

CALIFORNIA INSTITUTE OF TECHNOLOGY
ADMINISTRATIVE GUIDELINE

Subject: <p style="text-align:center">Anti-Kickback Guidelines</p>	Pages: 2 Date: September 18, 2018
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1. Background

Federal Acquisition Regulations (FAR) require the Institute to implement procedures designed to prevent and detect violations of the [Anti-Kickback Act of 1986](#). The Anti-Kickback Act of 1986 prohibits those involved in government contracting from offering, accepting, or attempting to accept inducements for favorable treatment in awarding contracts for materials, equipment, or services of any kind.

Policy

Caltech is committed to complying fully with this federal law. To that end, Caltech expects all faculty and staff to comply fully with the federal Anti-Kickback Act and with Caltech procedures implemented to support Caltech’s compliance. Employees who violate this policy will be subject to disciplinary action, up to and including termination of employment or permanent separation from the Institute.

2. Definitions

As defined in the Anti-Kickback Act, “Kickback” is any money, fee commission, credit, gift, gratuity, thing of value or compensation of any kind that is provided directly or indirectly to any prime contractor, prime contractor employee, subcontractor or subcontractor employee for the purpose of improperly obtaining or rewarding favorable treatment in connection with a prime contract, or in connection with a subcontract relating to a prime contract. Institute employees are prohibited under federal and state laws from accepting or offering kickbacks.

3. Procedures

The Institute has implemented reasonable procedures to prevent and detect potential violations of the Anti-Kickback Act:

- Caltech purchasing professionals follow the standards of conduct incorporated in the [National Association of Educational Buyers' Code of Ethics](#).
- Caltech faculty, staff, and students follow relevant purchasing provisions stated in [Caltech’s Conflict of Interest Policy](#) and the [Institute Community’s Statement on Ethical Conduct](#).
- Institute personnel follow Caltech’s General Purchasing Services Policy in response to purchasing requirements outlined in the Office of Management and Budget (OMB) [Uniform Guidance](#).

- Management controls ensure internal and external reviews provide checks and balances against potential fraud.
- Management follow established levels of authority for approving transactions to detect potential discrepancies or deviations from required policies and procedures.

4. Criminal Penalties

Any person found to have willingly participated in activities prohibited by the Anti-Kickback Act may be subject to criminal actions resulting in fines, imprisonment, or both. Any person who knowingly engages in prohibited conduct may be subject to criminal actions.

5. Reporting Channels

Any member of the Institute may direct questions or report suspected violations to Procurement Services (626.395.8900) or Audit Services and Institute Compliance (626.395.8075). When ordinary channels are not available or there is a need for confidentiality or anonymity, individuals may contact Human Resources at (626.395-6382) the Caltech Hotline (626.395.8787) or toll free (888.395.8787). All reports will be examined and, if warranted, investigated.