
This hotline service does not replace or supersede existing reporting methods. The Institute strongly encourages staff and other members of the MIT community to report concerns about misconduct through normal lines of communication.

Reports submitted through EthicsPoint will be handled promptly and discreetly, with information made available only to those who need it to investigate the matter. MIT and EthicsPoint are committed to safeguarding the confidentiality of individuals who submit reports. MIT prohibits retaliatory action for reporting misconduct in good faith or for seeking guidance on how to handle suspected breaches of Institute policy.

[08] EthicsPoint - Massachusetts Institute of Technology Lincoln Laboratory (Webpage)
Accessed 24/07/2019

As the Laboratory is committed to maintaining objectivity and an ethical atmosphere in its support of national security, all employees are required to report any concerns about or possible violations of Law, Laboratory Policy, or the Code of Conduct.

In situations where you prefer to place an anonymous report in confidence, you are encouraged to use this hotline, hosted by a third party hotline provider, EthicsPoint. You are encouraged to submit reports relating to violations stated in our Code of Conduct.

The information you provide will be sent to us by EthicsPoint on a totally confidential and anonymous basis if you should choose. You have our guarantee that your comments will be heard and taken seriously. Retaliation against reports submitted in good faith will not be tolerated.

See the EthicsPoint FAQs for more information.

You may use either of the following two methods to submit a report:
- Select the “Make a Report” link at the top of this web page
- OR
- Dial toll-free, within the United States, Guam, Puerto Rico and Canada: 866-862-6166

After you complete your report you will be assigned a unique code called a "report key." Write down your report key and password and keep them in a safe place. After 5-6 business days, use your report key and password to check your report for feedback or questions.
Question
3.7. Does the company provide multiple whistleblowing and advice channels for use by all (e.g. employees and external parties), and do they allow for confidential and, wherever possible, anonymous reporting?

Score
2

Comments
The institute has multiple channels to report instances of suspected corrupt activity. Channels are sufficiently varied to allow the employee to raise concerns across the management chain and to an independent third party, through the provision of an externally-operated hotline. These channels allow for confidential and, wherever possible, anonymous reporting which extends to both employees and non-employees. Lincoln Laboratory is active only in the U.S. and therefore the reporting channels are automatically available in the relevant jurisdiction and language.

Evidence
[01] People and Culture (Website)
Accessed 23/07/2019
https://www.ll.mit.edu/careers/people-and-culture
[p. 5] If you have any questions about financial conflicts of interest, our code of conduct, or other matters of ethics and compliance, please call the Laboratory Ethics Office at 781-981-8344.

[07] Lincoln Laboratory MIT TCI-001, Code of Conduct (Document)
Accessed 23/07/2019
https://www.ll.mit.edu/doc/code-conduct
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[28] Home – Hotline (Webpage)
Accessed 05/08/2019
http://hotline.mit.edu/

Home
MIT has established an anonymous reporting hotline for complaints about wrongdoing and violations of Institute policy. The reporting system is hosted and maintained by a third-party vendor called Ethicspoint.

There are many other ways to report issues around the Institute. In many cases, MIT is better able to respond to complaints that are not anonymous.

Anyone may use the hotline to report a concern about suspected wrongdoing in the MIT community. The most common categories for hotline reports are the following:
- Conflicts of Interest
- Environmental Health & Safety
- Financial
- Human Resources (including discrimination and harassment)
- Information Technology
- Research
- Risk and Safety
- Violations of Law, Contract, or MIT Policy

This is not an emergency line. If you have an emergency, please dial 617-253-1212 or 100 from a campus phone. If you are off campus, please dial 911.
MIT has a strong non-retaliation policy that applies to anyone who raises a concern in good faith through the anonymous reporting hotline. For questions about the hotline or related material on this website, contact compliance@mit.edu or Kate Miller, Manager of Institutional Compliance.

[27] Other Reporting Options – Hotline (Webpage)
Accessed 05/08/2019
http://hotline.mit.edu/other-reporting-options

Other Reporting Options
Contact Your Supervisor
In most circumstances, a member of the MIT community with concerns about policy violations or allegations of wrongdoing should first contact his or her immediate supervisor.

Other Offices for Reporting Concerns
The following list of offices are alternatives for reporting concerns. Many of these offices will maintain the confidentiality of the reporter but are better able to respond to complaints that are not completely anonymous. People who wish to file anonymous complaints should use the reporting hotline.

Ombuds Office
The MIT Ombuds Office helps people express concerns, resolve disputes, manage conflicts, and learn more productive ways of communicating.

Human Resources
Human Resources investigates employment-related concerns and oversees the formal complaint resolution process for employees.

 [...] 

Information Systems & Technology
IS&T responds to issues about data security and inappropriate use of email or websites.

Office of Sponsored Programs
The Office of Sponsored Programs responds to issues and concerns related to sponsored research at MIT.

 [...] 

Internal Audit
The Audit Division is available to investigate concerns about MIT’s business practices, including financial irregularities.

 [...] 

Risk Management & Compliance Services
Risk Management & Compliance Services can assist with questions about MIT’s use of the EthicsPoint hotline as well as general compliance issues.

[26] FAQs – Hotline (Webpage)
Accessed 05/08/2019
http://hotline.mit.edu/faqs

Do I have to identify myself?
No, you may choose to remain anonymous when reporting concerns through the hotline, either online or by telephone. However, you may identify yourself if you wish.

What happens when I file a report? Who sees it?
All reports will be reviewed by a small group of MIT representatives from Risk Management & Compliance Services, the Audit Division, and the Office of the General Counsel. This group will determine if further review is necessary, and if so, who is best equipped to perform that review. In some cases, it may be the same department that would have received the report had direct channels been used.

What if I have follow up information after my initial report?
When you file a report using the hotline, you receive a unique user name and are asked to choose a password. You can return to the EthicsPoint system again either by internet or telephone and access the original report to add
more detail. In rare cases, we may pose follow up questions to you through the EthicsPoint system if we require more information than was initially provided. You would be able to see these questions by logging in.

Will I be given status updates on any investigation performed or informed of the outcome? For confidentiality reasons, we are unable to share specific information about an investigation or the result. However, if upon closure of a report you continue to observe inappropriate behavior, you may make an additional report.
4. Conflict of Interest

Question
4.1. Does the company have a policy defining conflicts of interest – actual, potential and perceived – that applies to all employees and board members?

Score
2

Comments
The institute formally addresses conflicts of interest as a corruption risk, and has a clear policy and/or procedure that defines conflicts of interest, including actual, potential and perceived conflicts. The policy explicitly covers multiple categories of possible conflicts listed in the guidance. The institute states that this policy applies to all employees and board members, including those of subsidiaries and other controlled entities.

Evidence

[04] 4.4 Conflict of Interest (Webpage)
Accessed 23/07/2019
https://policies.mit.edu/policies-procedures/40-faculty-rights-and-responsibilities/44-conflict-interest

4.4 Conflict of Interest
The Institute's concern with conflict of interest has grown with the increasing complexity of our society, the variety of our relations with each other and with outside institutions, and a heightened national sensitivity to these issues. Some questions on conflict of interest arise from outside professional activities of the faculty and staff and have been addressed in preceding sections. Others, in the more traditional meaning of conflict of interest, derive from the opportunities an individual may have because of his or her position at the Institute to influence MIT's relationship with an outside organization in ways that would lead directly to the individual's personal financial gain.

In response to these concerns, the Institute has adopted the following statement of policy: It is the policy of the Institute that its officers, faculty, staff, and others acting on its behalf have the obligation to avoid ethical, legal, financial, or other conflicts of interest and to ensure that their activities and interests do not conflict with their obligations to the Institute or its welfare. Essential to effective administration and adherence to this policy are

1. disclosure of outside activities and interests to designated Institute officers, including financial interests, that might give rise to conflicts; and
2. readily available advice and counsel to individuals and to Institute department heads on any situation.

Accordingly, members and officers of the Corporation, Institute senior officers, and other members of the staff in a position to make decisions favoring one or another outside interest should annually acknowledge in writing their knowledge of this policy and either affirm that they have no interest, direct or indirect, in conflict with the Institute's interest, or identify any interests that have the potential for conflict. Members of the Faculty should provide similar information to their department heads, as part of their annual report of their outside professional activities. Certain faculty and staff are subject to investigator disclosure requirements by federal agencies. In those cases, the specific policy should be obtained from the Institute's Conflict of Interest Officer at coi-help@mit.edu or the Vice President for Research.

Two other Institute policies address conflicts of interest in the context of personal relationships: Section 7.2 Employment of Members of the Same Family, and Section 9.5 Consensual Sexual or Romantic Relationships in the Workplace or Academic Environment.

There are situations sufficiently complex that judgments may differ as to whether there is or may be a conflict of interest, and individuals may inadvertently place themselves in situations where conflict exists. Accordingly, anyone with a personal interest that may have the potential for conflict with the interests or welfare of the Institute should seek advice and guidance by reviewing the circumstances with the department head, center or laboratory director (who, in the case of sponsored research, should consult with the Institute's Conflict of Interest Officer at coi-help@mit.edu, or other such person as may be designated by the President). Other resources for advice include the Human Resources staff, Medical Department staff, the Ombuds Office, or other counseling resources of the
Institute. In addition to these resources, students also have available to assist them their faculty advisors, the faculty in residence, and student support resources.

4.4.1 Guidelines for Licensing and Equity Ownership
When companies license MIT inventions or other intellectual property, situations may arise that pose a conflict of interest for faculty and staff. Normally, this happens when they make decisions while fulfilling their MIT responsibilities that might materially affect their personal wealth or that of their immediate family members. Sometimes these conflicts can be managed; sometimes they must be avoided. These guidelines are intended as reminders of situations where conflicts may arise and suggestions for how to manage or avoid them. They are intended to be guidelines for thinking about conflicts rather than rules that cover all possible situations. Generally, prior full disclosure to an appropriate supervisor is the safest policy to follow.

The potential for conflicts is greater for those in managerial or supervisory positions (e.g., supervisors of students, department heads, laboratory/center directors, deans, and other officers of the Institute), but conflict of interest situations can arise for anyone. Staff in the Technology Licensing Office need to be especially diligent to avoid conflicts of interest, and they have their own guidelines in the Guide to the Ownership, Distribution, and Commercial Development of MIT Technology. All members of the MIT community should consult with an appropriate supervisor when it appears there may be a conflict. In some cases, this may not be an immediate supervisor.

Conflicts can also arise in connection with performing outside professional activities related to licensing and intellectual property (see Section 4.5 Outside Professional Activities).

Individuals in managerial or supervisory positions should be aware that there may be personal legal and tax implications resulting from investing in companies that are based on MIT technology and that are founded by faculty, staff, or students under their supervision. (See §4958 Excess Benefit Transactions of the Internal Revenue Code.)

Equity Ownership in Companies:
Conflicts most commonly arise when a new company licenses MIT intellectual property, but can also occur when MIT intellectual property is not involved.

During the time that companies are still privately held, managers and supervisors, including supervisors of students, should not invest personally or own stock in business ventures of their subordinates or students, since there is a conflict of interest between the manager's supervision of the student or subordinate (e.g., assigning grades, approving promotions, determining salary levels, allocating space, etc.) and the manager's business partnership with the student or subordinate.

