

**THE UNIVERSITY OF TENNESSEE
BOARD OF TRUSTEES**

CODE OF ETHICS FOR APPOINTED TRUSTEES

Adopted by the Board of Trustees December 12, 2003
Amended October 9, 2009

ARTICLE I
GOVERNANCE RESPONSIBILITIES

Section 1. Public Trust. The General Assembly of the State of Tennessee constituted the Board of Trustees as a corporate entity responsible for the governance of The University of Tennessee. Trustees hold a position of public trust and are expected to carry out their governance responsibilities in an honest, ethical, and diligent manner.

Section 2. Welfare of the Entire University. Trustees bring diverse backgrounds and expertise valuable to the governance of a comprehensive, statewide university system. In carrying out their duties, however, Trustees must keep the welfare of the entire University paramount over any parochial interest.

Section 3. Duty of Care. Trustees must discharge their duties, including duties as a member of a committee, in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner the Trustee reasonably believes to be in the best interest of the University.

Section 4. Time Commitment. In undertaking the duties of the position, a Trustee shall make the commitment of time necessary to carry out the Trustee's governance responsibilities. Failure of a Trustee to attend three regular meetings in succession of the Board or of a committee on which the Trustee serves shall be cause for the Board to consider the Trustee's removal.

Section 5. Due Diligence. Trustees shall undertake with due diligence a critical analysis of the risks and benefits of any matter coming before the Board for action. Trustees shall promote a culture of constructive debate about major initiatives and transactions and shall require management to provide information necessary to carry out the Trustees' duty of care to act in the best interest of the University.

Section 6. Legal Authority. Except as otherwise provided by law or bylaw, Trustees shall have no legal authority to act outside of Board meetings. Trustees shall avoid acting as a spokesperson for the entire Board unless specifically authorized to do so.

ARTICLE II CONFLICT OF INTEREST

Section 1. Conflict of Interest Policy. Trustees shall abide by the Conflict of Interest Policy for Trustees, as amended from time to time. Upon appointment and annually thereafter, Trustees shall file a financial disclosure form as required by the Conflict of Interest Policy for Trustees. The Audit Committee of the Board shall monitor compliance with the Conflict of Interest Policy for Trustees.

Section 2. Personal Benefit or Gain. Trustees shall not use the authority, title, prestige, or other attribute of the office for personal benefit or gain for themselves or for any relative. Trustees are specifically prohibited by law from procuring, or being a party in any way to procuring, the appointment of a relative to a position of trust or profit connected with the University (Tennessee Code Annotated section 49-9-207). In keeping with this statutory prohibition, Trustees may not write a letter of recommendation or take any other action in aid of a relative's effort to obtain employment with the University.

Section 3. Favored Treatment. Trustees shall not use the authority, title, prestige, or other attribute of the office to obtain consideration, treatment, or favor for any person beyond that which is generally available. This section applies, but is not limited to, efforts to influence administrative decisions with respect to an individual's admission, employment, discipline, and similar matters. However, except as expressly prohibited by Article II, Section 2, concerning a relative's effort to obtain employment with the University, this section does not prohibit routine letters of recommendation or requests for information about the status of an individual's admission, employment, discipline, and similar matters.

Section 4. Gifts, Favors, and Gratuities. (1) Trustees shall not knowingly accept any gift, favor, or gratuity from any person or entity under contract with the University or seeking a contract with the University.

(2) Trustees shall not knowingly accept any gift, favor, or gratuity from any person or entity, including another Trustee, that might affect or have the appearance of affecting a Trustee's judgment in the impartial performance of the duties of the office. However, this subsection shall not be construed to apply to a Trustee's incidental benefit from another Trustee's gift of money, property, or services to the University or to any benefit commonly available to Trustees by virtue of the office. Nor shall this subsection be construed to

prohibit acceptance of benefits from the University in connection with donations to the University.

ARTICLE III COMPLIANCE

Section 1. Reporting of Violations. Anyone who believes that he or she has information indicating that an appointed Trustee has violated the Code of Ethics shall make a written disclosure of the facts and circumstances to the Chair of the Board Process and Governance Committee. If the alleged violation involves the Chair or any member of the Board Process and Governance Committee, the disclosure shall be made to the Vice Chair of the Board. The Chair of the Board Process and Governance Committee shall refer alleged violations of the Conflict of Interest Policy for Trustees to the Audit Committee unless the allegation is against a member of the Audit Committee.

Section 2. Review of Allegations. The chair of the appropriate committee (or the Vice Chair of the Board) shall review the alleged violation with the Vice President and General Counsel to determine whether removal proceedings should be initiated against the Trustee for a material violation of the Code of Ethics.

Section 3. Hearing. An appointed Trustee accused of a material violation of the Code of Ethics shall be afforded a due process contested case hearing in accordance with the Tennessee Uniform Administrative Procedures Act, Tennessee Code Annotated, Title 4, Chapter 5.

Section 4. Removal. If a contested case hearing results in a finding that an appointed Trustee materially violated the Code of Ethics, the Board may remove the Trustee from the Board by a two-thirds vote of the Board. Upon removal, the position shall be considered vacant, and the vacancy shall be filled as provided by law.

Section 5. Certification. Upon appointment and annually thereafter, Trustees shall be provided with the Code of Ethics and shall certify in writing that they have read the Code of Ethics and will comply with its provisions.