

ARCH FOUNDATION FOR THE UNIVERSITY OF GEORGIA, INC.

CODE OF CONDUCT

Dated: April 21, 2006

Arch Foundation for the University of Georgia, Inc.

Code of Conduct

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Introduction

The Arch Foundation for the University of Georgia, Inc.'s mission is the management of assets and provision of volunteer leadership for the long-term enhancement of the University of Georgia. In carrying out this mission, the Arch Foundation is committed to the highest ethical and professional standards of conduct for university-related foundations. This Code of Conduct is divided into three parts, a Compliance Plan, Conflicts of Interest Policy and Public Information Policy. Together they describe the standards that guide the Foundation's trustees, volunteers and staff in carrying out their duties and responsibilities on behalf of the Arch Foundation.

Compliance Plan

The purpose of this Code of Conduct is to evidence the Arch Foundation's commitment to the lawful and ethical conduct of the Foundation's business and to promote lawful and ethical behavior by the Foundation and its trustees, employees and volunteers. This Compliance Plan, which is part of the Code of Conduct, is designed to promote:

- The Foundation's ethical values described in this Code of Conduct
- Compliance with all applicable laws, regulations and policies
- Individual accountability for compliance with the Code of Conduct
- Prompt reporting of concerns regarding violations of the Code of Conduct

Compliance with Laws and Policies

The Foundation and its trustees, employees and volunteers (the "Foundation community") shall transact Foundation business in compliance with all laws, regulations and Foundation and University policies applicable to their positions and areas of responsibility. No member of the Foundation community shall take any action on behalf of the Foundation which violates any such law, regulation or policy. Any person who needs assistance understanding his or her obligations under this Compliance Plan should seek advice from the Foundation's Executive Director or the Foundation's Audit Committee Chair.

Reporting Suspected Violations or Concerns

The Foundation's compliance efforts are focused on informing the Foundation community of the Foundation's expectations for ethical behavior in the transaction of Foundation business. Despite these efforts, violations may occur or members of the Foundation community may have concerns about matters that they are not sure represent violations. Each member of the Foundation community has a duty to report violations or concerns about violations of this Code of Conduct that come to his or her attention.

How to Report a Violation or to Discuss a Concern

Any violations, concerns or questions about this Code of Conduct should be reported to the Executive Director of the Foundation, the person charged with overseeing this Compliance Plan, via telephone (706) 542-6677, or in writing delivered to the Arch Foundation, Suite 100, 394 S. Milledge Avenue, Athens, GA 30602-5582. Alternatively, an individual may contact the Foundation's Audit Committee Chair to report his or her concerns. Reports may be made anonymously, if desired, but under no circumstances will the Foundation tolerate any retaliation against an individual for reporting violations or concerns pursuant to the procedures of this Compliance Plan.

Responding to Concerns

The Foundation takes all concerns and possible violations of this Code of Conduct seriously and will investigate each report. If the Foundation determines there have been violations of this Code of Conduct, appropriate corrective or disciplinary action will be taken.

Conflicts of Interest

The purpose of the Foundation's Conflicts of Interest Policy is to protect the Foundation and its trustees, volunteers and staff when the Foundation is considering a transaction or agreement that might benefit a member of the Foundation community.

The policy identifies the types of transactions that might raise conflict of interest concerns, sets forth an annual procedure for the disclosure of actual or potential conflicts and provides for the review of potential conflicts by independent members of the Foundation's board.

The complete Conflicts of Interest Policy is attached to this Code of Conduct as Exhibit "A".

Public Information

Introduction

The Arch Foundation is committed to upholding and preserving the public trust and the trust and expectations of its donors and employees. This Public Information Policy sets out the Arch Foundation's practices regarding disclosure of information held by it and how the Arch Foundation will make public information available. As an organization devoted to the management of assets for the long-term enhancement of the University, the Arch Foundation believes that information held by it should be as open to public review as possible, while still respecting the privacy rights of its donors, prospective donors and employees.

The Policy

The purpose of this Public Information Policy is to facilitate public access to information regarding the mission and activities of the Arch Foundation. This Policy reflects the Arch Foundation's commitment to transparency in its operations and the disclosure of public information in a prompt and convenient manner. Most information is available at the Arch Foundation's office, Suite 100, 394 S. Milledge Avenue, Athens, GA 30602-5582 and on its web site at www.uga.edu/archfoundation/. However, for legal and privacy reasons, the Foundation does not disclose donors' or prospective donors' personal and financial records, certain portions of employees' personnel records, information protected from public disclosure by O.C.G.A. §50-18-72 or information protected by the attorney-client and attorney work product privilege.