Faculty — particularly department heads and laboratory/center directors — have a special responsibility with respect to questions of determining ownership of intellectual property from research by investigators whom they supervise. All faculty and staff should weigh carefully their and the inventor's obligations to MIT in deciding whether the invention falls under MIT ownership. It is a direct conflict if a faculty member, department head, or laboratory/center director responsible for determining the ownership of intellectual property intends to invest in or be a co-founder of a company with the inventor.

It is a conflict for an investigator/inventor to negotiate with MIT regarding the terms of a license before the matter of ownership has been definitively resolved. Faculty and staff who are founding companies should not personally negotiate the licensing terms with MIT. An attorney or a company executive with no connection to MIT should be appointed for this task.

Faculty and staff who own equity in a company should not attempt to influence the licensing terms that MIT offers to the company.

Faculty and staff who hold board positions with companies should recuse themselves on issues involving licensing terms with MIT.

Consulting:
Faculty and staff who consult should remember that their primary employer is MIT and that they have a heightened responsibility to their primary employer when deciding whether to assign their inventions to MIT or to a company for whom they consult. If they have questions about the MIT policy on ownership, they should consult with their department head or appropriate supervisor when deciding to whom the invention should be assigned. (See Section 4.5 Outside Professional Activities).
Sponsored Research:
It is a conflict for MIT faculty or staff to accept research sponsorship from a company in which they have a significant financial interest. The conflict arises because the outcome of the research could materially affect the personal wealth of the researcher or an immediate family member. This policy should not prevent an investigator from receiving research support from a large publicly held company just because the researcher or a family member owns some shares in the company. For further information, please refer to the Institute's Conflict of Interest in Research Policy.

[05] 4.5 Outside Professional Activities (Webpage)
Accessed 23/07/2019
https://policies.mit.edu/policies-procedures/40-faculty-rights-and-responsibilities/45-outside-professional-activities

4.5 Outside Professional Activities
The Institute believes that its educational program and effective teaching in all its aspects can flourish only when sustained by continuous, active participation of its faculty in research, enriched in many cases by interaction with industry, business, government, and other activities and institutions of our society.

This interaction, including outside consulting service to and research for government and industry, is of greatest value when it contributes significantly to the public welfare, offers an opportunity for professional challenge and growth, or otherwise enhances the effectiveness of a faculty member's service to the Institute.

The potential magnitude of such outside professional activity is such that orderly procedures must be followed to ensure the evolution of policy to avoid ethical and legal conflicts of interest and to ensure that such activities do not conflict with the proper discharge of Institute responsibilities. Essential to the effectiveness of such procedures are

1. complete disclosure of outside professional activities and
2. the availability of the best advice and consultation that can be obtained

For the annual reporting process, see Section 4.4 Conflict of Interest.

Disclosure and Consultation:
Liaison between the head of a department and faculty members is the principal means of communication and disclosure in matters involving outside professional activities. The following procedures are to be followed:

1. It is the obligation of faculty members to keep their department heads informed continually in adequate detail regarding all outside professional activities, service on external committees, and other special assignments, whether within or outside of the Institute.
2. It is the further obligation of faculty members to discuss with their department heads the assumption of outside activities that are new in scope or kind, including patent arrangements, before entering an agreement to undertake them. This is particularly true of those outside activities, such as direct and active management obligations in outside business entities, that normally conflict with the requirement that the primary loyalty of a full-time faculty member be, at all times, to the Institute, and that are normally incompatible with a faculty member's meeting the full range of his or her obligations to the Institute.

Consultation with a department head in no way relieves faculty members of full responsibility for their actions.

Standards and Criteria:
Personal responsibility, integrity, and high ethical standards are the principal factors in avoiding conflicts of interest, and the Institute expects that all members of the Faculty will conduct their outside activities in a manner that reflects credit on themselves, their profession, and the Institute without need for specific criteria or rules of conduct. The principal safeguards against abuse are the standards required by professional colleagues and the rigorous process by which the Institute evaluates and selects individuals for appointment and promotion.

Some situations, however, involve unique knowledge and understanding or are sufficiently complex that judgments may differ on whether there is a conflict of interest. Individuals of the highest integrity may, therefore, unknowingly place themselves in situations where conflicts exist. It is in such areas of doubt that guidelines or criteria may be useful and necessary. As the Faculty Policy Committee participates in the discussion of such guidelines and criteria, the resulting practice and precedent will continue to evolve as will guidelines for the individual judgments exercised by department heads. Such guidelines are from time to time communicated to faculty members in an appropriate manner. As an example, the exercise of significant managerial responsibilities on behalf of an outside organization is ordinarily incompatible with the definition of full-time service provided in Section 4.3 Full-Time Service.
Association of MIT's image or name with commercial interests in the public eye may lead to a conflict of interest. In the course of consulting or research, a faculty member may provide a professional evaluation of products or services, based on evidence. However, publicly advertised endorsement of commercial products or services is not, in general, consonant with the independence and objectivity expected of faculty members. In the conduct of their outside professional activities, faculty members should be careful to avoid identifying the Institute with opinions or conclusions in public or private reports or in other ways. (See also Sections 12.3 Use of Institute Name and 12.4 Use of Institute Letterhead.)

Faculty members should avoid association with activities of outside firms and, at the same time, activities within MIT that are competing directly for government or private funds. Similarly, access of outsiders to facilities, staff, and students must be controlled by the responsible faculty and staff in order to avoid undue pressure on those facilities or persons or the implication that an outside organization has a special relationship to MIT when it does not. This is an especially sensitive issue if the faculty host is employed by the outside organization. In such a case, another MIT colleague may be asked to assume the host responsibility.

### 4.5.1 Senior and Junior Faculty

The involvement of junior members of the Faculty in outside professional activities is important to their professional development. Senior faculty can assist junior faculty in developing such activities by offering potential opportunities to them and giving them advice with respect to both technical and ethical issues. It is important, however, that senior faculty not compromise their objectivity in judging their junior faculty in issues of promotion and tenure because of virtue of outside professional activities in collaboration with junior faculty members, nor should senior faculty allow internal relationships with junior faculty to influence external relationships, expectations, or assignments. Any new involvement or change in outside professional relations of senior and junior faculty should be approved by the department head after joint discussion with both senior and junior faculty concerned.

### 4.5.2 Faculty and Students

Part-time involvement of students in the outside professional activities of faculty may, under certain conditions, offer the potential for substantial benefits to the education of the student. In each case of such involvement, the faculty member should obtain prior approval from the department head after discussion with the department head and student. In this context, involvement means any substantive activity, whether paid or unpaid.

In considering such arrangements, faculty should be guided by the need to avoid conflicts of interest and to avoid infringement upon the student's academic duties and rights. Generally, if the faculty member has a role in supervising the student's thesis or in supervising the work of the student as a graduate teaching assistant or instructor-g, such outside involvement should not be undertaken — thus avoiding potential conflicts of interest in the evaluation of the student's performance. If the faculty member does not have a role in supervising the student's thesis and/or the student's work as a teaching assistant or instructor-g, such involvement may be undertaken. If the outside work is related to the student's thesis, special care should be taken to avoid conflict.

If faculty members are already associated with students in outside professional activities, they should disqualify themselves from becoming research supervisors, academic program advisors, or examiners for an advanced degree of those students. Within an MIT research laboratory or academic unit, faculty members should take care not to give the impression of favoritism to those students with whom they are associated in outside activities. Generally, full-time research assistants should not be involved in outside professional activities of faculty — both to avoid conflicts of interest and in light of the obligations of full-time research assistants. A part-time research assistant may engage in such activity if the outside work is not thesis-related and if the faculty member is not his or her supervisor.

### 4.5.3 Faculty and Support Staff

Support staff play an important role in assisting the faculty with their MIT teaching, research, and administrative activities. It may also be appropriate for support staff to assist faculty members in their outside professional activities, depending upon the nature and extent of the support staff involvement. Such involvement, however, is a potential source of conflict between faculty and their support staff. It is especially important, therefore, that faculty discuss with their support staff the appropriateness of any such support activities requested. Any special arrangements for providing support for faculty outside professional activities, including compensation from non-MIT sources, must be acceptable to all the parties involved.

Guidelines defining appropriate support are given below; any circumstances that do not obviously meet these guidelines should be discussed by faculty members with their department head:
1. It is normally appropriate for support staff to assist faculty in their professional public service activities, i.e., those professional activities in which faculty provide a service to institutions other than the Institute for public benefit, and in which compensation is incidental. If the effort required to provide such support is likely to be substantial and long term, however, a faculty member should review the circumstances with his or her department head.

2. It may also be acceptable for support staff to provide limited assistance to faculty in other types of outside professional activities. Any assistance provided for such outside activities must not be in conflict with the faculty and support staff's responsibilities to MIT.

3. Faculty may not require support staff to perform duties related to the faculty member's personal and nonprofessional activities (see Section 7.3 Responsibilities of Supervisors).

4.5.4 Responsibility of the Department Head

It is a responsibility of department heads to ensure that members of the department are familiar with Institute policies and procedures relative to outside professional activities. The role of department heads in regard to such matters further includes the following:

1. being currently informed as to the outside professional activities of members of the department;
2. advising faculty members so that they may avoid conflicts of interest or situations that may adversely affect the Institute;
3. maintaining a special overview of outside professional activities in which senior and junior faculty and students in the department are associated together and making clear to all parties the necessity to safeguard the academic relationship;
4. consulting the dean of the School in situations where they or faculty members wish such advice.

In addition to the foregoing procedure, in May of each year for the academic year then drawing to a close, each department head should ascertain the nature and extent of the outside professional activities of members of the department, not including, however, the income derived from such activities. Information of the following type will in most cases prove useful:

1. the number of days spent on outside professional activities that have as their primary objective service of the type performed for professional societies, for government and industry committees, review boards, and panels, or for other educational institutions and for which compensation is normally incidental;
2. the number of days spent on compensated outside professional activities (but not to include the amount of compensation derived therefrom);
3. the nature of the relationship involved in the outside connections of a faculty member;
4. the extent to which a company in which a faculty member is involved does business with MIT, and information on any significant financial interest the faculty member may have in such a company;
5. names and responsibilities of committees (in government or industry) on which the faculty member serves.

Such an annual review should be of assistance in revealing the general pattern of such activities by members of the department. It should aid the department heads in consultations with their deans and will, on an overall basis, without impairing the privacy of any individual, provide the Faculty Policy Committee with useful information. The fact that such a review is made once a year should not lead faculty members to ignore their obligation to keep their department heads continually informed concerning their outside professional activities.

[29] 7.2 Employment of Members of the Same Family – Policies (Webpage)
Accessed 05/08/2019
https://policies.mit.edu/policies-procedures/70-general-employment-policies/72-employment-members-same-family

7.2 Employment of Members of the Same Family

The Institute bases appointments and promotions on qualifications and work performance. In keeping with this policy, members of the same family, including spouses, may be eligible for employment within the same department or area of the Institute. When members of the same family are being considered for hire or transfer so that they will work for the same supervisor, written approval of the arrangement by the appropriate senior officer is required in advance. The family members must notify their supervisor of this relationship before the hire or transfer. Similarly, if a family relationship is established between two employees who report to the same supervisor, the family members must notify the supervisor of the relationship as soon as practicable.

