

## **ANDERSON UNIVERSITY CODE OF CONDUCT**

The Anderson University's Code of Conduct applies to the following members of the university community:

- Individuals employed by the university, using university resources or facilities, or receiving funds administered by the university;
- Consultants, vendors, and others under contract with the university; and
- Individuals who perform services for the university as trustees and volunteers. The code of conduct refers to all these persons collectively as "members of the university community," "community members," or "members."

Responsible persons are expected to conduct themselves with honesty and integrity. As responsible persons, we must ethically handle actual or apparent conflicts of interest between personal and professional relationships. Our actions must comply with applicable laws, rules and regulations and be free from unethical discrimination, libel, slander or harassment. The following statements address frequently raised ethical concerns and should be read in conjunction with Anderson University's other policies.

### **Anderson University's Assets**

Employees are expected to safeguard and avoid misuse of the funds, records, tangible assets, intellectual property, and other property of Anderson University. Employees are prohibited from engaging in any activity that may involve theft, misappropriation, or other misuse of Anderson University property, or violation of law, including but not limited to the following:

- theft or unauthorized use of Anderson University funds, equipment, supplies, and other tangible property, and data, software, and other intellectual property;
- misuse of Anderson University cash, credit cards, checks, and other financial instruments to purchase personal items or divert Anderson University funds to personal use or to unauthorized third parties;
- falsification of Anderson University time or payroll records, expense reimbursement reports, and other Anderson University forms, reports, and records;
- misappropriation of Anderson University data, trade secrets, copyrighted material and other intellectual property for personal use or unauthorized use by third parties;
- conducting Anderson University business affairs in violation of local, state and federal laws; and
- intentional misstatements in Anderson University financial statements, tax or information returns, or other financial reports and records, including the intentional misstatement of the results of operations.

Employees are encouraged to report immediately any known or suspected violation of the theft and dishonesty portions of this code as outlined in the Policy and Procedures for Reporting Financial Fraud or Misconduct. In some circumstances, Anderson University may report the matter to law enforcement authorities.

### **Confidentiality**

The University maintains confidential records for a variety of business needs. All of this information must be kept strictly confidential and not released to anyone outside the provider without written consent or lawful court order. "Confidential information" refers to information that is not available to the public (or that someone would normally expect to be non-public). For example, confidential information includes:

- information marked as "Confidential," or with a similar marking;
- information about prospective and current students
- information relating to hiring decisions, and to current, former and prospective employees;

- information relating to current, former and prospective directors and other volunteers that has not been made public; and
- financial reports, future plans, and data that have not been made public.

Responsible persons must use reasonable care to protect the confidentiality of all confidential information of Anderson University, and must not disclose confidential information of Anderson University to unauthorized persons, even subsequent to termination of their affiliation with Anderson University. All personnel must avoid discussing confidential information with outsiders, or where others, including family, can overhear them.

This means you should:

- be prudent and aware of where, when and how Anderson University's matters are discussed;
- not leave confidential information unattended or in public view;
- not access confidential information unless you are specifically authorized to do so and the information is required in order to conduct Anderson University affairs;
- not disclose confidential information to other personnel of Anderson University except on a legitimate "need to know" basis;
- not remove confidential information from Anderson University's premises or make copies of any material containing confidential information, except as required to conduct Anderson University's legitimate affairs;
- never use or disclose any Anderson University confidential information for personal gain or profit, or to the advantage of yourself or any other person; and
- contact the office of the President before disclosing Anderson University's confidential information to a third party.

Responsible persons should also contact their departmental director or area vice president prior to requesting, accepting, using or disclosing confidential information from a third party. Acquiring confidential information, without adequate legal safeguards, can be improper and could expose Anderson University to legal liability. In some circumstances, it may be necessary to enter into a written agreement with a third-party before obtaining confidential information. If such information is acquired, you must protect its confidentiality to the same degree as Anderson University's confidential information, and you must take care to observe the terms of any agreement under which the information has been acquired.

### **Cooperation with Law Enforcement and Government Investigations**

Federal and State agencies have broad rights to investigate matters involving employees, students and alums. Anderson University policy is to cooperate with law enforcement investigations and activities within the bounds permitted by law. Anyone who is contacted, orally or in writing, at home or at work, by a person stating that he or she is investigating on behalf of the government or an insurer, has the right if they so desires to state that they will respond only in the presence of an attorney, and therefore has the right to delay the investigation for that purpose. If you are presented with a subpoena, warrant, or court order, you have the right to an attorney when speaking with the government agent. Any person who elects to speak with a law enforcement officer should tell the complete truth.

