

Policy No. 001: Board Code of Ethics and Conduct/Conflicts of Interest Policy

I. Purpose. This policy of the Tennessee State University Board of Trustees (“Board”) sets the minimum standards for ensuring that Board members conduct themselves with a high degree of professionalism and in a manner that will not violate the public trust.

II. Definitions.

A. Conflict of Interest. A conflict of interest exists when a Board member's personal interests, whether financial or otherwise, actually or potentially diverge from the Board member's professional obligations to, and the best interests of, Tennessee State University.

B. For the purposes of this policy, a conflict of interest with a vendor or contractor also creates a conflict of interest with a related sub-vendor or sub-contractor.

III. Code of Ethics and Standards of Conduct.

A. Actions. Each Board member shall avoid any action, whether or not specifically prohibited by statute, regulation, or this policy, that might result in or create the appearance of:

1. The Board member's use of his/her position for personal gain;
2. Impeding Board efficiency or economy;
3. Losing independence or impartiality;
4. Making a Board decision outside of official channels;
5. Failing to satisfactorily perform the responsibilities of the Board as defined in the Board’s bylaws; and
6. Adversely affecting the confidence of the public in the integrity of the Board.

B. Use of Information. No Board member shall:

1. Directly or indirectly use, disclose, or allow the use of information

that was obtained through or in connection with the Board's business and that has not been made available to the general public for the purpose of furthering the personal profit of any person, including the Board member; or

2. Engage in a financial transaction as a result of, or primarily relying upon, information obtained through service as a Board member.

C. Use of Government Property. No Board member shall make use of Tennessee State University's facilities, equipment, personnel, or supplies for private use or gain, except to the extent that such use is incidental, de minimis, or is lawfully available to the general public.

D. Interaction and Communication with Tennessee State University Employees.

1. Except for the purpose of inquiry or information, a Board member shall not give direction to or interfere with any employee, officer, or agent under the direct or indirect supervision of the President.
2. If a member of the public, or a University employee, student, or contractor, brings a University related matter to the attention of a Board member, and the Board member believes the matter warrants inquiry or follow up, the Board member shall communicate with the Board Chair regarding the matter, and the Board Chair shall communicate with the President on the matter. Board members shall not communicate directly with a University employee on such matters.

E. Gifts.

1. No Board member shall solicit or accept, directly or indirectly, on behalf of himself/herself or any member of the Board member's household, any gift, including but not limited to any gratuity, service, favor, food, entertainment, lodging, transportation, loan, loan guarantee or any other thing of monetary value, from any person or entity that: (i) has, or is seeking to obtain, contractual or other business or financial relations with Tennessee State University; or (ii) has interests that may be substantially affected by the performance or nonperformance of the Board member's official duties.
2. The prohibition on accepting gifts does not apply in the following circumstances:
 - a. A gift given by Board member's immediate family, or by an individual, if the gift is given for a non-business purpose and

is motivated by a close personal relationship and not by the Board member's position;

- b. Information materials in the form of books, articles, periodicals, other written materials, audiotapes, videotapes, or other forms of communication;
- c. Sample merchandise, promotional items, and appreciation tokens, if they are routinely given to customers, suppliers or potential customers or suppliers in the ordinary course of business;
- d. Unsolicited tokens or awards of appreciation, honorary degrees, or bona fide awards in recognition of public service in the form of a plaque, trophy, desk item, wall memento, and similar items; provided that any such item shall not be in a form which can be readily converted to cash;
- e. Food, refreshments, foodstuffs, entertainment, or beverages provided as part of a meal or other event, if the value of such items does not exceed fifty dollars (\$50.00) per occasion;
- f. Food, refreshments, meals, foodstuffs, entertainment, beverages or interstate travel expenses that are provided in connection with an event where the Board member is a speaker or part of a panel discussion at a scheduled meeting of an established or recognized membership organization with regular meetings;
- g. Loans from an established financial institution made in the ordinary course of business on usual and customary terms, so long as there are no guarantees or collateral provided by any Board members; and
- h. There may be circumstances where refusal or reimbursement of a gift, such as a lunch or dinner, may be awkward and contrary to the larger interest of Tennessee State University. In such circumstances, the Board member is to use his/her best judgement and disclose the gift, including a description, estimated value, the person or entity providing the gift, and any explanation necessary within fourteen (14) days, to the Board Chair.

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IV. Unlawful Conflicts of Interest.

A. **Conflicts of Interest Prohibition.**

1. It is unlawful for any Board member:
 - a. To be financially interested in any contract or transaction affecting the interests of Tennessee State University, or
 - b. To procure, or to be a party in any way to procuring, the appointment of any relative to any position of financial trust or profit connected with Tennessee State University.
2. A member who violates the provisions stated in Section IV. A shall be subject to removal by the Governor or the Board.

V. Acknowledgment and Disclosures.

1. Each Board member shall submit a Board disclosure form within thirty (30) days following the first seating of the Board, and annually thereafter to the General Counsel by no later than the Board's summer meeting date, except that the Board Chair may grant an extension to the submission date, as deemed warranted.
2. Any time a Board member believes a conflict of interest or ethical violation may exist with any Board member(s), including himself/herself, the Board member shall immediately submit a written disclosure of the facts and circumstances surrounding the situation to the Chair with a copy to University Counsel.
3. The Board or a duly appointed committee shall evaluate the disclosure and determine what, if any, action is necessary. Under no circumstance shall a member who is involved in a potential or alleged violation of this policy vote on the disposition of such matter.
4. When a Board member is in doubt as to the proper interpretation of this policy or whether a disclosure is required, the Board member is expected to seek the advice of the Chair or his/her designee, or the University Counsel.

VI. Penalty for Material Violations of this Policy.

1. By a two-thirds (2/3) vote of its membership, the Board may remove any member of the Board for a material violation of this policy.
2. A Board vote to remove one of its members shall only be taken:
 - a. After the accused member has been afforded a due process contested case hearing in accordance with the Uniform Administrative Procedures Act, Tennessee Code Annotated Title 4, Chapter 5; and
 - b. A finding has been made that the member violated this policy.

VII. Interpretation.

The Board Chair has the final authority to interpret the terms of this policy.

Citation of Authority for Policy: T.C.A. § 49-8-204.

Document History:

- Adopted by the Board of Trustees: April 13, 2017
- Revised by the Board of Trustees: September 24, 2020