In no case may one family member supervise the other, nor may one family member recommend, evaluate, advocate for, or make decisions with respect to the other family member's conditions of employment, salary, or promotion.

These rules also apply to those whose living arrangements approximate family relationships.
Why It's Important
MIT faculty and staff’s first and primary responsibility is to support and advance MIT’s mission. The disclosure and management of conflicts of interest is critical to maintaining the integrity of MIT’s educational and research mission, the credibility of its faculty and staff, meeting responsibilities to funding agencies to ensure future funding, and maintaining the public’s trust in its research and related activities. It is every researcher’s responsibility to be familiar with MIT’s Conflict of Interest in Research Policy.

What's Essential
A conflict of interest (COI) may arise from any situation in which financial or other personal considerations have the potential to compromise a researcher’s professional judgment and objectivity in the design, conduct or reporting of research. Conflicts of interest can arise from an individual’s engagement with entities outside the Institute such as with for-profit businesses, foreign institutions and government entities, not-for-profit groups, professional societies, other academic institutions or through activities such as consulting, holding management or advisory board positions, having ownership interests in a company, receipt of royalties and other activities from which an individual or his or her family receives remuneration.
Question

4.2. Are there procedures in place to identify, declare and manage conflicts of interest, which are overseen by a body or individual ultimately accountable for the appropriate management and handling of conflict of interest cases?

Score

1

Comments

The institute has clear procedures to identify, declare and manage conflicts of interest – including those actual, potential and perceived – relating to financial interests. This includes a statement that all employee and board member declarations of actual and potential conflicts of interest are recorded in a dedicated register that is accessible to and reviewed by those responsible for oversight of the process. The description of this procedure also includes examples of criteria for recusals and a description of the potential punitive measures for breaches of the policy.

However, the institute receives a score of ‘1’ because it is not clear that such detailed procedures are followed for other forms of conflicts of interest. Although there seem to be informal mechanisms in place for managing other conflicts of interest, there is insufficient evidence for these to be considered formal management channels.

Evidence

[04] 4.4 Conflict of Interest (Webpage)
Accessed 23/07/2019
https://policies.mit.edu/policies-procedures/40-faculty-rights-and-responsibilities/44-conflict-interest

4.4 Conflict of Interest

The Institute's concern with conflict of interest has grown with the increasing complexity of our society, the variety of our relations with each other and with outside institutions, and a heightened national sensitivity to these issues. Some questions on conflict of interest arise from outside professional activities of the faculty and staff and have been addressed in preceding sections. Others, in the more traditional meaning of conflict of interest, derive from the opportunities an individual may have because of his or her position at the Institute to influence MIT's relationship with an outside organization in ways that would lead directly to the individual's personal financial gain.

In response to these concerns, the Institute has adopted the following statement of policy: It is the policy of the Institute that its officers, faculty, staff, and others acting on its behalf have the obligation to avoid ethical, legal, financial, or other conflicts of interest and to ensure that their activities and interests do not conflict with their obligations to the Institute or its welfare. Essential to effective administration and adherence to this policy are

1. disclosure of outside activities and interests to designated Institute officers, including financial interests, that might give rise to conflicts; and
2. readily available advice and counsel to individuals and to Institute department heads on any situation.

Accordingly, members and officers of the Corporation, Institute senior officers, and other members of the staff in a position to make decisions favoring one or another outside interest should annually acknowledge in writing their knowledge of this policy and either affirm that they have no interest, direct or indirect, in conflict with the Institute's interest, or identify any interests that have the potential for conflict. Members of the Faculty should provide similar information to their department heads, as part of their annual report of their outside professional activities. Certain faculty and staff are subject to investigator disclosure requirements by federal agencies. In those cases, the specific policy should be obtained from the Institute's Conflict of Interest Officer at coi-help@mit.edu or the Vice President for Research.

[05] 4.5 Outside Professional Activities (Webpage)
Accessed 23/07/2019
https://policies.mit.edu/policies-procedures/40-faculty-rights-and-responsibilities/45-outside-professional-activities

4.5 Outside Professional Activities

The Institute believes that its educational program and effective teaching in all its aspects can flourish only when sustained by continuous, active participation of its faculty in research, enriched in many cases by interaction with industry, business, government, and other activities and institutions of our society.

This interaction, including outside consulting service to and research for government and industry, is of greatest value when it contributes significantly to the public welfare, offers an opportunity for professional challenge and growth, or otherwise enhances the effectiveness of a faculty member’s service to the Institute.
The potential magnitude of such outside professional activity is such that orderly procedures must be followed to ensure the evolution of policy to avoid ethical and legal conflicts of interest and to ensure that such activities do not conflict with the proper discharge of Institute responsibilities. Essential to the effectiveness of such procedures are:

1. complete disclosure of outside professional activities and
2. the availability of the best advice and consultation that can be obtained

For the annual reporting process, see Section 4.4 Conflict of Interest.

Disclosure and Consultation:
Liaison between the head of a department and faculty members is the principal means of communication and disclosure in matters involving outside professional activities. The following procedures are to be followed:

1. It is the obligation of faculty members to keep their department heads informed continually in adequate detail regarding all outside professional activities, service on external committees, and other special assignments, whether within or outside of the Institute.
2. It is the further obligation of faculty members to discuss with their department heads the assumption of outside activities that are new in scope or kind, including patent arrangements, before entering an agreement to undertake them. This is particularly true of those outside activities, such as direct and active management obligations in outside business entities, that normally conflict with the requirement that the primary loyalty of a full-time faculty member be, at all times, to the Institute, and that are normally incompatible with a faculty member's meeting the full range of his or her obligations to the Institute.

Consultation with a department head in no way relieves faculty members of full responsibility for their actions.

[30] Individual Conflicts of Interest (Webpage)
Accessed 05/08/2019
https://osp.mit.edu/learning-resources/quick-guide-pis/individual-conflicts-interest

Why It's Important
MIT faculty and staff’s first and primary responsibility is to support and advance MIT’s mission. The disclosure and management of conflicts of interest is critical to maintaining the integrity of MIT’s educational and research mission, the credibility of its faculty and staff, meeting responsibilities to funding agencies to ensure future funding, and maintaining the public’s trust in its research and related activities. It is every researcher’s responsibility to be familiar with MIT’s Conflict of Interest in Research Policy.

What's Essential
A conflict of interest (COI) may arise from any situation in which financial or other personal considerations have the potential to compromise a researcher’s professional judgment and objectivity in the design, conduct or reporting of research. Conflicts of interest can arise from an individual’s engagement with entities outside the Institute such as with for-profit businesses, foreign institutions and government entities, not-for-profit groups, professional societies, other academic institutions or through activities such as consulting, holding management or advisory board positions, having ownership interests in a company, receipt of royalties and other activities from which an individual or his or her family receives remuneration.

MIT’s COI Policy sets the financial thresholds for what constitutes a Significant Financial Interest (SFI). Having an SFI is not wrong or an automatic COI. However, discussion and disclosure of the SFI are critical first steps in the process of determining whether an SFI is related to or could lead to a real or perceived COI with your MIT research and teaching activities and whether the conflict can be managed or must be eliminated. It is important to inform and discuss this topic with your department, lab or center head, COI Officer or dean as early as possible, prior to engaging in or signing contracts for an engagement. The Community COI Portal is a great resource to access COI-specific guidance documents on consulting, starting a company, appropriate use of certain appointments, completion of on-line forms for consulting activities, etc.

How to Comply
Individual Conflict of Interest compliance at MIT involves completing MIT-specific COI training on-line and disclosure of financial relationships through these processes:

1. Faculty and staff must submit an annual report on their outside professional activities (OPA) and the details of any changes during the year to their department head as outlined in MIT’s policy on Outside Professional Activities. Contact your department head or dean’s office for more information.
2. PIs and others, who are independently responsible for the design, conduct, and reporting of research must answer financial conflict of interest screening questions prior to submission of each proposal as part of the proposal certification process. Additional disclosure may be required at the time of award, driven in large part due to sponsor requirements. Many sponsors including the NIH and NSF, mandate an annual update
of financial conflict of interest disclosures for the life of the award. You will receive specific instructions by e-mail for completing these disclosures at the appropriate times. Disclosures are filed electronically via MIT’s pre- and post-award management system in Kuali Coeus. You may access the COI disclosure module through the website coi.mit.edu. Contact coi-help@mit.edu for more information or questions.

3. Online MIT-specific training is required to be completed for a number of sponsors before awards can be activated. COI training completed at other institutions cannot be transferred to replace MIT’s COI training requirements. Researchers will be notified when such a training requirement is needed. The training is good for 4 years. More information can be found at the COI website.

[...]

Conflict of Interest with Respect to Procurement of Goods and Services
During the proposal certification process, it must be disclosed whether any goods or services will be required from an entity in which the Investigator(s) have an SFI. PI’s are responsible for seeking prior approval to procure such goods and services. In some cases, MIT may be able to manage the conflict with proper reporting to the research sponsor. Contact the MIT Procurement office for more information.

Conflict of Interest with Respect to Human Subjects Research
Conflicts of interest related to research involving human subjects pose special concerns. The Institute and its researchers have ethical obligations to honor the rights and protect the safety of persons who participate in research conducted by Institute personnel. Financial interests held by those conducting the research or the research’s sponsor may compromise or appear to compromise the fulfillment of those ethical obligations and the well-being of the research subjects, as well as the integrity of the related research. Accordingly, there is a strong presumption against permitting any person with related financial interests to participate in the conduct of such research, particularly if the protocol involves more than minimal risk to the subject. Contact the COUHES office for more information.

[31] Policy and Procedures On Conflicts Of Interest In Research (Document)
Accessed 05/08/2019

[p. 1] This Policy is intended to assist MIT researchers in applying and complying with MIT’s requirements regarding the disclosure, review and reporting of conflicts of interest in research and with the requirements of MIT sponsors. If a sponsor’s policy varies significantly from MIT policy, guidance regarding the sponsor’s requirements will be provided in an Addendum to this Policy. The PHS Addendum to this Policy sets forth guidance regarding the requirements of the PHS (as defined herein) and certain foundations that have elected to apply the PHS requirements. Every researcher has an obligation to become familiar with, and abide by, the provisions of this policy. If a situation raising questions of conflict of interest arises, a researcher should discuss the situation with his or her Department, Lab or Center Head, MIT’s Conflict of Interest Officer, the Director of the Office of Sponsored Programs, the Conflict of Interest Committee, or the Vice President for Research. MIT policy requires that researchers disclose certain financial interests, which disclosure enables MIT to determine if a financial interest creates a conflict of interest or the appearance of a conflict of interest. The existence of a conflict or the appearance of one does not imply wrongdoing on anyone’s part and does not necessarily mean that a researcher may not retain his or her financial interest and …

[p. 2] … undertake the affected research. Some conflicts must be eliminated, but often MIT can work with the researcher to manage a conflict or the appearance of a conflict so that the research can continue in a way that minimizes the possibility of bias in the research and preserves the objectivity of the research. Proper management of a conflict depends on full and prompt disclosure. When in doubt-disclose.
Significant Financial Interest (SFI) means a financial interest that meets any of the criteria for significance set forth below and is received or held:
1. by an Investigator; or
2. by an Investigator and members of his or her Family; or
3. solely by members of the Investigator's Family, but only if the financial interest could reasonably appear to be related to the Investigator's Institutional Responsibilities.