### **Discrimination**

It is against the law to discriminate against an employee or student on the basis of race, color, sex, age, national origin or other protected status. Any person with information that an individual is improperly discriminating or being discriminated against should report that information. For more information on University policy concerning discrimination, please see the Anderson University Handbooks.

### **Conflicts of Interest**

All personnel associated with Anderson University, including members of the Board of Trustees, should avoid conflicts of interest and situations that could appear to be a conflict of interest. This means that personnel should not personally benefit from doing business with Anderson University, should not have independent relationships with those who deal with Anderson University, should not use their employer's property for their personal benefit and should not compete with Anderson University. Any potential for conflict of interest should be disclosed to your supervisor and through the annual conflict of interest form process.

## **Record Retention**

---

State and federal laws require that providers and others within Anderson University keep certain records for specified periods of time. It is Anderson University's policy to maintain records for the legally required duration. The legal requirements are many and varied so before you discard any documentation; it is wise to check with your supervisor regarding any requirements that might exist. All Anderson University personnel should learn and follow the record retention policies of their department.

## **Payments, Discounts and Gifts**

---

It is generally illegal and unethical to pay for referrals or to pay for a recommendation that someone lease or buy something from you. It is Anderson University's policy not to pay for referrals or recommendations or to accept payment for referrals we make. "Payment" does not have to be cash; it can be anything of value, such as a discount, free service or piece of equipment. You should avoid entertaining or giving gifts of more than token value to those who can refer business to Anderson University.

## **Accepting Gifts**

---

Tangible personal gifts or gratuities shall not be accepted from, persons doing business with or seeking grants or other financial commitments from Anderson University where their value suggests something more than merely a social gesture. Promotional or advertising items of nominal value such as key chains, pens, coffee mugs, calendars and holiday candy are acceptable. Educational materials (books) received from publishers in order to evaluate their value for use in the University curriculum are specifically exempted from this policy. In no event should you put Anderson University or yourself in a position that would be embarrassing if the gift was made public.

## **Billing**

---

It is against the law Anderson University's policy to knowingly submit false claims for payment. Submitting a false claim might include using the wrong billing codes, falsifying the record, reporting inaccurate research effort or billing for services not provided or not necessary. Anderson University's policy is to bill accurately and only for necessary services that are provided and documented. Any subcontractors that perform billing services for Anderson University providers must ensure compliance with billing requirements as well.

## **Discussions with Competitors**

---

The antitrust laws prohibit competitors from agreeing on prices or rates. More specifically, it is illegal and against Anderson University policy for employees to discuss services, rates, or proposals with competitors. Any questions about whether it is legal to share business information (prices, contract terms, and salaries) with competitors should be raised with your supervisor. Penalties for antitrust violations are substantial and can involve fines and prison.

## **Tax Issues**

---

Anderson University is tax-exempt because of our educational purpose. The IRS imposes rules on such organizations. In general, a tax-exempt entity may not permit insiders (such as officers or others who can influence organization decisions) to benefit personally from dealing with the organization, nor may any private person (insider or not) receive a benefit from the organization beyond what is necessary for the organization to fulfill its mission (e.g. employees may be paid a fair salary.) Issues such as these arise most often with respect to compensation arrangements, contracts, loans, and leases. Those we do business with should not receive more than fair market value for the goods or services they provide. Violations of the tax rules can result in an organization losing its tax exemption, or can cause the IRS to penalize the person receiving an excess benefit, and the institution personnel who approved the payment. The IRS imposes other limits on tax-exempt organizations. Income from certain activities unrelated to the charitable purpose can be taxed. Also, allowing individuals the personal use of space financed by tax-exempt bonds can result in tax liability. Tax-exempt organizations cannot make political contributions or lobby excessively.

## **Securities**

---

Anderson University may issue tax-exempt bonds that are publicly traded. It is illegal for any person with non-public, "inside" information that might affect the value of those bonds to buy or sell those bonds or give information to others who do so. Penalties include fines, prison, and civil liability.

