

Annex №1

**BAU International University, Batumi
Internal Regulations**

**Batumi
2018**

Chapter I. General Provisions

Article 1. Preamble

1. These internal regulations define the rights- obligations and general rules of conduct of BAU International University, Batumi LLC (hereinafter- the employer) and individuals in employment relationships with the university (hereinafter- the employee).
2. The internal regulations are worked out adhering to the Georgian constitution, Georgian code of labor, the charter of BAU International University, Batumi LLC and subordinate normative acts.
3. All the employees who are in employment relationship with the employer agree to comply with the internal regulations.
4. Other rights and obligations connected with exercising the authority of the employee and employer that are not defined by these internal regulations, the contract signed between the parties and/or these internal regulations shall be defined by the Georgian legislation.

Article 2. The objective of the internal regulations

1. The aim of the internal regulations is:
 - a) To favor the fulfillment of the functions;
 - b) To ensure compliance with labor discipline;
 - c) To encourage introduction of fair and honest attitude towards labor;
 - d) To encourage efficient and effective usage of working hours;
 - e) To help regulate the processes of employment relationships between the employer and the employee;
 - f) To stimulate formation of the equal employment relationships.
2. The internal regulations define:
 - a) Commencement, suspension and termination of the employment relationships;
 - b) The rule of paying for service;
 - c) Working hours and breaks;
 - d) Types of annual leave and rules of using them;
 - e) Types of incentives and disciplinary actions against employees;
 - f) The rule of reviewing applications and appeals;

Article 3. Principles of the employment relationships

1. The employment relationships shall be based on equality, mutual respect, honesty and collegiality between the employer and the employee. It is unacceptable to discriminate on the basis of religion, faith, race, color of the skin, language, sex, age, origin, political belonging and so on.

Article 4. The employee's obligations to comply with ethical and moral norms

1. The employee shall respect universally accepted human rights and freedom;
2. The employee shall not commit any action aiming at the employer's discreditation during or after working hours;

3. The employee shall provide necessary assistance in relation to business issues to any other employee within his/her competences using available resources if this employee:

- a) Is not able to act by himself/herself due to legal or factual reason;
- b) Does not possess enough knowledge to act while the referred employee is knowledgeable about it;
- c) If documents or any other evidences are kept at the referred employee that are crucial for resolving an issue;

Article 5. Privileges and relationships at the workplace

1. No employee shall be entitled to any kind of privilege (for instance duration of an annual leave, having an advantage when making a leave or business trip timetables) regardless the employee's position or duration of his/her service. All employees shall equally comply with the rule set by the employer.

2. Recruitment of relatives and family members are allowed if the following terms and conditions are applied:

- a) They should not be entitled to manage the employer's finances and/or property together;
- b) When recruiting employees with equal backgrounds, no close relative and/or family member shall be preferred due to these relations.

Article 6. Conflict of interest

1. Occupying an administrative position at another higher educational or non-educational establishment by the employee or occupying the position at that is not compatible with the reputation of the employer and/or harms the reputation and credibility of the employer shall be establishment based on a written agreement between the employer and the employee.

Chapter II. The rule of recruitment, Incentivization and dismissal

Article 7. The rule of recruitment

1. The employee is recruited based on his/her qualification adhering to the principles of objectivity and nondiscrimination;

2. The information about a competition is public and is published on an official webpage or is disseminated in any other public form. The rector shall have the right to make exceptional decision thereof and to sign an employment contract with an interested party (on an administrative position) without announcing a competition.

3. The date and time of announcing a competition, the list of necessary documents and terms and conditions are defined by the rector's order.

4. Academic personnel are recruited in compliance with "The rule of recruiting academic personnel" and invited personnel are recruited in accordance with "The rule of recruiting invited personnel".

Article 8. Beginning of the employment relationships

1. The employment relationships begin when the employment contract is signed between the employer and the employee or/and the rector's order is issued.
2. Before signing the contract, an authorized person informs the employee about the contract terms and conditions, internal regulations and other organizational documents;
3. After signing an employment contract, the employee can be transferred to another position upon the employee's agreement based on the rector's order.

