

UNIVERSITY CODE OF ETHICAL CONDUCT

I. Introduction

The University of Arkansas System recognizes that its reputation is one of its most valuable assets and is committed to maintaining the trust and confidence of both the University community and the citizens of the State of Arkansas. Therefore, the University of Arkansas System requires its employees to meet certain ethical standards.

Employees shall conduct themselves in a manner that strengthens the public's trust and confidence by adhering to the following principles:

- conduct that is beyond reproach and integrity of the highest caliber;
- honesty and fairness; and
- accountability, transparency and commitment to compliance.

II. Scope

This Code of Ethical Conduct applies to all University employees. It is intended to apply across the University at all affiliates. This Code may be amended or supplemented from time to time by the Board of Trustees.

III. Purpose

This Code of Ethical Conduct serves (1) to emphasize the University's commitment to ethical conduct and compliance with the law; (2) to set forth basic standards of ethical behavior; (3) to provide reporting mechanisms for known or suspected ethical violations; and (4) to help prevent and detect wrongdoing.

Given the variety and complexity of ethical questions that may arise in the course of carrying out the University's business, this Code can serve only as a general guide. Confronted with ethically ambiguous situations, employees should keep in mind the University's commitment to the highest ethical standards and seek advice from appropriate levels of University administration so as to ensure that this commitment is honored at all times.

IV. Ethical Standards

A. Compliance with Laws, Rules, and Regulations

Obeying the law, both in letter and in spirit, is the foundation on which the University's ethical standards are built. In conducting the affairs of the University, employees must comply with applicable laws, rules, and

regulations at all levels of government in the United States and in any other jurisdiction in which the University does business. Although employees are not expected to know all the details of these laws, it is important to know enough about applicable federal, state, and local laws to determine when to seek advice from appropriate levels of the University's administration.

B. Fair Dealing

Whenever they act on the University's behalf, and regardless of whether they are dealing with colleagues or third parties, employees are required to act honestly, in good faith, and with professionalism. No employee may take unfair advantage of another person through unlawful harassment, manipulation, abuse of privileged information, misrepresentation of material facts, or any other unfair practice.

C. Protection and Proper Use of University Resources

Employees owe a duty to the University to advance its legitimate interests whenever possible, and they are prohibited from taking for themselves, or members of their immediate family, opportunities that are discovered through the use of University property, information, or position without the prior written consent of the University. No employee may use University property, information, or position for improper personal gain, and no employee may directly or indirectly compete with the University.

Employees should protect the University's assets and ensure their proper and efficient use. University facilities and equipment should not be used for unauthorized non-University business. The obligation of employees to protect the University's assets includes, but is not limited to, its proprietary information. Proprietary information can include intellectual property such as patents, trademarks, and copyrights, as well as business plans, databases, records, employment information, and any unpublished financial data and reports. Unauthorized use of this information violates this University policy.

D. Timely and Truthful Public Disclosures

Employees involved in the preparation of reports and documents (and information included therein) filed with or submitted to federal, state, and local authorities by the University are required to make disclosures that are full, fair, accurate, timely, and understandable. They may not knowingly conceal or falsify information, misrepresent material facts, or omit material

facts. These same obligations also apply to other public communications made by the University.

To ensure transparency, sound business practice, and compliance with law, and because of its obligations as an organization entrusted with government and private funds, the University depends on rigorous observance of internal control, generally accepted accounting principles, financial recordkeeping and reporting policies, and on the maintenance of internal audit and compliance mechanisms. University employees must record, allocate, and document revenue, expenditures, time, effort and other information in a way that is accurate, clear, complete and timely.

V. Administration

A. In General

This Code of Ethical Conduct has been adopted by the Board of Trustees of the University of Arkansas and is to be administered at the direction of the President. Each campus or unit may implement policies that supplement this policy, but each must be approved by the President. In the event of a conflict between this policy and those of a campus or unit, this policy will control.

B. Attestation

Employees will be asked to sign a statement at the start of employment declaring that they have read, understood and will comply with this policy. Each campus or unit will establish procedures for the method of obtaining and maintaining these statements.

C. Reporting Known or Suspected Violations

Employees are required to report promptly any known or suspected violations of this Code to the University's administration, the campus or unit compliance officials, the Office of the General Counsel and/or the Internal Audit Department. No retaliatory action of any kind will be permitted against anyone making such a report in good faith. The University will strictly enforce this prohibition.

D. Accountability for Violations

If this Code has been violated, including (without limitation) by failure to report a violation or by withholding information relating to a violation, the offending employee may be disciplined, with penalties up to and

including termination of employment. Violations of this Code may also constitute violations of law and may result in criminal and/or civil liability for the offending employee and the University. All employees are required to cooperate in internal investigations of possible misconduct.

VI. Guidance

All employees must work together to ensure prompt and consistent enforcement of this Code of Ethical Conduct. In some situations, it may be difficult to know if a violation has occurred. Because it is impossible to anticipate every situation that will arise, it is important to be able to approach a new question or problem with confidence. Employees having questions about their obligations under this Code should consult the University's administration and/or the Office of the General Counsel.

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