

Rules of Procedure of the Ethics Committee of Budapest Business School

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The Rules of Procedure of the Ethics Committee of Budapest Business School includes the guiding principles of the work of the Ethics Committee responding to ethical concerns and conducting ethics investigations. It serves as a supplementary document to other statutes of BBS. The Code of Ethics encompasses related university documents.

1. Fundamental principles of ethical procedures

1.1. Principles of honesty and integrity

All participants of the ethics investigation must have objective, fair and honest approach to the ethical cases. Their communication should always reflect the contents of the Code of Ethics of BBS. The presumption of innocence should apply to the incriminated person until proven guilty of ethical misconduct.

1.2. Principle of independence

The decisions of the Ethics Committee are made independently from all departments and heads of departments. The Ethics Committee has a reporting duty towards the Rector and Chancellor of BBS but all resolutions are made independently.

1.3. Principle of confidentiality

All information used during an ethics investigation is confidential and must be handled accordingly. In order to protect personal information of those involved, all available information, including various documents are confidential. Provided there is a breach of ethics, information and data used during the investigation can only be known by the decision makers to an extent necessary to make decision. Information resulting from the investigation of the Ethics Committee is sensitive. The GDPR regulation of BBS has a separate section devoted to sensitive personal data and how to handle it.

1.4. Principle of anonymity

Individuals reporting suspected ethical concerns and all witnesses have the right to ask for anonymity. In such cases only the members of the Ethics Committee are allowed to know their identities. In case of anonymous reporting a well-founded set of evidence must be available in order to start an ethics investigation.

1.5. Principle of transparency

With the intention to improve our organisational culture and avoid future ethical issues the Ethics Committee publishes anonymously the resolution reports of various ethical cases every year. They will be available for all members of the community of BBS.

1.6. Principle of exclusivity

In case of a disciplinary procedure, or any legal proceedings the Ethics Committee must bring the ethics investigation into a halt until a final, legally binding decision.

2. Ethics Committee

The Ethics Committee is a body supporting the ethical operation of the university.

2.1. Members of the Ethics Committee

The Ethics Committee consists of a Chair and three members (one teacher, one non-teaching staff member, one student representative and one independent member). They represent various organisational units of the university. Those members who are not independent from Budapest Business School must have either employment or student relation. The gender ratio and the ratio of executive and non-executive members in the committee should be close to equal. The members of the Ethics Committee are appointed for three years by the Rector of the University in agreement with the Chancellor. The student members of the committee are appointed for the duration of one year. The members of the Ethics Committee have a special responsibility to observe the fundamental guiding principles of the ethical procedures.

The list of members of the Ethics Committee of BBS can be found on the university website under the page of Code of Ethics.

2.2. Responsibilities of the Ethics Committee

The Ethics Committee is responsible for the followings:

- Deciding whether an ethics investigation should take place
- Collecting information and interviewing those who are involved in the ethical case
- Deciding whether there is a breach of Code of Ethics
- Making a proposal regarding the consequences and the preventative measures
- Responding to ethical dilemmas unless they fall under the competence of a particular department
- Proposing changes to the Code of Ethics
- Maintaining records of ethical cases, reporting and communicating

2.3. The procedures of the Ethics Committee

2.3.1. Responsibilities of the Chair of the Ethics Committee

Manage the operation of the Ethics Committee, convene the Ethics Committee meetings, prepare meetings, coordinate investigations, inform the concerned persons about the decisions of the Ethics Committee, inform the Rector and the Chancellor of Budapest Business School twice a year, or in case of ethical investigations.

2.3.2. Responsibilities of the members of the Ethics Committee

Participate and vote on the Ethics Committee meetings, express personal views, consult in individual cases and conduct ethical investigations if necessary.

2.3.3. Ethics Committee meetings

The Ethics Committee holds meetings as necessary but at least twice a year. The meeting is called by the Chair at least one week before the meeting is scheduled. In exceptional cases the meeting can be called 24 hours prior to the date. The agenda is sent along with the invitation for the meeting. In the event of a held up, Committee members can participate in the meetings over the phone. If the matter is too urgent but calling a meeting is not possible or not necessary, the committee members can place their votes in electronically within a specified timeframe. The minutes of the meetings are taken by a

committee member for the request of the Chair. The minutes are authenticated by the Chair and the members. The minutes of the meeting of the Ethics Committee are forwarded to the Rector and the Chancellor of BBS.

2.3.4. Reconciliation

In case of any ethical dilemmas or ethical reporting the members of the Ethics Committee should consult with each other via email or person if necessary. A personal consultation can be initiated by any members of the committee.