Article 9. Suspension/termination of the employment relationships

1. Suspension of the employment relationships is a temporary non-fulfillment of duties regarded by the employment relationships that does not lead to the termination of employment relationships.
2. The basis of the suspension of the employment relationship are:
 - a) Strikes
 - b) Lockouts;
 - c) Realization of an activity and/or elective rights;
 - d) Cases regarded by the Georgian procedural law, appearance at an investigation agency, prosecutor's office or court;
 - e) Conscription;
 - f) Call-up to military reserves force;
 - g) Maternity and childcare leave, adoption leave and additional childcare leave.
 - h) Being placed at a shelter for victims of domestic violence and/or at a crisis center disabling the employee to perform his/her tasks, but for no more than 30 (thirty) calendar days per year;
 - i) Temporary incapacity not exceeding 40 (forty) consecutive calendar days or the total incapacity period not exceeding 60 (sixty) calendar days over 6 (six) months;
 - j) Training/educational leave for 30 (thirty) calendar years per year. Different rule can be applied upon the parties' agreement.
 - k) Unpaid leave;
 - l) Paid leave.
3. The employee shall not be paid while the employment relationships are suspended except the cases of paid annual leave and call-up to military reserves force. If parties agree, the employee might be entitled for the payment in cases of maternity and childcare leave, adoption leave and additional childcare leave.
4. The employment contract can be terminated:
 - a) Upon the parties' agreement;
 - b) If the terms and conditions of the contract are breached;
 - c) If internal regulations and/or other normative acts of the teaching university are breached;
 - d) If the employee's qualification or professional skills do not meet the requirements of his/her position/tasks to be performed;
 - e) If disciplinary action results in dismissal;

- f) Long-term incapacity exceeding 40 (forty) consecutive calendar days or if the whole incapacity period exceeds 60 (sixty) calendar days over 6 (six) months in case the employee has already used entitled annual leave if not otherwise stated in the contract;
 - g) If the court sentence or resolution becomes effective disabling the employee from fulfilling his/her job;
 - h) If the employment contract expires;
 - i) Other objective circumstances justifying the termination of the employment contract;
 - j) Other cases regarded by the legislation;
5. The employment contract is terminated by the rector's order or upon the parties' mutual agreement;
6. After the termination of the employment contract, the employee shall return all documents and property to an authorized person within the terms set by the rector's order. A corresponding delivery-acceptance act shall be signed thereof. In case of failing to fulfil this condition, the employee will be imposed a penalty in amount of one month salary;
7. The employee and the employer shall notify each other about the termination of the employment contract 1 (one) month in advance in a written form. If the employee fails to do so, the employer shall have the right to impose a penalty in amount of one-month salary;
8. The contract terms are considered breached if the employee does not duly perform his/her duties regarded by the employment contract and internal regulations, or if he/she fails or refuses to perform his/her job. In this case the employer shall have the right to unilaterally terminate the contract;
9. The heads of the structural units shall ensure employees comply with the internal labor regulations and observe discipline.

Article 10. Rule of incentivizing the employee

- 1. Employees can be incentivized for outstanding performance, long-term and honest service or any other type of success;
- 2. Types of incentives:
 - a) A written letter of gratitude;
 - b) A present;
 - c) One-time monetary bonus;
 - d) Pay rise;
 - e) Early exemption from a disciplinary action;
- 3. The rector and/or the director make decision (from the financial perspective) about choosing the type of the incentive;
- 4. Different types of incentives can be simultaneously applied.

Chapter III. Working hours, payment for work, rules of granting annual leave and business trip

Article 11. Working hours and break period

- 1. Working hours start at 9 am and end at 6 pm;