## **Environmental Health, Safety and Waste Disposal**

---

The University must comply with government rules and regulations that protect the environment, the public and promote workplace safety. Dangerous materials must be properly controlled and monitored at all stages of use in accordance with laws and regulations. All persons with access must comply with various environmental laws in the disposal of “select agents”, waste and other hazardous materials. Individuals should learn and follow their organization’s waste disposal policies. Spills or releases must be reported promptly to Campus Police/Security.

## **Controlled Substances**

---

Federal and state laws affect the handling and dispensing of controlled substances, including narcotics. Anderson University will not tolerate unauthorized manufacture, distribution or possession of controlled substances. Anyone having information about a violation of this policy or the law should report it promptly, or may be subject to discipline.

## **Scientific Misconduct**

---

Those who receive grants must obey certain federal requirements described in regulations. Some of the regulations apply to "scientific misconduct," such as falsifying data or copying results from other studies. Anderson University does not tolerate scientific misconduct and complies fully with governmental requirements for investigating and sanctioning that behavior. Any person who learns of or suspects scientific misconduct should report that to the Vice President for Academic Affairs.

## **Alcohol and Drug Free Workplace**

---

The unlawful manufacture, distribution, dispensation, possession, or use of alcohol or controlled substances including illicit drugs, is prohibited on property owned or operated by Anderson University and is grounds for disciplinary action. No Anderson University employee may report to or engage in university related work while under the influence of illegal drugs or intoxicated on alcohol. Employees who are convicted of a violation of a criminal drug statute as a result of an incident occurring in the workplace or while on university property, must notify the Director of Human Resources in writing within five days of his or her conviction. Such conviction will be grounds for mandatory evaluation and possible treatment for substance abuse disorder and for disciplinary action, up to and including termination.

## **Other Laws, Regulations, University Policy**

---

In conducting our affairs, Anderson University and every responsible person must obey and comply with applicable laws, rules and regulations. It is your job to be aware of these laws and to comply with the legal requirements affecting you and your position. If you have any questions regarding compliance with applicable laws, please contact your area vice president who will consult legal counsel as needed.

## **Individual Responsibility**

---

Each employee is personally responsible to act in accordance with the policies of Anderson University as set forth in this document and otherwise. Violating these policies or failing to report violations could subject an employee to disciplinary action, up to and including termination. Nothing contained in this policy shall be construed to alter the “at will” status of employment at Anderson University.

## **Accounting For and Recording Transactions**

---

Anderson University’s books, records, accounts and financial statements must be maintained in reasonable detail accurately depicting Anderson University’s transactions and conforming to applicable legal and accounting standards giving effect to Anderson University’s system of internal controls. Unrecorded or “off the books” assets must never be maintained under any circumstances. The accurate and timely reporting of Anderson University’s financial statements requires all financial information to be recorded in the normal course of business, precisely and promptly. Anderson University’s systems for recording and reporting information should be functioning properly and subject to periodic and thorough evaluations.

This obligation applies to all reports or records, financial or otherwise, prepared for either internal or external purposes. While you may not always be familiar with specific accounting or other applicable procedures, you are responsible to make sure that every business record prepared by you, or under your direction, is accurate, complete and reliable. If you are uncertain or in doubt, you should contact the office of the VP for Finance.

Responsible persons must not coerce, manipulate, mislead or improperly influence Anderson University's auditors in the performance of an audit or review of Anderson University's financial statements.

### **Reporting Ethical Violations**

If you become aware of a suspected ethical violation, whether before or after it has occurred, you must promptly report it to your supervisor or senior management in accordance with the Policy and Procedures for Reporting Financial Fraud or Misconduct. Retaliation for reporting an ethical violation is prohibited.

### **Conclusion**

We each are responsible for safeguarding and promoting Anderson University through ethical and principled leadership that is informed and directed by our core values. This type of ethical and principled leadership is sometimes difficult. There will be times when situations will involve subtleties and complexities that lead to difficult choices. When in doubt, ask yourself whether you feel confident that your actions and decisions would withstand public and objective scrutiny. If there is any doubt, it will often be helpful to seek guidance and advice from this Code and from other trusted colleagues, supervisors or senior management.

Draft Approved by PES: April 23, 2008

Approved by Audit Committee: April 27, 2008

Approved by Board of Trustees: April 28, 2008