2.3.5. Ethics decision

The quorum for any meetings of the Ethics Committee shall be the presence of over half of all members. Decisions of the Ethics Committee are based on consensus. In exceptional cases when the committee members are unable to agree, the resolution should be made with the agreement of over half of all members. In cases when equal number of votes is obtained the vote of the Chair shall be decisive.

2.3.6. Resolution

Based on the decisions made by the Ethics Committee, a resolution is concluded. It might include a decision stating that the Code of Ethics was breached in a particular ethical case or it might also include a general statement with the intention of improving our culture of ethics. In relation to specific ethical case, the resolution also includes a justification of the decision and future recommendations.

2.3.7. Registering ethical cases

The Ethics Committee keeps a record of all ethical dilemmas and reported cases. Information and data of the records are deleted in accordance with relevant regulations and deadlines.

2.3.8. Reporting

The Ethics Committee prepares a report about its work and the ethical issues to the Rector and Chancellor of the University twice a year. The ethics investigation and related decisions are also reported.

The Rector and Chancellor of BBS shall be informed within 5 days about ethical misdemeanour cases.

2.3.9. Communication

The Ethics Committee publishes annual reports of ethical issues and cases for the community of BBS. All cases are published anonymously. General resolution made and published by the committee is accessible for the whole community of BBS. The Senate of the university may decide to make the complete text of the resolution publicly available.

3. Rules of procedure of ethical queries and suspected ethical cases

3.1. Who can have a question related to ethical issues and who can report a suspected ethical case?

Anyone can turn to the Ethics Committee if they feel confused about the possible interpretations of the Code of Ethics or they need help to assess an ethical dilemma related to BBS.

Ethical violation is a conduct which is not in accordance with the guiding principles and values of the Code of Ethics.

In case of an ethical dilemma or reporting a suspected ethical case the Reporting Person should consider whether there is a competent department or any organisational unit which can help (for example HSZO, Students' Union). If the ethical query or reported case cannot be handled by any other organisational units, then the Ethics Committee should be consulted.

3.2. What are the channels of asking about ethical concerns and report suspected ethical cases?

The following communication channels, also listed in the Code of Ethics, can be used to ask about ethical concerns or to report suspected ethical cases:

- the following email address can be used etika@uni-bge.hu
- a letter can be sent to the Chair of the Ethics Committee
- in person, consulting the Chair of the Ethics Committee or any members of the committee.

3.3. What should be included when asking about ethical concerns or reporting a suspected ethical case?

If there is an **ethical query** there are no procedural steps to follow. It is important to formulate a clear question and to include the exact address where the response should be sent.

If there is a case of **ethical reporting** the Reporting Person should include the following data and information:

- Name, work or home address, phone number, email address (if there is one), the name of the person/persons (if known) and the term for the suspected ethical violation.
- All the important information related to the reporting.
- Evidence related to the reporting which supports the case of an ethical violation.
- **A statement by the Reporting Person to show that he/she is acting in good faith concerning issues he/she had previously found out about and has a good reason to believe that those issues are well-founded.**
- A statement of approval for the Ethics Committee to allow the using personal data.
- A statement to ask for anonymity during the ethical inquiry.

Forms used to report a suspected ethical case can be downloaded from the website of BBS under the page of Code of Ethics. If the ethical reporting is incomplete, the Ethics Committee will ask for supplementary documents to be handed in within 5 working days. Without receiving the necessary documents the ethical inquiry shall not be started.

3.4. Handling ethics investigation and ethical cases

Investigations related to ethical concerns which are sent to etika@uni-bge.hu are automatically and exclusively received by all members of the Ethics Committee. Ethical questions or reports sent via post are sent to the Chair who scans the letters and forwards them every committee member. In case of any other committee members receiving a question or report in person, a note is made which is sent to the other committee members via etika@uni-bge.hu. The note must be sent without hesitation but latest within 5 working days.

The members of the Ethics Committee agree whether an ethical concern or report fall under the competence of the Ethics Committee. If it doesn't, the Chair or one of the appointed members of the Ethics Committee immediately, but latest within 5 working days, forwards the case to the competent

organisational unit. The Reporting Person is also informed about the decision. If the ethical concern or report belongs under the competence of the Ethics Committee it documents the ethical concern or report following the guiding principles of the ethical procedures.

3.5. Responding to ethical queries

The Ethics Committee discusses and provides a settlement for issues of its own competence as soon as possible but latest **within 15 working days**.

If the Ethics Committee writes up a proposal for the university based on the ethical issue the proposal must be sent to the involved department at the same time when the response is sent to the concerned individual who had asked the question.

If the nature of the ethical question justifies issuing a general statement by the Ethics Committee it must be made public for the whole community of BBS.