2. Working hours mentioned in the first paragraph can vary depending on peculiarities and requirements of a specific job position defined by a employment contract in order to enable the employee to perform his/her duties;
3. Working hours shall not exceed 40 (forty) hours per week. Break hours and days off do not count towards working hours;
4. 5 (five) days from Monday to Friday are working days;
5. Upon the rector's order and the parties' agreement Saturday can be used as a working day;
6. Saturdays and Sundays are days off. Days off can vary depending on the peculiarities of a specific job position. The employee shall also have the right to use statutory holidays set by the Georgian legislation;
7. The employee is give a one-hour break. The usage of the break is defined by an individual employment contract. During a break, the employee shall have the right to leave the workplace.
8. Nursing mothers with a child up to 1 (one) year can request minimum 1-hour extra break time per day. This extra break time counts towards working hours and shall be paid;
9. The work fulfilled on statutory holidays set by the legislation or on days off, as well as the work fulfilled beyond normal working hours is considered overtime if the weekly working hours exceed 40 (forty) hours and shall be paid on hourly basis. The overtime shall be paid 1,3 times more than the regular rate of pay per hour upon the rector's order. Alternatively, the employee can receive compensation time according to fulfilled overtime hours.
10. If the employee performs his/her duties outside his/her workplace, he/she is considered present at work;
11. The employee is considered late for work if he/she arrives more than 15 (fifteen) minutes late;
12. If the employee does not show up at work during working hours, he/she is considered absent;
13. In case of being late or absent at work administrative and support staff shall notify the head of the administration while academic or invited personnel shall notify the faculty dean one day in advance except emergencies;
14. In case the employee is late or absent at work, the head of the administration or the dean shall have the right to request a report letter from the employee. The report letter is presented to the rector who makes decision whether such an action shall be considered authorized or unauthorized;
15. Distribution of working hours between invited and academic personnel is regulated pursuant to the "Rule of workload policy for academic and invited personnel".
16. Invited and academic personnel are given a 10-minute break after each lecture and a 1-hour break in accordance with their hourly workload. The break does not count towards working hours and can be used at the employee's own discretion in a way that shall not obstruct educational process;
17. Academic and invited personnel are considered late for work if they arrive more than 15 (fifteen) minutes late. If the event of being late, the employee shall not receive the payment for that hour.

18. In case students are absent from a scheduled class, academic and invited personnel shall remain at a lecture theater within 15 (fifteen) minutes since the commencement of the lecture. In this event, the employee shall receive the payment for that hour;

19. Academic and invited personnel shall compensate missed (whether due to authorized or unauthorized reason) lecture hours during a current semester.

Article 12. Payment

1. The amount of salary of the employees and the rule of payment are defined by the employment contract and these internal regulations;

2. The payment is made once per month via a bank transfer on bank requisites provided by the employee. The employer shall have the right to choose a bank. The payment shall be made in Gel.

3. During the downtime caused by the employer, the employee shall receive full payment;

4. The downtime caused by the employee shall not be subject to payment. The payment for the lecture hour missed by invited or academic personnel shall be made to a substitute or to the same employee if the missed lecture hour is compensated by himself/herself;

5. The employer shall have the right to deduct excessively paid amount of money from the employee's salary. The employer shall have the right to deduct amount of money from the employee's salary in case monetary commitments arise from employment relationship or an employment contract;

Article 13. Annual leave

Exceptional cases of postponing paid annual leave

Holiday pay and the rule of payment

Termination of annual leave

1. The employee shall be entitled to paid annual leave in accordance with the rule and amount set by the Georgian legislation. The annual paid leave is minimum 24 (twenty-four) business days per year. Upon the parties' agreement, duration of the paid annual leave might be extended. The use of paid annual leave shall not obstruct the university functioning and an educational process.

2. The employee shall have the right to request paid annual leave when educational processes is not active (on holidays). In exceptional cases, paid annual leave can be granted during an educational process upon the parties' agreement.

3. The employee shall be entitled to minimum 15 (fifteen) calendar days of unpaid leave. The duration of the unpaid leave can be extended upon the parties' agreement.

4. Terms and conditions indicated in paragraph 1, 2 and 3 of this article can be changed in the employment contract or upon the parties' agreement. Such changes shall not deteriorate the employee's conditions;

5. If not otherwise stated in the employment contract, the rector shall have the right to issue an order about a schedule of granting paid annual leave to employees;

6. The employee is entitled to annual paid leave after completion of 11 (eleven)-months work. Upon agreement, the employee can receive leave before a due date as well.