A financial interest is deemed to be significant if:

a. the Aggregate value of Remuneration and Equity Interests in lieu of payment, received from a U.S. or foreign publicly traded entity during the 12 month period preceding the disclosure exceeds $5,000; or
b. the Aggregate value of Equity Interests in a U.S. or foreign publicly traded entity exceeds $5,000 and the entity is sponsoring any of the Investigator's research; or
c. the Aggregate value of Equity Interests in a U.S. or foreign publicly traded entity exceeds $100,000 and the entity's business, or any portion thereof, reasonably appears to be related to any of the Investigator's Institutional Responsibilities; or
d. the Aggregate value of Remuneration received from a U.S. or foreign non-publicly traded entity or non-profit institution during the 12 month period preceding the disclosure exceeds $5,000; or

e. any Equity Interest is held in a U.S. or foreign non-publicly traded entity; or
f. the Aggregate value of Remuneration received from a foreign governmental organization during the 12 month period preceding the disclosure exceeds $5,000; or

g. the Aggregate value of income related to intellectual property rights and interests paid by an entity other than MIT exceeds $5,000.

Significant Financial Interest does NOT include:
1. Remuneration from MIT; (including salary and royalty payments); and
2. Remuneration paid to an Investigator's Family by any entity that would not reasonably appear to be related to the Investigator's Institutional Responsibilities; and
3. Remuneration from authorship of academic or scholarly works, regardless of the source; and
4. Remuneration from seminars, lectures, or teaching engagements sponsored by or from advisory committees or review panels for U.S. Federal, state, or local governmental agencies; U.S. institutes of higher education (e.g. Whitehead Institute and Broad Institute); U.S. research institutions affiliated with U.S. institutions of higher education, U.S. academic teaching hospitals, and U.S. medical centers; and
5. Equity Interests in or income from investment vehicles, such as mutual funds and retirement accounts, so long as the Investigator does not directly control the investment decisions for these vehicles.

DISCLOSURE REQUIREMENTS
Full and prompt disclosure of Significant Financial Interests (including, for PHS Investigators, Sponsored Travel) is critical to MIT's ability to identify, manage, and eliminate Financial Conflicts of Interest. Investigators must describe a Related Entity's business focus, their work or role with the Related Entity and any relationship to their Institutional Responsibilities. Please note: All MIT faculty and staff must also disclose certain information with respect to conflicts of interest in their annual report on Outside Professional Activities and Interests.

1. Creating a COI disclosure.
An Investigator must create a COI disclosure in Coeus, which discloses the Investigator’s SFIs and how they relate to the Investigator’s Institutional Responsibilities. Once approved, the disclosure becomes a master disclosure, which maintains an ongoing record of the Investigator’s proposals, awards, SFIs, all approved disclosures and, for PHS Investigators, Sponsored Travel, for as long as the Investigator remains at MIT. See coi.mit.edu for more details. When an Investigator joins a research project already in progress, an Investigator must disclose to MIT his or her SFIs prior to the Investigator commencing participation in the research project.

2. Maintaining a master disclosure.
   a. An Investigator must disclose to MIT any new SFI within a reasonable period (generally 90 days) following the date on which the SFI is acquired or arises. PHS funded Investigators must disclose any new SFI within 30 days following the date on which the SFI is acquired or arises and any Sponsored Travel within 30 days after completing the travel.
   b. Disclosures must be updated at least every 12 months and Investigators will be notified of the expiration date via email.

Review, Evaluation, And Resolution
The Designated Official will determine if the Significant Financial Interest identified in a COI disclosure is related to the Investigator’s Institutional Responsibilities. The Designated Official will be the COI Officer, the Department, Lab,
or Center Head, or another member of the senior administration, depending on the circumstances. The COI Officer will review all disclosures, and when possible, make the determination. In complex cases, the Department, Lab, or Center Head or member of the senior administration will make the determination. If the Designated Official determines that the Significant Financial Interest is related to the Investigator’s Research, the disclosure will be submitted to the COI Committee for determination as to whether the Significant Financial Interest constitutes a Financial Conflict of Interest or the appearance of a Financial Conflict of Interest and, if so, whether it can be managed. The COI Committee will submit a recommendation to the Institutional Official. The Institutional Official will then undertake his or her own evaluation and will determine whether the Investigator will be required to eliminate or manage the Financial Conflict of Interest, as appropriate. The Institutional Official may suspend all relevant activities until the Financial Conflict of Interest is resolved.

[p. 8]

COI DISCLOSURE REVIEW PROCESS

Elimination. A Financial Conflict of Interest may be eliminated by divestiture of Equity Interests; termination of the relationship that gives rise to the Significant Financial Interest (such as consulting); abandoning the proposal; terminating the sponsored project; and similar measures.

Management. If the Investigator does not want to eliminate a Financial Conflict of Interest or the appearance of a Financial Conflict of Interest and the Institutional Official determines that it can be managed, the Investigator must develop a written management plan. The COI Officer will assist the Investigator in developing the plan. Each management plan must be approved and signed by the Investigator, his or her Department Head and, if the research will be carried out in a Laboratory or Center, the Laboratory or Center Head. Where the Investigator is the Department, Lab or Center Head, the plan must be co-signed by the Dean with oversight responsibility for the unit. The management plan will then be submitted to the COI Committee for comment and approval. Once the COI Committee has approved the management plan, the plan will be submitted to the Institutional Official for approval. The Investigator may not commence or participate in the research that gives rise to the Financial Conflict of Interest or the appearance thereof until all approvals are obtained. Management plans are maintained by the COI Officer and are updated annually.

Financial Conflict Of Interest Management Process
The goals of a management plan are to ensure open and timely dissemination of research results, protect students, and preserve the objectivity of the research. Examples of conditions or restrictions that may be imposed by a management plan include:

1. public disclosure of Significant Financial Interests (e.g., when presenting or publishing Research);
2. disclosure of Financial Conflicts of Interest directly to participants in human subjects research;
3. appointment of an independent monitor or oversight committee capable of taking measures to protect the design, conduct, and reporting of research against bias;
4. modification of the research plan;
5. change of personnel or personnel responsibilities or disqualification of personnel from participation in all or a portion of the Research;
6. reduction or gradual elimination of the Significant Financial Interest (e.g., sale of an Equity Interest);
7. severance of the relationship that is the source of the Significant Financial Interest;
8. expedited dissemination of research results so that the Related Entity does not receive preferential access; and
9. monitoring of involvement of students and postdoctoral appointees by independent reviewers or oversight committees. The management plan template is available from the COI Officer or may be downloaded from http://coi.mit.edu/management-plan.

Disciplinary Action
In the event an Investigator fails to comply with this Policy, the Institutional Official may suspend all relevant activities of the Investigator and take disciplinary or other administrative action pursuant to MIT policy. The responsibility for initiating disciplinary action normally resides with the faculty member's Department Head or Dean or the Institutional Official. Disciplinary actions may include, but are not limited to, a reprimand, oral or written, private or public; a period of suspension with or without pay; a reduction in salary; removal of privileges; or dismissal in accordance with MIT Policies and Procedures.

Record Retention
The COI Officer will retain all disclosures, conflict management plans, and related documents for a period of at least three years following submission of the final expenditure report for the applicable project to the sponsor of the research that gives rise to the Financial Conflict of Interest, unless any litigation, claim or negotiation, audit, or other action involving the records is commenced before expiration of the three-year period, in which case, records will be retained until completion of the action and resolution of all issues.
<table>
<thead>
<tr>
<th>Question</th>
<th>4.3. Does the company have a policy and procedure regulating the appointment of directors, employees or consultants from the public sector?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Score</td>
<td>0</td>
</tr>
<tr>
<td>Comments</td>
<td>There is no evidence that the institute has a policy regulating the employment of current or former public officials.</td>
</tr>
<tr>
<td>Evidence</td>
<td>No evidence found.</td>
</tr>
<tr>
<td>Question</td>
<td>4.4. Does the company report details of the contracted services of serving politicians to the company?</td>
</tr>
<tr>
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<tr>
<td>Score</td>
<td>0</td>
</tr>
<tr>
<td>Comments</td>
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</tr>
<tr>
<td>Evidence</td>
<td>No evidence found.</td>
</tr>
</tbody>
</table>
5. Customer Engagement

5.1 Contributions, Donations and Sponsorships

<table>
<thead>
<tr>
<th>Question</th>
<th>5.1.1. Does the company have a clearly defined policy and/or procedure covering political contributions?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Score</td>
<td>N/A</td>
</tr>
<tr>
<td>Comments</td>
<td>There is no readily available evidence that the institute is able to make political contributions due to its nature as a non-profit, tax-exempt organisation in the United States of America.</td>
</tr>
</tbody>
</table>

Evidence

[39] 12.7 Political Action – Policies (Webpage)
Accessed 06/08/2019
https://policies.mit.edu/policies-procedures/120-relations-public-use-mit-name-and-facilities-use/127-political-action

12.7 Political Action
The Institute encourages all students, faculty, staff, and employees to exercise their rights and duties as citizens to participate as individuals in the electoral process. Federal and state laws, however, clearly distinguish between the political activities of individuals and those of tax-exempt institutions such as MIT. The Federal Internal Revenue Code limits a tax-exempt institution's engagement in "substantial efforts to influence legislation" and prohibits it from participation or intervention in any "political campaign on behalf of (or in opposition to) any candidate for public office."

The following guidelines are responsive to these provisions of law and are intended to emphasize the role of the individual in the political process. They apply to all individuals associated with the Institute. The interpretation of these guidelines is the responsibility of the Provost, with advice from Institute counsel.

- The Institute may not intervene or participate in any campaign by supporting or opposing a candidate or by taking a position on an issue involved in the campaign for the purpose of assisting or opposing a candidate.

- The Institute's relations with federal, state, and local governments (see Section 12.1 Relations with Government and the Community) at times lead to MIT taking an institutional position regarding legislative or executive action. The President has the authority to determine when such an institutional position will be taken, and in what form. The MIT Washington Office and the Government and Community Relations Office coordinate these activities, and both offices are resources for information and appropriate contacts for requesting that MIT take an institutional position on any governmental action.

- Members of the MIT community should be aware that federal and state laws governing lobbying activities may require them to report their activities. Information concerning these requirements can be obtained from the Office of Sponsored Programs (OSP) or the Government and Community Relations Office. The OSP homepage also contains resource information about these issues https://osp.mit.edu/. 