Information Available

Documents created, obtained or maintained in conjunction with the Arch Foundation's mandatory filings with the Internal Revenue Service and other federal or state agencies are available to the public. These include:

- (1) **Annual Information Return (IRS Form 990)**. As required by federal law, the Arch Foundation makes available copies of its IRS Form 990 for the current and prior two years. The Form 990 details revenue, expenses and changes in net assets. The Form 990 also provides a snapshot of the major activities performed by the Arch Foundation during the previous year, and lists the Arch Foundation's trustees, officers and key employees.
- (2) **Request for Tax-Exempt Status (IRS Form 1023)**. In addition to its annual filing and retention of IRS Form 990, the Arch Foundation also keeps on record for public inspection its tax determination letter, which details the Arch Foundation's request and basis for tax-exempt status.

Copies of IRS Form 990 and Form 1023 are available from the Information Coordinator or the Arch Foundation's web site at www.uga.edu/archfoundation/.

Administrative Information

Most information concerning the internal structure and workings of the Arch Foundation is also available to the public. This information includes:

(1) Articles of Incorporation. The Arch Foundation is a private, nonprofit corporation incorporated under Georgia's Nonprofit Corporation Code on May 3, 2005. Pursuant to the Nonprofit Code, the Arch Foundation has filed its articles of incorporation with the Georgia Secretary of State. This document is available from the Arch Foundation's Information Coordinator or the Arch Foundation's website. This document contains basic information regarding the organizational framework of the Arch Foundation, including its governance structure.

(2) Bylaws. The Arch Foundation's bylaws are also available from the Arch Foundation's Information Coordinator and on the Arch Foundation's website at www.uga.edu/archfoundation/. The bylaws describe the process for the election of the officers and trustees, their duties, responsibilities and terms of office, and information about meetings and committee structure.

(3) Memorandum of Understanding Between the Arch Foundation and the Board of Regents of the University System of Georgia. The relationship between the Arch Foundation and the Board of Regents and University is documented in a Memorandum of Understanding. A copy of this agreement can be obtained from the Arch Foundation's website or the Information Coordinator.

(4) Minutes of the Meetings of the Arch Foundation Board of Trustees. The meetings of the Foundation's Board and Committees are open to the public, except for limited situations pursuant to Georgia's Open Meetings Act, and the minutes of these meetings are taken to document the discussions and actions which take place. Copies of the Arch Foundation's minutes are available from the Information Coordinator.

(5) Conflicts of Interest Policy. The Foundation endeavors to operate according to the highest ethical standard and expects its trustees, employees and volunteers to carry out their duties in accordance with this standard. In keeping with non-profit best practices, Arch Foundation officers and trustees are required to execute a conflicts of interest statement and confidentiality agreement annually. The Arch Foundation's Conflicts of Interest Policy is part of this Code of Conduct and is also available from the Information Coordinator or on the Arch Foundation's website.

(6) Committee Charters. The Foundation has adopted Committee Charters which set forth the precise functions of the various Board Committees established pursuant to the Foundation's Bylaws. Copies of these Charters are available on the Foundation's website or from the Information Coordinator.

Financial Information

The following financial information is voluntarily made public to provide donors, members of the Foundation community and the general public full information on the Foundation:

(1) Audited Financial Statements. The Arch Foundation will make available for public inspection its audited financial statements for the previous three fiscal years. These statements include the Arch Foundation's statement of financial position, statement of activities, changes in net assets and cash flows from the previous year. Financial Statements will be available on the Foundation's website (www.uga.edu/archfoundation/) or from the Information Coordinator as they are completed.

(2) Annual Report. The Arch Foundation intends to produce an informational annual report to include a financial statement, summary of assets, sources of gifts and a list of members of the Arch Foundation's Board of Trustees, and other such information as space permits. Current annual reports will be available from the Arch Foundation's Information Coordinator and on the Foundation's website.