7. Upon agreement of the parties, the employee can divide his/her annual leave.
8. When taking paid annual leave, the employee shall refer to the rector minimum 5 (five) business days prior to the leave date. The rector makes a decision therein.
9. When taking unpaid annual leave, the employee shall notify the employer 7 (Seven) days in advance except when it becomes impossible due to medical emergency or family issues.
10. Rejection of granting a leave shall be justified in a written form;
12. If the granting paid annual leave to the employee will negatively affect business processes, the paid annual leave can be postponed for the next year upon the parties' agreement;
13. Paid annual leave shall not be postponed over two consecutive years;
14. If the employee is employed half time, he/she shall be entitled to paid annual leave calculating calendar days in proportion to 24 (twenty-four) business days. This does not include statutory holidays set by the Georgian legislation;
15. If the employee has not voluntarily used his/her paid annual leave either fully or partially during a calendar year, he/she shall not have the right to postpone it next year;
16. The holiday pay is calculated from the average salary paid to the employee over the last three months. If the length of the service is less than 3 months or less than 3 months have passed since the last leave, the holiday pay will be calculated from the average paid salary. In case of a fixed salary, the holiday pay is calculated based on the last month salary.
17. If the employee uses his/her paid annual leave in parts, he/she shall receive holiday pay in parts in accordance with the requested days;
18. Upon the parties' agreement the leave might be terminated before the due date. This can be initiated either by the employer or the employee;
19. If the leave is terminated before the due date, the employee shall have the right to use remaining leave later;
20. The employer can require early termination of the leave only due to emergency or objective circumstances;

Article 14. Maternity leave, childcare leave, adoption leave

1. Upon the employee's request, the employee is entitled to maternity and childcare leave in amount of 730 (seven hundred and thirty) calendar days;
2. The employee is entitled to paid maternity and childcare leave in amount of 183 (one hundred and eighty-three) calendar days, in case of having twins or labor complications -200 (two hundred) calendar days. Maternity, childcare and adoption leave is paid from the state budget of Georgia pursuant to the rule set by the Georgian legislation. The employer shall have the right to pay for maternity, childcare and adoption leave upon agreement with the employee.
3. The leave described in the paragraph 2 of this article can be distributed over before and after birth period at the employee's discretion;
4. The employee shall be entitled to adoption and extra childcare leave in accordance with the rule set by the legislation.

Article 15. Business trip

1. The employer shall have the right to send the employee on a business trip outside his/her permanent workplace covering all related expenses regarded by the legislation. Business trip expenses can be covered in a different way upon the employer's decision.
2. The act of sending the employee on a business trip is not considered as modification of major terms and conditions of an employment contract except when stated so by the legislation;
3. The business trip related expenses shall be covered by the employer;
4. Upon returning from a business trip, the employee shall present to the employer duly certified documents regarding incurred expenses. In addition, he/she shall prepare a report letter about obtained information and realized activities;
5. The employee can be sent on a business trip within or beyond Georgia upon the employer's request or the employee's mediation. The employee's business trip shall aim at establishing business contacts in an educational sphere, raising awareness about the teaching university or favoring professional development of the employee or shall serve any other purpose congruent with the needs and interests of the employer;

Chapter IV. Dress code of the employee and prohibited actions

Article 16. Physical appearance of the employee and dress code

1. During business days, the employee shall arrive at the workplace in an appropriate appearance wearing the clothes suitable for business environment. While performing duties he/she shall be dressed in a neat and simple way avoiding revealing clothes;

Article 17. Protection of the employer's property and prohibited actions

1. Any intellectual product created while performing a job shall be considered the property of the employer considering the copyright of the employee;
2. The employee shall protect, take care and purposefully use all the employer's property entrusted to him/her for fulfilling a job. In case the entrusted property is missed or damaged, the employee shall immediately notify the employer thereof.
3. In case the employer's property faces the danger of destruction, damage or unlawful offence, the employee shall notify the employer thereof. If immediately action is required, he/she shall act immediately;
4. The employee shall use the property of the employer for non-business related purposes only upon the employer's permission;
5. After the employment contract is terminated, the employee shall return the employer's property, if relevant;
6. The employee shall not engage in any unlawful action that might jeopardize the life and health of other people, property or any other right;
7. It is prohibited to smoke, use alcohol, drugs or psychotropic substances on the premises of the employer.

