



AMERICAN UNIVERSITY  
WASHINGTON, D.C.

CORNELIUS KERWIN  
PRESIDENT

November 10, 2011

**TO:** Campus Community  
**FROM:** Neil Kerwin, President  
**SUBJECT:** Statement of Social Responsibility Principles for American University Business Partners

---

The university's strategic plan, *American University in the Next Decade: Leadership for a Changing World*, includes as Goal 7:

**Act on Our Values through Social Responsibility and Service**

American University is known for its politically and socially engaged faculty, staff, graduates, and students, who are recognized as the most politically active in the nation. We will strengthen our culture of service and social responsibility. Life at the university will be marked by rich opportunities for service, an active pursuit of sustainability, a steadfast sense of ethics, and a vigorous commitment to the city and people of Washington, D.C.

American University strives to be an institution that demonstrates its commitment to social responsibility through its everyday policies and practices within the campus community, in the city it calls home, and beyond. To this end, AU is taking steps to strengthen its culture of service, responsible business practices, sustainable behavior, and respect for the dignity accorded to others so that the university is regarded as a leader among its academic peers. Some time ago, AU committed to developing a statement of principles to guide its selection of business partners and working relationships with them.

To that end I issued a draft statement to the campus community on November 10, 2011 and asked for comment and suggestions for revision. I also reviewed the statement with the University Council. As a result of these consultations I've made a number of revisions in the final statement.

**Statement of Social Responsibility Principles for American University Business Partners**

American University is committed to conducting its business affairs in a socially responsible manner consistent with its educational and public service mission. AU expects a similar commitment to compliance and ethical business practices by all of its business partners; therefore, AU will select and maintain agreements with those

companies that conduct their business in a manner consistent with AU's Statement of Social Responsibility Principles for AU's Business Partners.

American University expects business partners that enter into a written service or licensing agreement with the institution to adhere to the following minimum standards and practices:

- A. Compliance:** AU business partners are expected to comply with all applicable federal and District of Columbia legal requirements and, where applicable, with the legal requirements of the state or country in which products are manufactured. Where this policy conflicts with or differs from the applicable federal, District, or the state or country of manufacture laws, the higher standard shall prevail. Compliance shall specifically include compliance with all applicable employment and environmental laws.
- B. Environmental Compliance:** Business partners will be committed to the protection and preservation of the global environment and the world's finite resources, and conduct business accordingly. Business partners should be familiar with the University's commitment to carbon neutrality by 2020 and be able to assist as necessary.
- C. Ethical Operations:** Business partners shall conduct their business in an ethical manner that reflects the values of honesty, integrity, trustworthiness, and respect for the unique intrinsic value of each human being. Business partners should adhere to the applicable codes of conduct in their particular industries or professions.
- D. Employment Standards:** A business partner's employees should be present at work voluntarily, in an environment which does not place them at undue risk of physical harm, be fairly compensated, and not exploited in any way.

  - 1. Wages and Benefits:** Business partners should provide wages and benefits that comply with all applicable laws and regulations. For contracts with a value of \$500,000 or more, business partners should strive to provide employee wages that meet or exceed the requirements of AU's wage policy.
  - 2. Regular Working Hours:** Except in extraordinary circumstances, employees shall not be required to work more than the lesser of (a) 48 hours per week and 12 hours overtime per week, or (b) the limits on regular and overtime hours allowed by the law of the applicable state or country.
  - 3. Overtime Compensation:** In addition to their compensation for regular hours of work, employees shall be compensated for overtime hours at such a premium rate as is legally required in the state or country where they are working.
  - 4. Child Labor:** Business partners shall comply with the standards on Child Labor established by the International Labor Organization.

5. **Forced Labor:** Forced labor, whether in the form of prison labor, indentured labor, bonded labor or otherwise, shall never be used.
  6. **Worker Health and Safety:** Business partners will provide workers with a safe and healthy work environment and comply with local and national health and safety laws. Business partners agree to take all necessary measures to prevent injury and losses to persons located on American University property. Business partners shall be responsible for all damages to persons or property caused by the business partner or any of its agents or employees. Business partners shall promptly repair or rectify any such injuries, loss, or damage to AU.
  7. **Nondiscrimination:** Business partners shall not discriminate in their employment practices.
  8. **Harassment or Abuse:** Every employee of a business partner should be treated with dignity and respect. No employee should be subject to any physical, sexual, psychological, or verbal harassment or abuse.
  9. **Freedom of Association:** AU's business partners should respect the rights of their workers to choose (or choose not) to freely associate and to bargain collectively where such rights are recognized by law.
  10. **Licensed Products:** As a condition of being permitted to produce and/or sell licensed products bearing the name, trademark and/or images of American University, licensees and licensee's subcontractors are expected to meet a code of conduct that is consistent with Fair Labor Association and Worker Rights Consortium codes.
- E. Community Service: American University is committed to providing public service to its varied communities and particularly the District of Columbia. We will actively seek business partners who demonstrate this same commitment to improving the quality of life in our Nation's Capitol.**
- F. Collaboration:** The ideal AU-business partner relationship is in the nature of a partnership, seeking mutually agreeable and important goals. Recognizing our mutual interdependence, it is in the best interest of the university to find a resolution when responding to charges or questions about a business partner's compliance with this statement of principles.
- G. Verification:** American University expects each of its business partners to use its best efforts to comply with these social responsibility principles and will incorporate this Statement as a condition in all major university contracts with vendors and service providers. Should a business partner fail to comply with this Statement, the University will seek mutually agreeable solutions, with the final option to terminate the business relationship.

This statement constitutes University policy. We expect it and our practices, like the strategic plan, to change as conditions and experience warrant. We will rely on a group consisting of representatives and campus constituencies for advice and recommendations in implementation of this policy statement, as well as any necessary adjustments warranted by changing circumstances. I intend to appoint that group and communicate its charge and membership to the campus community by February 15, 2012.