If the Ethics Committee decides to open an ethics investigation it is required to ask the Reporting Person within 15 working days latest, whether he/she wants to report an ethical case. If the Reporting Person decides not to lodge an official ethical complaint but the Ethics Committee suspects a well-founded and demonstrable case of Code of Ethics violation it can open an ethics investigation within its powers. In this case the Ethics Committee is not obliged to inform the person originally raising the ethical concern.

3.6. Ethics investigation

3.6.1. Opening an ethics investigation

After receiving a report of a suspected ethical case along with all necessary information, the Ethics Committee is expected to decide **within 5 working days** whether an ethics investigation should be opened. So long as an ethics investigation is opened, the Chair in agreement with the members of the Ethics Committee appoints those members of the committee who participate in the investigation. Following the decision of the investigation, the person who had reported the case should be informed about the decision **within 5 working days**. The Reporting Person should be made aware of the penalties applied in case of a malicious claim. The procedure of an ethical report can be followed on Figure 1.

Upon opening an ethics investigation the Ethics Committee informs in details the person against whom the suspected ethical complaint had been made. The person is also informed about his/her rights and how personal information and data are handled. The person is asked to provide personal data used by the Ethics Committee. Informing the person against whom the suspected ethical complaint is made can be postponed if it is justified by the ethics investigation.

The ethics investigation is conducted by 2 appointed members of the Ethics Committee. They are appointed by the Committee Chair considering the nature of the ethical case, possible conflicts of interest and keeping in mind a relatively equal workload on committee members. In case conflicts of interest can be proved with all members of the Ethics Committee, the committee asks for 2 academic citizens without any conflicts of interest to participate in an *ad hoc* committee.

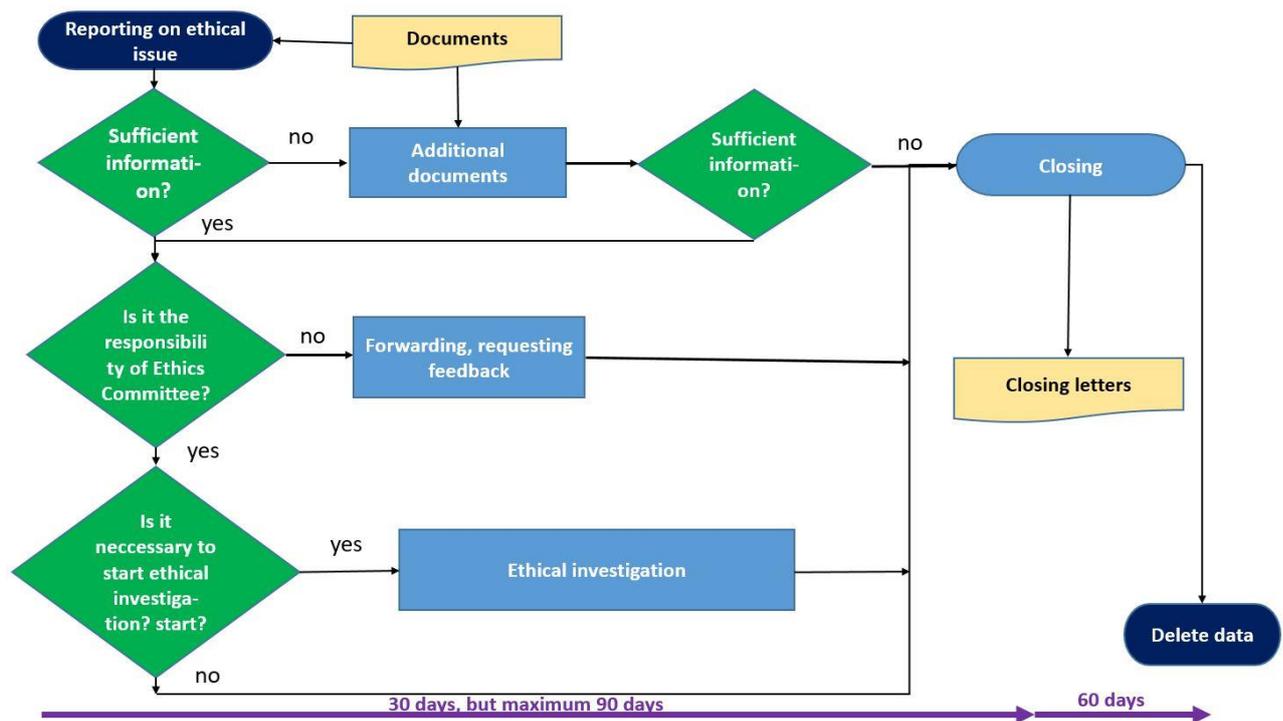


Figure 1 Main steps of the procedure of an Ethical reporting

3.6.2. Investigation tools for ethics investigation

In the course of an ethics investigation the following investigation tools can be used:

- Interview those who are involved in the case which can take place in person, on the phone or via video
- Collect documents and data, inspect locations which are relevant for the case

3.6.2.1. Individual hearing

At the individual hearing, if the Interviewee had previously agreed, an audio recording can be made. In this case it is satisfactory if the Interviewee and one committee member is present. If the Interviewee doesn't give his/her consent, then two Ethics Committee members must be present at the individual hearing. Apart from them, a representative and expert of the organisational unit which is involved in the case can also be present.