Chapter V. Disciplinary actions

Article 18. Disciplinary offence of the employee

Disciplinary procedures

1. The following cases are considered disciplinary offence:

- a) Failure to fulfill or poor performance of the requirements of an employment contract, work policy, job description, and/or internal labor regulations, internal regulating documents of the university;
- b) Using alcohol, drugs or other toxic substances on the premises of the employer; (in exceptional cases alcohol can be consumed in moderate quantity when celebrations take place or official meetings are held);
- c) Arriving at the workplace drunk or under the influence of drugs and toxic substances;
- d) Violating safety rules on the premises of the employer;
- e) Damaging the property of the employer or creating the danger of this nature;
- f) The action violating general moral norms or any action aiming at discrediting the employer and the organization taking place either at the workplace or in social networking websites.
- g) Being 15 (fifteen) minutes late for a lecture/practical class twice, arriving at work late;
- h) Being absent from work or missing educational process twice due to an unauthorized reason;
- i) Poor management of OIS program (electronic management system) and attendance, assessment registry or deviation from a syllabus;
- j) Failure to take into consideration the recommendations issued by the dean or the quality assurance department as a result of monitoring his/her personal activities during two semesters;

2. Before starting a disciplinary action, the employee is notified about it and is required to submit a written explanatory report. At the same time, he/she shall have the right to familiarize himself/herself with any information regarding disciplinary actions and submit any piece of information that might influence the course of the review of a case. If necessary, the third party (who might be connected with an issue in review) might be also required to submit an explanatory report (including upon the employee's initiative);

3. The employee will be notified about the decision regarding a disciplinary action against him/her. The order about starting a disciplinary action will be recorded in the employee's personnel file.

Article 19. Disciplinary actions

1. If the employee commits any of the disciplinary offences described in the article 18, one of the forms of the disciplinary actions described in paragraph 2 of this article might be started against him/her.

2. The following disciplinary actions can apply depending on the level of seriousness of a disciplinary offence:

- a) Warning;
- b) Reprimand;
- c) Pay deduction;
- d) Dismissal.

3. Disciplinary committee makes decision about taking a corresponding disciplinary action against the employee when reviewing each individual case;
4. Only one disciplinary action can be taken against the employee per one disciplinary offence;
5. No disciplinary action shall be taken against the employee that is not considered by the internal regulations;
6. No disciplinary action shall be taken against the employee for an action that was committed beyond working hours or outside the workplace except when such action aimed at damaging the employer's interest;
7. The disciplinary action taken against the employee will be recorded in the employee's personnel file.
8. The employee is considered free from a disciplinary action if:
 - a) Three months have passed since warning was issued against the employee and no new disciplinary action was taken against him/her;
 - b) Four months have passed since issuing a reprimand against the employee and no new disciplinary action was taken against him/her;
 - c) Two months have passed since pay deduction and no new disciplinary action was taken against him/her;
9. No disciplinary action shall be started against the employee when he/she is sick, is on leave or a business trip;
10. The employer shall have the right to exempt the employee from a disciplinary action before the due date if he/she has proved himself/herself an honest employee and did not commit a new offence;
11. While a disciplinary action is active against the employee, he/she is not entitled to any incentive. Exceptions can be made based on the rector's justified order;
12. After a disciplinary action expires or if the employee is exempted from a disciplinary action before the due date, no disciplinary action is considered to be taken against him/her;
13. A disciplinary action against the employee shall be started within 1 (one) year after committing a disciplinary offence or after revealing the fact of a disciplinary offence.

Article 20. Starting disciplinary procedures

1. A disciplinary procedure can be started:
 - a) Upon a written application of the rector, director, head of the administration, dean, quality assurance department, student, employee of the teaching university or any third party;
 - b) As a result of revealing the fact of a disciplinary offence or doubt about committing a disciplinary offence by the employee.
2. The stakeholders mentioned in the paragraph 1 of this article refer to the rector with a written application to start a disciplinary procedure. The rector convenes a disciplinary committee for reviewing a case.

Article 21. Disciplinary committee

1. In order to review a case, a disciplinary committee is convened with the rector's order with

minimum three members. The head and a secretary of a disciplinary committee are designated with the rector's order as well.

2. All members shall be invited to attend the meeting of a disciplinary committee. A disciplinary committee is authorized to make decisions if majority of members defined by the rector's order are present. The decisions at the meetings of the disciplinary committee are made by attending majority.