- Sections 12.3 and 12.4 concerning the use of the Institute name and letterhead apply specifically to political activities (including lobbying efforts to influence legislation or regulations) by any member of the MIT community, except in connection with an institutional position taken by MIT. In all other cases, the name of the Institute may not be used on material intended for political purposes, including the solicitation of funds, nor may individuals or organizations use an Institute office as a return mailing address or the Institute mail service for the solicitation of funds or for any other material in connection with a campaign for public office or an attempt to influence legislation or regulations. Similarly, if individuals use their Institute titles in political correspondence or other political material, they should do so for purposes of identification only, and they should make it clear that they are expressing their views as private citizens.
| Institute facilities may be used without charge for student activities concerned with politics and public affairs when the activities will involve members of the MIT community. When Institute facilities or services are made available for activities to organize support for or opposition to a candidate for public office, or to influence legislation or regulations, and individuals from outside the MIT community are the sponsors or are invited to attend or participate, Institute facilities and services may be made available only on the same basis that they are made available to off-campus users for non-political activities, and full payment for the reasonable costs of providing the facilities and services for such use must be made from non-Institute funds. |
### Question

5.1.2. Does the company publish details of all political contributions made by the company and its subsidiaries, or a statement that it has made no such contribution?

<table>
<thead>
<tr>
<th>Score</th>
<th>N/A</th>
</tr>
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<table>
<thead>
<tr>
<th>Comments</th>
</tr>
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<tbody>
<tr>
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</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Evidence</th>
</tr>
</thead>
<tbody>
<tr>
<td>No evidence found.</td>
</tr>
</tbody>
</table>
### Question

5.1.3. Does the company have a clearly defined policy and/or procedure covering charitable donations and sponsorships, whether made directly or indirectly, and does it publish details of all such donations made by the company and its subsidiaries?

### Score

0

### Comments

The institute has a policy covering charitable donations, but it is not clear whether this also includes sponsorships. Furthermore, there is no evidence that these procedures include measures to ensure donations are not used as vehicles for bribery and corruption, for example, by specifying criteria for donations, procedures for senior sign-off, or due diligence on recipients. There is no evidence that the institute discloses its donations on an annual basis.

### Evidence

1. **[34] 12.1 Relations with Government and Community – Policies (Webpage)**
   
   Accessed 05/08/2019
   

   Community Relations: In addition to its inherent responsibility for public service, the Institute has a special obligation to the local community, recognizing that the long-range welfare of the community and the Institute are in large measure inseparable.

   The Co-Directors of the Office of Government and Community Relations are responsible for coordinating the Institute's administrative efforts in community relations. Within the Institute, the Government and Community Relations Office is a communications link and a catalyst to promote local understanding and cooperation and, off campus, it is a resource for neighboring communities.

   The office accommodates community-based facility use requests and makes donations to neighborhood programs and institutions. Office staff represent MIT on Cambridge nonprofit boards and committees. The office is also responsible for coordinating MIT’s Community Services Fund, which provides financial assistance to support volunteers from the MIT community in local service efforts.

   The MIT Public Service Center is the primary source of programming, guidance, and information for community service activities at the Institute. The Office of Government and Community Relations works with the Public Service Center to support community service activities. Emphasis is placed on MIT contributions to science and technology curriculum in local public schools. Some of these projects have involved collaborative action with other universities and organizations in Cambridge and the Greater Boston area.

2. **[33] FAQs - Community Giving at MIT (Webpage)**
   
   Accessed 05/08/2019
   

   **FAQs**

   Community Giving at MIT is a workplace giving program within the MIT Community Services Office that focuses on local 501(c)(3) health and human service agencies. We provide MIT faculty, staff, and retirees with an opportunity to make their charitable donations via payroll deductions, check, credit card, or securities. We also host charity events and fundraisers in partnership with local agencies.

   We are guided in our vision by a presidential-appointed steering committee of MIT faculty and staff, and we are supported by department ambassadors who are leaders for community giving within their academic departments. Since the program’s inception in the 1950s, we have worked to connect MIT employees with compelling charitable causes that benefit those in need in Cambridge and other local communities.

3. **[32] Steering Committee - Community Giving at MIT (Webpage)**
   
   Accessed 06/08/2019
   
   [http://web.mit.edu/community-giving/steering-committee.html](http://web.mit.edu/community-giving/steering-committee.html)

   **Steering Committee**

   Community Giving at MIT is guided by a steering committee appointed by the Institute president. The committee welcomes your emailed ideas and suggestions on ways to better facilitate charitable giving at MIT.
Local Charities

Your gift helps meet the unmet basic needs of people in our community.

Do you want to help provide food for the hungry? Shelter for the homeless? Service animals for people with disabilities? Help MIT student, staff, and faculty members engaged in public service initiatives? You choose where you want to give, and we'll help you do it. 100% of your donation goes to your selected charity.

- Support the volunteer efforts of students and your colleagues through the MIT Community Service Fund.
- Support children, youth, and families of Greater Boston through United Way of Massachusetts Bay and Merrimack Valley.
- Give to a local health and human service charity of your choice.

Not sure where to give? We're happy to answer questions and assist you in making your donation designation. Please contact us at community-giving@mit.edu or 617-253-7914.

Community Service Fund

Back the home team.

Our flagship program, the MIT Community Service Fund supports the efforts of students and your colleagues working directly with people in need.

MIT volunteers serve food at the MIT Soup Kitchen, MIT-IV Homeless Outreach, and Community Cooks. They ensure food security for children through the Prospect Hill Academy Thrive program. They teach, tutor, and mentor underserved students through programs like the MIT BoSTEM Scholars Academy and TTT Mentorship program. They encourage students' interest in science, technology, engineering, arts, and mathematics through the Improv-a-Do! Engineering Competition, and MIT Inspire. They build girls' confidence through the MIT Women’s Initiative’s STEM outreach.

Your gifts support these efforts and more. In 2018, the CSF awarded $82,000 in grants:

- $30,000 to Cambridge nonprofits
- $30,000 to the MIT Public Service Center
- $22,000 to public service initiatives led by MIT students and staff

Let's keep the talent and energy at MIT flowing toward long-lasting solutions by working on the ground to make our community a better place for everyone.

If you want to help MIT minds and hands make a direct impact on our greater community, a donation to the CSF is the way to do it.

Charity of Your Choice

Choose a local nonprofit that matters to you.

Has a local organization helped you or someone you know? Do you already donate to or volunteer at a local nonprofit? Do you want to start?

Community Giving at MIT can help. We provide convenient choices for giving a one-time or regular donation, and we make sure 100% of your gift goes to the charity you select. We make donating to local 501c3 health and human service agencies easy and impactful.

If there is a local charity or cause that is important to you, donating to that agency is a good way to give back in a personal and meaningful way.
See which local charities your fellow donors have chosen to support.

<table>
<thead>
<tr>
<th>MIT Community Service Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td><em>A to Z Charity Listing</em></td>
</tr>
</tbody>
</table>

- 826 Boston
- Aaron Fund
- AbilityPLUS, Inc.
- Action for Boston Community Development (ABCD)
- Adaptive Climbing Group
- Adolescent Consultation Services
- Agassiz Baldwin Community
- AIDS Action Committee
- Algebra Project
- ALS Association Massachusetts Chapter
- Alternative House
- Alternatives for Community and Environment (ACE)
- Alzheimer's Association (MA)
- American Cancer Society (MA Chapter)
- American Civil Liberties Union Foundation of Massachusetts (ACLUFM)
- American Diabetes Association
- American Foundation for AIDS Research
- American Friends Service Committee
- American Red Cross (Boston)
- American Red Cross of Northeast MA
- Animal Rescue League of Boston (Law Enforcement Program)
- Anti-Defamation League New England (A World of Difference Institute)
- Arlington Council on Aging, Senior Transportation Services
- Arlington EATS
- Arlington Food Pantry
- Art Connection, The
- Asian Task Force Against Domestic Violence
- Asociasyon Fann Ayisyen nan Boston (AFAD)
- AstraZeneca Hope Lodge Center - Boston
- Austin Bat Refuge (Underfunded School Discount Program)
- Autism Speaks (NE Chapter)
- Beverly Bootstraps Food Pantry
- Big Sister Association of Greater Boston
- Bikes Not Bombs
- Black Alliance for Just Immigration

[List continues alphabetically, with links to each organisation's webpage]
## 5.2 Lobbying

### Question

5.2.1 Does the company have a policy and/or procedure covering responsible lobbying?

### Score

1

### Comments

The institute has a policy that defines lobbying, and sets out the values and behaviours that constitute ‘responsible’ lobbying. However, the institute receives a score of ‘1’ because there is no evidence that it provides further details of its lobbying controls and guidelines to ensure these standards are upheld.

### Evidence

[38] Federal Lobbying Regulations - MIT Office of Sponsored Programs (Webpage)

Accessed 06/08/2019

https://osp.mit.edu/policies/federal-lobbying-regulations

Federal Lobbying Regulations

The federal Lobbying Disclosure Act of 1995 imposes certain reporting obligations on MIT and federal lawmakers and staff. This law includes a requirement to file quarterly reports of all lobbying contacts, as defined in the Act, and efforts in support of such contacts by persons representing MIT. The law does not have any ramifications for personal political activities by members of the MIT community.

**What is Lobbying?**

Lobbying activities include oral, written or electronic communications on behalf of MIT to certain government officials regarding:

- formulation, modification, or adoption of Federal legislation
- the administration or execution of a Federal program or policy
- formulation, modification, or adoption of a Federal rule, regulation, Executive order, policy or position of the United States Government
- the nomination or confirmation of a person subject to confirmation by the Senate.

Lobbying may also include contact with government officials with regard to the negotiation, award or administration of a specific sponsored programs proposal, prior to receipt of the award. Such contacts are prohibited under MIT policy. Please contact OSP immediately if you or your staff are aware of any potential lobbying for a specific project. This does not apply to routine contact with agency technical or program officers.

To fulfill MIT’s obligation under the Act, the Office of Sponsored Programs sends out a memo each quarter to all Department, Lab and Center heads requesting information regarding potential lobbying activities, including an estimate of the time spent on such activities, and prepares and submits the quarterly certification to Congress. Note that when accounting for your lobbying activities, you should also include time (specify in hours or days) and out-of-pocket expenses spent preparing and planning such activities. Individuals who have helped in your preparations should also complete a report, whether or not they participated in the actual lobbying contact.

Only lobbying on behalf of MIT is reportable. This means that students are excluded from filing a report as they are not agents (employed) by MIT. In addition, activities related to an employee’s personal, professional, or civic interests, as long as they are not done on behalf of MIT, are not reportable and should not be included in this Report of Lobbying Activity. In other words, it is not considered lobbying under this rule, if faculty and researchers are presenting their own professional opinions, and specific state that they are not representing MIT. We suggested using the following disclaimer whenever possible:

*Disclaimer: The views and opinions expressed in this [paper/speech/presentation] are my own and do not necessarily reflect the official policy or position of the Massachusetts Institute of technology.*

Lobbying activities do not include:

- a speech, article, publication or other material that is distributed and made available to the public through a medium of mass communication
- a request for a meeting, a request for the status of an action, or other similar administrative request
- testimony given before Congress or submitted for inclusion in the public record
• information provided in writing in response to an oral or written request, or in response to a request for public comments in the Federal Register
• information required by subpoena or civil investigative demand
• written comment filed in the course of a public proceeding - made by the media if the purpose is gathering and disseminating news and information to the public

What does this mean, practically?
If the government asks you to provide technical or professional services, that is not lobbying. You might want to protect yourself by asking "this would not be considered lobbying, would it?"