The Interviewee can ask for the head of his/her organisational unit and/or an advocacy, as well as a legal representative to be present. These representatives are not allowed to speak for the Interviewee but they have the right to ask questions from him/her.

The Interviewee must be informed about his/her rights in relation to personal information (name, position at the university, any judgement as a result of the hearing) independent whether the hearing takes place in person, on the phone or via video. A personal consent statement must be signed so that the Ethics Committee can use personal information. The Interviewee may ask that all his/her personal information can only be known by committee members and those who participate in the interview.

A memo must be written of every individual hearing. The Interviewee has the right to read the memo. Upon request of the Reported Person, minutes can also be written instead of a memo. If the hearing is on the phone or via video, the rules of the individual hearing will apply, although in case of a phone interview the participation of the Interviewee and the Interviewer is enough. Their presence is satisfactory even if only a memo is written up of the individual hearing. There is no need of a third person being present.

Those who participate at the individual hearing are not allowed to pass on any of the information.

3.6.2.2. Documents, requesting information, inspecting locations

The academic citizens who are asked to participate in the ethics investigation must provide all the documents and information or any questions related to location. They are required to make the necessary documents and information available within 5 working for the members of the Ethical Committee who are carrying out the investigation.

3.6.3. Ethics investigation deadlines

After receiving a formally correct ethical report, the Ethical Committee members involved in the investigation must immediately, but latest within 25 days, inform the Ethics Committee about the results of the investigation.

After receiving a formally correct reporting the Ethics Committee notifies the Reporting Person and the Reported Person about the conclusions of the ethics investigation **latest within 30 working days**. In case the ethical enquiry hasn't reached any conclusions within 30 days the Reporting Person and the reported Person both must be informed.

The investigation period shall not exceed 3 months.

3.6.4. Conclusions and consequences of an ethics investigation

After closing the ethics investigation the Ethics Committee rules whether the Code of Ethics had been breached. If there is reasonable ground, the Ethics Committee may have a proposal for the employer in relation to the consequences of the ethical violation. The proposal may also contain suggestions of how the various procedures of BBS can be improved.

- If not only the Code of Ethics of BBS is breached but also a legal procedure is justifiable, the Rector of the University – advised by the Ethics Committee - acts upon it.
- If the ethics investigation proves that the reported behaviour is not illegal but breached the Code of Ethics of BBS it can have consequences depending on the nature and seriousness of the case
 - in case of University employees, the employer has the right to take measures based on employment regulations (oral reminder, written warning, disallowance of bonuses, withdrawing leadership mandate if the legal conditions are given, exemption from work),
 - in case of University students oral reminder, written warning; if regulations allow disallowance of scholarship, deleting course fulfilment, ending student status.

3.6.5. Appeal

Based on the decision made by the Ethics Committee the concerned parties can initiate a proceeding, a supplement to the decision if they have new and relevant information previously not known. The appeal can be handed in within 8 days after the notice is received. The repeated or supplementary investigation is predominantly covering the revision of documents. Individual hearing and location inspection can only take place in extraordinary cases. If there is a complaint regarding the procedures of the Ethics Committee, an appeal can be launched against the decision of the committee within 15 days. The appeal must be sent to the Rector or the Chancellor of the University. Since it is a legal matter the appeal can also be sent to the Chief Legal Officer of the University.

The initiation of a legal remedy case by any of the concerned parties against the decision of the Ethics Committee has a suspensory effect on the enforcement of actions.

3.6.6. Deleting data

In case the reported ethical case is found unsubstantiated or no further steps are necessary, all data and information as well as documents must be deleted or destroyed within 60 days following the closing of the investigation.

In case a measure is taken as a result of the investigation the information related to the ethical case can only be handled until an enforcement action is ordered by the investigation. The measure can be legal action taken by the employer for example a disciplinary procedure.

In the course of the ethics investigation the Ethics Committee is not allowed to handle any special personal information or data.

4. Entering into effect

The Code of Ethics and the Rules of Procedure of the Ethics Committee of Budapest Business School enters into effect on September 1, 2018. Simultaneously, the Code of Ethics is lapsed on the same date.