3. The head of the disciplinary committee opens and closes a meeting of the disciplinary committee;

4. The head of the meeting chairs the meeting pursuant to agenda.

Article 22. Rule of disciplinary procedure

1. In the process of a disciplinary procedure, a disciplinary committee shall investigate all important circumstances and shall make a decision about taking a disciplinary action against the employee after evaluating and analyzing those circumstances;

2. A stakeholder shall cooperate with a disciplinary committee in accordance with the rule set by the legislation during disciplinary procedure;

3. Depending on the circumstances, the disciplinary committee shall have the right to:

a) Request documents;

b) Collect information;

c) Listen to stakeholders;

d) Visit the site of an event/accident;

e) Use necessary documents and acts;

f) Take other measures considered by the legislation for collecting, investigating and analyzing evidences;

4. The employee shall be entitled to the right of silence during disciplinary procedure. The right of silence does not exempt the employee from a disciplinary action;

5. A stakeholder participating in a disciplinary procedure shall have the right to submit evidences and meditation with request for investigation;

6. The disciplinary committee makes following decisions regarding mediation during a meeting:

a) To satisfy mediation;

b) To deny mediation;

Article 23. Circumstances excluding participation in a disciplinary procedure, withdrawal

1. No member of the disciplinary committee shall participate in a disciplinary procedure, who

a) Represents a party of this particular case or he/she has common rights or obligations with any of the parties involved in a case;

b) Took part in the previous review of this particular case in the capacity of an expert, witness, specialist, translator, representative;

c) Is a relative of a party or of his/her representative;

- d) Has personal, direct or indirect interest in an outcome of this particular case or if there are circumstances questioning his/her unbiasedness.
2. The member of the disciplinary committee shall notify the head of the committee regarding the circumstances and self-withdrawal described in this article.

Article 24. A party's application about withdrawal

1. If an interested party participating in a disciplinary procedure considers a particular member of a disciplinary committee shall be withdrawn, he/she shall have the right to make a written withdrawal application.
2. The application about the withdrawal shall be well grounded;
3. The disciplinary committee makes a decision about withdrawing a particular member of the disciplinary committee without the involvement of this particular member;
5. A disciplinary committee reviews a case without the withdrawn member;
6. If more than one member of the disciplinary committee is withdrawn, the rector issues an order about convening a new disciplinary committee;

Article 25. Decision making of the disciplinary committee

1. A decision is considered made by the disciplinary committee if supported by the majority of the meeting attendees;
2. The disciplinary committee makes decision with the minutes of the meeting;
3. The minutes of the meeting of the disciplinary committee shall include the following information: the name of the disciplinary committee, the venue and date of the disciplinary committee meeting, commencement time, the case under review, the course of the meeting, composition of the disciplinary committee, participants, their positions, evidences presented by them and relevant arguments, the idea of the submitted mediation and the outcomes of discussions, people invited to attend the meeting and information presented by them, results of voting, overview of the decision of the disciplinary committee the time of finalizing the meeting.
4. All members of a disciplinary committee sign the minutes of the meeting of the disciplinary committee.
5. For starting a disciplinary action the minutes of the disciplinary committee is sent to the rector for issuing an order;

Chapter VI. Transitional provisions

Article 26. Dispute

1. A dispute is any disagreement taking place during employment relationship resolution of which is legal interest of the parties;
2. Any dispute shall be discussed only by participants of the dispute or their representatives;
3. Disputes are discussed pursuant to the rule set by these internal regulations and the Georgian legislation;

4. In the process of a dispute, the party who considers his/her rights have been violated makes a written complaint on the name of the rector;
5. The rector and a disputing party shall use reasonable best efforts to resolve any dispute through agreement and individual negotiations;
6. If no agreement can be reached, a party shall have the right to appeal the rector's decision to a court;

Article 27. Making amendments and/or additions in the internal regulations

1. Amendments and/or additions in the internal regulations shall be made upon the rector's order.

Article 28. Miscellaneous provisions

1. All employees shall adhere to internal regulations;
2. The employees sign a corresponding act to prove they have familiarized themselves with the internal regulations. The act will be annexed to their personnel file.
3. The norms defined by these internal regulations shall not affect any legal relations arisen before approval of these internal regulations;