A university administrator may describe general outstanding research characteristics of the institution, or even describe the wonderful work going on in a Department or School, but may not say to a government official "I'd like to describe the activities of Professor Y and encourage you to consider making an award for this research," if Professor Y has a proposal pending to the agency to which the administrator is talking.

Further, it is MIT’s policy that no one who is paid with federal funds, or using grant funds for travel expenses, may urge an agency to support a specific sponsored program or proposal for funding. It is acceptable to ask "when will a decision be made on my project / proposal?" It is not acceptable to describe why your proposal should be funded rather than some other one.

It is not the intent of the regulation to prohibit the normal interchange between a faculty member and a program officer at an agency. However, there is no clear line marking where optimistic discussion of research progress ends and discussion of a new or renewal award begins. Federal program officer have received training on this matter and should know when to cut off discussion, but the responsibility is a joint one. If you are unsure, contact the Office of the General Council at (ogc@mit.edu) or the Office of Sponsored Programs at (osp@mit.edu).

[39] 12.7 Political Action – Policies (Webpage)
Accessed 06/08/2019
https://policies.mit.edu/policies-procedures/120-relations-public-use-mit-name-and-facilities-use/127-political-action

12.7 Political Action
The Institute encourages all students, faculty, staff, and employees to exercise their rights and duties as citizens to participate as individuals in the electoral process. Federal and state laws, however, clearly distinguish between the political activities of individuals and those of tax-exempt institutions such as MIT. The Federal Internal Revenue Code limits a tax-exempt institution’s engagement in "substantial efforts to influence legislation" and prohibits it from participation or intervention in any "political campaign on behalf of (or in opposition to) any candidate for public office."

The following guidelines are responsive to these provisions of law and are intended to emphasize the role of the individual in the political process. They apply to all individuals associated with the Institute. The interpretation of these guidelines is the responsibility of the Provost, with advice from Institute counsel.

• The Institute may not intervene or participate in any campaign by supporting or opposing a candidate or by taking a position on an issue involved in the campaign for the purpose of assisting or opposing a candidate.
• The Institute's relations with federal, state, and local governments (see Section 12.1 Relations with Government and the Community) at times lead to MIT taking an institutional position regarding legislative or executive action. The President has the authority to determine when such an institutional position will be taken, and in what form. The MIT Washington Office and the Government and Community Relations Office coordinate these activities, and both offices are resources for information and appropriate contacts for requesting that MIT take an institutional position on any governmental action.
• Members of the MIT community should be aware that federal and state laws governing lobbying activities may require them to report their activities. Information concerning these requirements can be obtained from the Office of Sponsored Programs (OSP) or the Government and Community Relations Office. The OSP homepage also contains resource information about these issues https://osp.mit.edu/.
• Sections 12.3 and 12.4 concerning the use of the Institute name and letterhead apply specifically to political activities (including lobbying efforts to influence legislation or regulations) by any member of the MIT community, except in connection with an institutional position taken by MIT. In all other cases, the name of the Institute may not be used on material intended for political purposes, including the solicitation of funds, nor may individuals or organizations use an Institute office as a return mailing address or the Institute mail service for the solicitation of funds or for any other material in connection with a campaign for public office or an attempt to influence legislation or regulations. Similarly, if individuals use their Institute titles in political correspondence or
other political material, they should do so for purposes of identification only, and they should make it clear that they are expressing their views as private citizens.

- Institute facilities may be used without charge for student activities concerned with politics and public affairs when the activities will involve members of the MIT community. When Institute facilities or services are made available for activities to organize support for or opposition to a candidate for public office, or to influence legislation or regulations, and individuals from outside the MIT community are the sponsors or are invited to attend or participate, Institute facilities and services may be made available only on the same basis that they are made available to off-campus users for non-political activities, and full payment for the reasonable costs of providing the facilities and services for such use must be made from non-Institute funds.

[34] 12.1 Relations with Government and Community – Policies (Webpage)
Accessed 05/08/2019
https://policies.mit.edu/policies-procedures/120-relations-public-use-mit-name-and-facilities-use/121-relations-government

12.1 Relations with Government and Community
MIT has a history of engaging in meaningful working relationships with the federal government, the city of Cambridge and other communities, and the Commonwealth of Massachusetts. MIT’s government relations activities are supported and coordinated by the Office of the President.

Federal Government:
The Director of the MIT Washington Office is the primary liaison with the Congress and executive agencies of the federal government, as well as with the national higher education associations and science societies based in Washington, DC. The goal of the MIT Washington Office is to enhance the Institute’s contribution to national policy in science, engineering, and education and to make it easier for government officials to consult with MIT faculty and administrators on issues that may require scientific, technical, and policy advice. This focus on national service provides opportunities to better inform Congress as well as executive branch agencies about MIT’s continuing contributions to the nation and the related concerns of the Institute and the broader university community.

The mission of the MIT Washington Office is supported and reinforced by the campus-based Office of Government and Community Relations. The offices work as a team to support the efforts of the President, faculty, and administrators across a broad range of activities and contacts with the federal government. They are available as resources to members of the Institute community who desire information or assistance in their own relations with the federal government.

Municipal and State Government:
The Co-Directors of the Office of Government and Community Relations are the primary Institute liaisons with city and state government. The office endeavors to develop constructive working relationships, nurture partnership efforts, and collaborate on matters of mutual concern. Office staff engage in a variety of ongoing projects and respond to community and governmental inquiries and requests.
### Question

<table>
<thead>
<tr>
<th>5.2.2 Does the company publish details of the aims and topics of its public policy development and lobbying activities it carries out?</th>
</tr>
</thead>
</table>

| Score | 0 |

<table>
<thead>
<tr>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>There is no evidence that the institute publishes any specific information on its lobbying aims, topics or activities. The institute publishes some information on its relationships with federal, municipal and state government but this does not cover specific aims or topics.</td>
</tr>
</tbody>
</table>

### Evidence

<table>
<thead>
<tr>
<th>[34] 12.1 Relations with Government and Community – Policies (Webpage)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accessed 05/08/2019</td>
</tr>
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<table>
<thead>
<tr>
<th>Question</th>
<th>5.2.3 Does the company publish full details of its global lobbying expenditure?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Score</td>
<td>0</td>
</tr>
<tr>
<td>Comments</td>
<td>There is no evidence that the institute provides any details about its lobbying expenditure.</td>
</tr>
<tr>
<td>Evidence</td>
<td>No evidence found.</td>
</tr>
</tbody>
</table>
### 5.3 Gifts and Hospitality

<table>
<thead>
<tr>
<th>Question</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.3.1 Does the company have a policy and/or procedure on gifts and hospitality to ensure they are bona fide to prevent undue influence or other corruption?</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Score</th>
<th>1</th>
</tr>
</thead>
</table>

**Comments**
There is some evidence that the institute has a policy on the acceptance of gifts and hospitality, which addresses possible bribery and corruption risks and generally prohibits the acceptance of personal gifts by MIT employees.

However, the institute receives a score of ‘1’ because there is no evidence that the policy covers the giving of gifts, nor does it specify financial or proportional limits or different approval procedures for different types of promotional expenses. It also does not address the specific risks associated with gifts and hospitality given to/received from domestic or foreign public officials. There is no evidence that all gifts and hospitality above a certain threshold are recorded in a dedicated register or central depository that is accessible to those responsible for oversight of the process.

**Evidence**

[06] 7.9 Procurement Policy on Gifts and Gratuities (Webpage)
Accessed 23/07/2019

Institute and federal policies prohibit the acceptance of personal gifts or gratuities from vendors, subcontractors, and contractors (referred to in this section as “suppliers”).

It is the Institute’s objective to award business to suppliers on the basis of considerations such as quality, service, competitive pricing, and technical abilities. Acceptance of personal gifts or gratuities from suppliers that could be construed as a means of inducing business with the Institute is totally inconsistent with this objective.

Institute policy prohibits Institute employees from accepting personal gifts or gratuities of any kind from suppliers. This includes the use of property or facilities, gift certificates, entertainment, or other favors of value extended to employees or their families.

Federal regulations, which govern procurement under contracts and grants, impose a like prohibition mandated by Public Law 99-634, known as the "Anti-Kickback Enforcement Act of 1986." "Kickback" is defined as any money, fee, commission, credit, gift, gratuity, thing of value, or compensation of any kind that is provided by a supplier, directly or indirectly, to any employee for the purpose of improperly obtaining or rewarding favorable treatment in connection with procurement under a federal contract or grant.
6. Supply Chain Management

Question

6.1. Does the company require the involvement of its procurement department in the establishment of new supplier relationships and in the oversight of its supplier base?

Score

1

Comments

There is evidence that the institute requires the involvement of its procurement department in the establishment of new suppliers. This department is ultimately responsible for providing oversight of the company's supplier base. However, the institute receives a score of ‘1’ because there is no evidence that it takes steps to assure itself that proper supplier onboarding procedures are followed through clearly stated means, such as an audit, at least every three years.

Evidence

[41] Procurement Operations - MIT VPF (Webpage)
Accessed 06/08/2019
https://vpf.mit.edu/about-vpf/business-units/financial-operations/procurement-operations

Procurement Operations
Procurement Operations helps the MIT community buy the goods and services it needs to conduct the Institute’s business and serves as the community’s partner in the actual purchasing process.

A team of professional buyers, the VPF Procurement Operations staff brings its considerable commodity and buying expertise to bear on this complex process, which often requires knowledge of sponsor requirements, safety regulations, and special considerations for large-ticket items or new technologies.

VPF receives and reviews 250-300 purchase requisitions per day. Depending on the type of purchase, one of three VPF teams—Procurement Operations, Strategic Sourcing, or Contracts—handles the process. They take on this high volume of work by commodity specialty, as individual team members are trained in specific areas from creative services to lab supplies. Team members are also cross-trained so they can fill in for one another and broaden their areas of expertise.

As VPF completes the transition to the new Buy-to-Pay (B2P) system, many small dollar purchases are now automatically submitted to the supplier electronically. This enables the buying team to focus on more complex purchasing activities. The new B2P system provides more visibility into the buying process, enabling DLCs and VPF buyers to follow a purchase through every stage of the transaction, as well as provide better metrics for reporting. Procurement Operations works closely with the Office of Sponsored Programs (OSP) to help DLCs stay compliant with sponsor requirements. They help facilitate the purchase of lab chemicals and sensitive materials with MIT Environment, Health and Safety (EHS), ensuring all hazardous materials are purchased under safety guidelines. As technologies change, the buying team keeps up on technical and safety requirements and regulations. They stay informed about changes within companies and industries, and can direct DLCs to alternative companies if a supplier goes out of business, is debarred, or is not meeting guidelines for safety, security, or other critical concerns.

[42] Intro to Procurement Training (Document)
Accessed 06/08/2019

[p. 3] Sourcing and Procurement
Sourcing assists with vendor selection for products and services, supplier competition and proposals from vendors, negotiating pricing, reviewing vendor terms and conditions, and developing contract relationships with vendors.

Procurement assists with placing orders, negotiating pricing, compliance, resolving vendor disputes/problems, and customer service.

Provide buying assistance, while ensuring that all purchases meet audit and compliance regulations.
External Requisition Process Overview

DLC Creates External Requisition

New or Update Vendor?
- Attach Forms:
  - W9 (or W8Ben/E)
  - Vendor Registration

Under $10,000?
- Attach When Available:
  - Quotes
  - Contracts/Terms
  - Other

Over $10,000?
- Attach as Required:
  - Sel. of Source Form
  - Quotes
  - Contracts/Terms
  - Other

SAP Workflow or DLC Financial Officer Approves

If Under $10K
- Buyer Creates Purchase Order

If Over $10K
- Procurement Buyer Assigned
- Review Forms for Compliance
- Confirm OSP/Sponsor Approval for Equipment
- Notify MIT Property of Equipment Over $50K

Review/Approve Contracts/Terms
- Buyer Creates Purchase Order
- Buyer Sends Purchase Order to Supplier
<table>
<thead>
<tr>
<th>Question</th>
</tr>
</thead>
<tbody>
<tr>
<td>6.2 Does the company conduct risk-based anti-bribery and corruption due diligence when engaging or re-engaging with its suppliers?</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Score</th>
</tr>
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<tbody>
<tr>
<td>0</td>
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</table>

<table>
<thead>
<tr>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>There is no evidence that the institute conducts anti-bribery and corruption due diligence on its supply chain.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Evidence</th>
</tr>
</thead>
</table>
| [42] Intro to Procurement Training (Document)  
Accessed 06/08/2019  
[p. 4] Our Primary Focus  
Working to yield significant savings to MIT  
- Time: Developing and maintaining efficient systems and customer-friendly methods of buying products and services (Atlas, eCat, Procurement Card)  
- Money: Establishing preferred/partner supplier relationships based on the needs of the MIT community (SmartBuy)  

Compliance  
- Facilitate required approvals for purchases to assure compliance with MIT policies, federal and sponsor rules/regulations (OSP, radioactive materials, property, etc.)  

[p. 37] External Requisition Process Overview |

<table>
<thead>
<tr>
<th>Diagram</th>
</tr>
</thead>
</table>

1. **DLC Creates External Requisition**  
   - **New or Update Vendor?**  
     - Attach Forms:  
       - W9 (or W8Ben/E)  
       - Vendor Registration  
     - **Under $10,000?**  
       - Attach When Available:  
         - Quotes  
         - Contracts/Terms  
         - Other  
     - **Over $10,000?**  
       - Attach as Required:  
         - Sel. of Source Form  
         - Quotes  
         - Contracts/Terms  
         - Other  

2. **SAP Workflow or DLC Financial Officer Approves**  
   - **If Over $10K**  
     - **If Over $10K**  
       - **Buying Forms for Compliance**  
         - **Confirm OSP/Sponsor Approval for Equipment**  
           - **Notify MIT Property of Equipment Over $50K**  
         - **Buyer Creates Purchase Order**  
           - **Buyer Sends Purchase Order to Supplier**  

3. **If Under $10K**  
   - **Buying Forms for Compliance**  
     - **Review/Approve Contracts/Terms**  
       - **Buyer Creates Purchase Order**  
         - **Buyer Sends Purchase Order to Supplier**
Question

6.3 Does the company require all of its suppliers to have adequate standards of anti-bribery and corruption policies and procedures in place?

Score

0

Comments

There is some evidence that the institute ensures that its suppliers adhere to its terms and conditions, including compliance and purchasing ethics. However, the institute does not explicitly refer to anti-bribery and corruption in its terms and conditions, and does not provide any details relating to specific anti-bribery and corruption measures.

Evidence

[43] Inquire about Becoming an MIT Supplier (Webpage)
Accessed 06/08/2019

Understand supplier prequalification requirements
Suppliers are expected to conduct themselves in a professional and ethical manner. Suppliers are responsible for meeting all applicable prequalification requirements, including:

- be eligible to receive government and sponsor funding
- maintain appropriate insurance levels
- comply with shipping hazardous material/export controls
- comply with MIT terms and conditions

Once approved, prospective suppliers will be added to MIT’s supplier database.

Gifts and Gratuities
Institute and federal policies prohibit the acceptance of personal gifts or gratuities from suppliers, vendors, subcontractors, and contractors. This includes the use of property or facilities, gift certificates, entertainment, or other favors of value extended to employees or their families. The full text of the Institute's Procurement Policy on Gifts and Gratuities is found in MIT's Policies & Procedures Section 7.9.

Kickbacks
The federal Anti-Kickback Act of 1986, 41 U.S.C. §8701 et seq., prohibits those involved in government contracting from offering, accepting, or attempting to accept inducements for favorable treatment in awarding contracts. A “kickback” is defined as any money, fee, commission, credit, gift, gratuity, thing of value, or compensation of any kind that is provided by a supplier, directly or indirectly, to any employee for the purpose of improperly obtaining or rewarding favorable treatment in connection with procurement under a federal contract or grant.

Conflicts of Interest
MIT officers, faculty, staff, and others acting on MIT’s behalf have an obligation to avoid ethical, legal, financial, or other conflicts of interest.

[42] Intro to Procurement Training (Document)
Accessed 06/08/2019

[p. 4] Our Primary Focus
Working to yield significant savings to MIT

- Time: Developing and maintaining efficient systems and customer-friendly methods of buying products and services (Atlas, eCat, Procurement Card)
- Money: Establishing preferred/partner supplier relationships based on the needs of the MIT community (SmartBuy)

Compliance

- Facilitate required approvals for purchases to assure compliance with MIT policies, federal and sponsor rules/regulations (OSP, radioactive materials, property, etc.)
3.3. Code of Conduct Scope Of Applicability

The code of conduct applies to all Laboratory personnel and individuals affiliated with the Laboratory including employees, advisory board members, Intergovernmental Personnel Act assignees, subcontractors, consultants, resident subcontractors, interns, Lincoln Scholar students, student advisers, cadets, and research assistants at all locations. Adherence to the Code of Conduct and to Laboratory procedures in general is a condition of employment.

- Employees, students, interns, and cadets may be subject to disciplinary action (including termination of employment or other relationship with the Laboratory) for violations of the Code of Conduct or Laboratory policies and procedures.
- For subcontractors, vendors, and consultants, a violation of the Code of Conduct may lead to a contractual action including suspension or termination.
<table>
<thead>
<tr>
<th>Question</th>
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</tr>
</thead>
<tbody>
<tr>
<td>6.4 Does the company ensure that its suppliers require all their sub-contractors to have anti-corruption programmes in place that at a minimum adhere to the standards established by the main contractor?</td>
<td></td>
</tr>
<tr>
<td>Score</td>
<td>0</td>
</tr>
<tr>
<td>Comments</td>
<td>There is no evidence that the institute takes steps to ensure that the substance of its anti-bribery and corruption programme and standards are required throughout the supply chain.</td>
</tr>
<tr>
<td>Evidence</td>
<td>No evidence found.</td>
</tr>
<tr>
<td>Question</td>
<td>Does the company publish high-level results from ethical incident investigations and disciplinary actions against suppliers?</td>
</tr>
<tr>
<td>----------</td>
<td>---------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Score</td>
<td>0</td>
</tr>
<tr>
<td>Comments</td>
<td>There is no evidence that the Institute publishes any data on ethical or anti-bribery and corruption investigations relating to its suppliers, or the associated disciplinary actions.</td>
</tr>
<tr>
<td>Evidence</td>
<td>No evidence found.</td>
</tr>
</tbody>
</table>
## 7. Agents, Intermediaries and Joint Ventures

### 7.1 Agents and Intermediaries

<table>
<thead>
<tr>
<th><strong>Question</strong></th>
<th>7.1.1 Does the company have a clear policy on the use of agents?</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Score</strong></td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Comments</strong></td>
<td>There is no readily available evidence that the institute engages agents in the conduct of business due to its nature as a non-profit organisation.</td>
</tr>
</tbody>
</table>

**Evidence**

[01] People and Culture – MIT Lincoln Laboratory (Website)
Accessed 23/07/2019
[https://www.ll.mit.edu/careers/people-and-culture](https://www.ll.mit.edu/careers/people-and-culture)

[p. 2] The code of conduct applies to all Laboratory personnel and individuals affiliated with the Laboratory including employees, advisory board members, Intergovernmental Personnel Act assignees, subcontractors, consultants, resident subcontractors, interns, Lincoln Scholar students, student advisers, cadets, and research assistants at all locations. Adherence to the Code of Conduct and to Laboratory procedures in general is a condition of employment.

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<table>
<thead>
<tr>
<th>Question</th>
<th>7.1.2 Does the company conduct risk-based anti-bribery and corruption due diligence when engaging or re-engaging its agents and intermediaries?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Score</td>
<td>N/A</td>
</tr>
<tr>
<td>Comments</td>
<td>There is no readily available evidence that the institute engages agents in the conduct of business due to its nature as a non-profit organisation.</td>
</tr>
<tr>
<td>Evidence</td>
<td>No evidence found.</td>
</tr>
<tr>
<td>Question</td>
<td>7.1.3 Does the company aim to establish the ultimate beneficial ownership of its agents and intermediaries?</td>
</tr>
<tr>
<td>----------</td>
<td>--------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Score</td>
<td>N/A</td>
</tr>
<tr>
<td>Comments</td>
<td>There is no readily available evidence that the institute engages agents in the conduct of business due to its nature as a non-profit organisation.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Evidence</th>
</tr>
</thead>
<tbody>
<tr>
<td>No evidence found.</td>
</tr>
<tr>
<td>Question</td>
</tr>
<tr>
<td>--------------------------------------------------------------------------</td>
</tr>
<tr>
<td>7.1.4 Does the company’s anti-bribery and corruption policy apply to all agents and intermediaries acting for or on behalf of the company, and does it require anti-bribery and corruption clauses in its contracts with these entities?</td>
</tr>
<tr>
<td>Score</td>
</tr>
<tr>
<td>Comments</td>
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<tr>
<td>Evidence</td>
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<tr>
<td>Comments</td>
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<tr>
<td>Evidence</td>
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<tr>
<td>Question</td>
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</table>
### 7.2 Joint Ventures

<table>
<thead>
<tr>
<th>Question</th>
<th>7.2.1 Does the company conduct risk-based anti-bribery and corruption due diligence when entering into and operating as part of joint ventures?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Score</td>
<td>0</td>
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<tr>
<td>Comments</td>
<td>There is no evidence that the institute conducts anti-bribery and corruption due diligence on its joint ventures.</td>
</tr>
<tr>
<td>Evidence</td>
<td>No evidence found.</td>
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</tbody>
</table>
**Question**

7.2.2 Does the company commit to incorporating anti-bribery and corruption policies and procedures in all of its joint venture partnerships, and does it require anti-bribery and corruption clauses in its contracts with joint venture partners?

**Score**

0

**Comments**

There is no evidence that the institute commits to establishing or implementing anti-bribery and corruption policies or procedures in its joint ventures, nor is there evidence that it requires anti-bribery and corruption clauses in its contracts with joint venture partners.

**Evidence**

No evidence found.
<table>
<thead>
<tr>
<th>Question</th>
<th>Score</th>
<th>Comments</th>
<th>Evidence</th>
</tr>
</thead>
<tbody>
<tr>
<td>7.2.3 Does the company commit to take an active role in preventing bribery and corruption in all of its joint ventures?</td>
<td></td>
<td>There is no evidence that the institute commits to take an active role in preventing bribery and corruption in all of its joint ventures.</td>
<td>No evidence found.</td>
</tr>
</tbody>
</table>


8. Offsets

<table>
<thead>
<tr>
<th>Question</th>
<th>8.1 Does the company explicitly address the corruption risks associated with offset contracting, and is a dedicated body, department or team responsible for oversight of the company’s offset activities?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Score</td>
<td>N/A</td>
</tr>
<tr>
<td>Comments</td>
<td>There is no readily available evidence that the institute engages in offset contracting.</td>
</tr>
</tbody>
</table>

Evidence

No evidence found.
<table>
<thead>
<tr>
<th>Question</th>
<th>Score</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>8.2 Does the company conduct risk-based anti-bribery and corruption due diligence on all aspects of its offset obligations, which includes an assessment of the legitimate business rationale for the investment?</td>
<td>N/A</td>
<td>There is no readily available evidence that the institute engages in offset contracting.</td>
</tr>
<tr>
<td>Evidence</td>
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<td>No evidence found.</td>
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<tr>
<td>Question</td>
<td>8.3 Does the company publish details of all offset agents and brokers currently contracted to act with and/or on behalf of the company?</td>
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<td>Comments</td>
<td>There is no readily available evidence that the institute engages in offset contracting.</td>
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<tr>
<td>Evidence</td>
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<td>Question</td>
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<tr>
<td>-------------------------------------------------------------------------</td>
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<td></td>
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<tr>
<td>8.4 Does the company publish details about the beneficiaries of its indirect offset projects?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Score</td>
<td>N/A</td>
<td></td>
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<tr>
<td>Comments</td>
<td>There is no readily available evidence that the institute engages in offset contracting.</td>
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<tr>
<td>Evidence</td>
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## 9. High Risk Markets

<table>
<thead>
<tr>
<th>Question</th>
<th>Score</th>
<th>Comments</th>
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</thead>
<tbody>
<tr>
<td>9.1 Does the company have enhanced risk management procedures in place for the supply of goods or services to markets or customers in countries identified as at a high risk of corruption?</td>
<td>N/A</td>
<td>There is no readily available evidence that the institute is engaged in supplying goods or services, nor that it operates in markets or jurisdictions outside of the United States of America.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Evidence</th>
<th></th>
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<tbody>
<tr>
<td>No evidence found.</td>
<td></td>
</tr>
<tr>
<td>Question</td>
<td>9.2 Does the company disclose details of all of its fully consolidated subsidiaries and non-fully consolidated holdings (associates, joint ventures and other related entities)?</td>
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<tr>
<td>----------</td>
<td>----------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Score</td>
<td>0</td>
</tr>
<tr>
<td>Comments</td>
<td>There is no evidence that the institute publishes a list of its subsidiaries or affiliated entities.</td>
</tr>
<tr>
<td>Evidence</td>
<td>No evidence found.</td>
</tr>
<tr>
<td>Question</td>
<td></td>
</tr>
<tr>
<td>----------</td>
<td></td>
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<tr>
<td>Does the company disclose its beneficial ownership and control structure?</td>
<td></td>
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</table>

<table>
<thead>
<tr>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>N/A</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>The institute is a non-profit organisation and therefore does not have shareholders. The organisation is governed by a board of trustees known as the MIT Corporation.</td>
</tr>
</tbody>
</table>

**Evidence**

[44] Corporation and Institutional Officers - MIT Organization Chart (Webpage)
Accessed 07/08/2019
http://orgchart.mit.edu/corporation-and-institutional-officers

Corporation and Institutional Officers

![MIT Corporation Organization Chart](http://orgchart.mit.edu/corporation-and-institutional-officers)

[46] Membership - The MIT Corporation (Webpage)
Accessed 07/08/2019
http://corporation.mit.edu/membership

Membership

The Institute's board of trustees is known as the Corporation. Its members include distinguished leaders in science, engineering, industry, education and public service, and *ex officio*, the President, Chairman, Treasurer, and Secretary of the Corporation. Between quarterly meetings, the Corporation functions through its officers and Executive Committee.

The Corporation is currently comprised of 78 active members. A total of 8 members serve *ex officio* for the duration of their appointments: the Chairman, President, Secretary, and Treasurer of the Corporation; the President of the Alumni/ae Association; and 3 representatives of the Commonwealth of Massachusetts -- the Governor, Chief Justice, and Secretary of Education.

No more than 25 Life Members are elected to serve without specific term until they attain the age of 75, at which point they transfer to the status of Life Member Emeritus. (They may elect to transfer earlier, but not earlier than 65 years of age.) Life Members Emeriti remain interested and active in the Institute's affairs and may attend meetings of the Corporation, although they are not eligible to vote.

Term Members (no more than 25), Alumni/ae Nominees (no more than 15), and representatives of Recent Graduating Classes (no more than 5) serve five-year terms. Only Term Members may serve an additional term without a break of at least one year.
9.4 Does the company publish a percentage breakdown of its defence sales by customer?

Score
N/A

Comments
There is no readily available evidence that the company engages in commercial or industry sales in the defence sector. However, the institute does publish a complete breakdown of the federal grants that it receives.

Evidence

Accessed 07/08/2019
Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2018

<table>
<thead>
<tr>
<th>Federal Grantor/ Pass Through Grantor/ Program Title</th>
<th>Federal CFDA Number</th>
<th>Total $ Amount Expended</th>
<th>$ Amount Passed to Subrecipients</th>
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<tr>
<td>Research and Development Cluster</td>
<td>12</td>
<td>$ 302,801,518</td>
<td>$ 31,239,344</td>
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<tr>
<td>U.S. Department of Defense:</td>
<td></td>
<td>$ 70,624,283</td>
<td>$ 5,951,342</td>
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<tr>
<td>Air Force</td>
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<td>181,335,931</td>
<td>24,043,887</td>
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<td>Army</td>
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<td>40,137,072</td>
<td>6,594,823</td>
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<tr>
<td>Classified</td>
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<td>73,627,842</td>
<td>4,021,858</td>
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<tr>
<td>Defense Advance Research Project Agency</td>
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<td>7,792,522</td>
<td>215,319</td>
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<tr>
<td>Missile Defense Agency</td>
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<td>82,876,528</td>
<td>7,692,904</td>
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<td>National Security Agency</td>
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<td>203,753,933</td>
<td>11,260,746</td>
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<tr>
<td>Navy</td>
<td></td>
<td>36,827,392</td>
<td>222,642</td>
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<tr>
<td>Other DOD</td>
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<td>$ 999,777,021</td>
<td>$ 91,242,865</td>
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<tr>
<td>Passsthrough</td>
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</table>
10. **State-Owned Enterprises (SOEs)**

<table>
<thead>
<tr>
<th>Question</th>
<th>10.1 Does the SOE publish a breakdown of its shareholder voting rights?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Score</td>
<td>N/A</td>
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<tr>
<td>Comments</td>
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<tr>
<td>Evidence</td>
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</tr>
<tr>
<td>Question</td>
<td>10.2 Are the SOE’s commercial and public policy objectives publicly available?</td>
</tr>
<tr>
<td>----------</td>
<td>--------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Score</td>
<td>N/A</td>
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<tr>
<td>Comments</td>
<td>N/A</td>
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<tr>
<td>Evidence</td>
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<tr>
<td>Question</td>
<td>Score</td>
</tr>
<tr>
<td>--------------------------------------------------------------------------</td>
<td>-------</td>
</tr>
<tr>
<td>10.3 Is the SOE open and transparent about the composition of its board and its nomination and appointment process?</td>
<td>N/A</td>
</tr>
<tr>
<td>Question</td>
<td>10.4 Is the SOE’s audit committee composed of a majority of independent directors?</td>
</tr>
<tr>
<td>----------</td>
<td>---------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Score</td>
<td>N/A</td>
</tr>
<tr>
<td>Comments</td>
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<tr>
<td>Evidence</td>
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</tr>
<tr>
<td>Question</td>
<td></td>
</tr>
<tr>
<td>------------------------------------------------------------------------</td>
<td>---</td>
</tr>
<tr>
<td>10.5 Does the SOE have a system in place to assure itself that asset transactions follow a transparent process to ensure they accord to market value?</td>
<td></td>
</tr>
<tr>
<td>Score</td>
<td>N/A</td>
</tr>
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<td>Comments</td>
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# List of Evidence & Sources

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<th>No.</th>
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<th>Download Date</th>
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<td>People and Culture</td>
<td>23/07/2019</td>
<td><a href="https://www.ll.mit.edu/careers/people-and-culture">https://www.ll.mit.edu/careers/people-and-culture</a></td>
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<td>08</td>
<td>Webpage</td>
<td>EthicsPoi nt - Massachusett s Institute of Technolo gy Lincoln Laboratory</td>
<td>24/07/2019</td>
<td><a href="https://secure.ethicspoint.com/domain/media/en/gui/29721/index.html">https://secure.ethicspoint.com/domain/media/en/gui/29721/index.html</a></td>
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<td>Webpage</td>
<td>Foreign Corrupt Practices Act - MIT Office of Sponsored Programs</td>
<td>02/04/2020</td>
<td><a href="https://osp.mit.edu/compliance/regulations-non-us-activity/foreign-corrut-practices-act">Link now requires institutional login; evidence no longer publicly available</a></td>
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<td>14</td>
<td>Webpage</td>
<td>Risk Management &amp; Compliance Services</td>
<td>29/07/2019</td>
<td><a href="https://riskandcompliance.mit.edu/about">https://riskandcompliance.mit.edu/about</a></td>
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<td>What are Audit Ratings –</td>
<td>29/07/2019</td>
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<td>MIT Audit Division</td>
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<td>Why was I selected - MIT Audit Division</td>
<td>29/07/2019</td>
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<td>What We Are – MIT Audit Division</td>
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<td>External Audit Groups - MIT Audit Division</td>
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<td>Other Reporting Options – Hotline</td>
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<td><a href="https://osp.mit.edu/learning-resources/quick-guide-pis/individual-conflicts-interest">https://osp.mit.edu/learning-resources/quick-guide-pis/individual-conflicts-interest</a></td>
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<td>Steering Committee - Community Giving at MIT</td>
<td>05/08/2019</td>
<td><a href="http://web.mit.edu/community-giving/steering-committee.html">http://web.mit.edu/community-giving/steering-committee.html</a></td>
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<td>Webpage</td>
<td>Local Charities – Community Giving at MIT</td>
<td>06/08/2019</td>
<td><a href="http://web.mit.edu/community-giving/your-choice.html">http://web.mit.edu/community-giving/your-choice.html</a></td>
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<td>Organizational Chart</td>
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<td>Webpage All Members List - The MIT</td>
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<td>Webpage Gifts - MIT Office of Sponsored Programs</td>
<td>02/04/20</td>
<td><a href="https://osp.mit.edu/grant-and-contract-administration/industrial-collaborations-and-agreements/gifts">Link now requires institutional login; evidence no longer publicly available</a></td>
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