Fundraising and Stewardship Information

The Arch Foundation's fundraising-related information is summarized in the Arch Foundation's general financial information as described above. In addition to the general information contained in those materials, the Arch Foundation will voluntarily make available for public review the following more specific information:

(1) Gift Acceptance Policy. The Arch Foundation has developed policies and procedures regarding the acceptance of gifts for the benefit of the University. These policies, which provide objective procedures for analyzing and accepting gifts by the Arch Foundation, is available from the Information Coordinator, the University's Development Office or on the Arch Foundation's web site at www.uga.edu/archfoundation/.

(2) Guidelines for Named Gifts. The Arch Foundation adheres to the rules and regulations of the Board of Regents, University System of Georgia regarding naming opportunities for gifts. These provide guidance to prospective donors, the University and the Arch Foundation staff regarding the size and structure of gifts necessary to attain various levels of named recognition. In addition, minimum endowment funding levels for other non-capital gifts have been set to ensure endowed funds are sufficient in size to support the desired purposes. Additional information is available from the Information Coordinator, the University's Development Office, or on the Board of Regent's website (www.usg.edu/regents/).

Arch Foundation Investment Information

The Arch Foundation has the flexibility to invest its assets in a variety of ways. Information on the Foundation's investments is available from the Arch Foundation's Information Coordinator. Specific information available includes:

(1) The Arch Foundation's Investment Policy Statement. The Arch Foundation Investment Committee develops, and the Board of Trustees approves, an Investment Policy. A copy of this Policy is available from the Foundation's website or the Information Coordinator.

(2) The Arch Foundation's Investments. A summary of the Arch Foundation's investment portfolio is made available as part of IRS Form 990, and the Arch Foundation will make every effort to answer specific questions regarding Arch Foundation investments. All questions regarding Arch Foundation investments should be directed to the Information Coordinator.

Constraints on Disclosure

While every effort is made to keep constraints to a minimum, legal and privacy concerns necessarily place some limits on complete openness. In an effort to be as open as possible, the Arch Foundation's practice is to detail the central principles for non-disclosure of certain types of information in order to ensure that a specific, clear and necessary reason is articulated when information is not disclosed.

Privacy Constraints

The Arch Foundation respects the privacy concerns of donors (including prospective donors) and has adopted Policies and Procedures for handling donor information (a copy of which is available on the Foundation's website at www.uga.edu/archfoundation/). If a donor expresses a desire for anonymity, the Arch Foundation will not disclose such donor's name or gift amount, nor will it disclose other private donor information entrusted to it, except where required by law. Examples of private information include personal financial records, wills and trust documents. It is only with the donor's consent that the Arch Foundation discloses biographical information for non-university-related purposes. The type of information the Arch Foundation would not disclose is:

(1) Private Information. The Arch Foundation does not disclose private information. For purposes of this Policy, "private information" is information of a personal and sensitive nature that is not generally available from third-party sources and that, if disclosed, would violate legal or ethical obligations of the Arch Foundation to a donor (or prospective donor) or an employee. This information includes, but is not limited to, confidential donor information and employee personnel records.

(2) Biographical Information of Donors Who Desire Privacy. The Arch Foundation only discloses donor biographical information for non-university related purposes after obtaining the donor's consent.

(3) Personal Information Regarding Employees. The Arch Foundation maintains appropriate, and in many cases legally-mandated, safeguards to protect the confidentiality of individual staff records and personal medical information.

Review Procedures for Information Requests

It is the Arch Foundation's goal to make reasonable accommodations for those who wish to examine publicly available information held by the Arch Foundation. Accordingly, the Arch Foundation adheres to the following guidelines:

Information Coordinator

The Executive Director of the Arch Foundation will designate an Arch Foundation staff member as its Information Coordinator. All requests for access to information available for public review will be directed to the Information Coordinator, who will provide guidance on interpretation of this Policy and arrange for access to the requested information which is available for public review.

The Arch Foundation will make every effort to assist an organization or an individual in obtaining requested information, but for administrative and legal reasons it cannot be obligated to create a record that does not exist at the time of the request.

Requests for information will be processed in a reasonable length of time as required by applicable law. If the requested information is available on the Arch Foundation web site, the requester will be so notified.

Cost of Producing Requested Information

If an information request requires the retrieval and reproduction of documents, a reasonable per-page fee will be charged in most cases. To ensure that the fee is appropriate, the Arch Foundation will set the per-page fee taking into account the full internal and external costs needed to produce the requested information. These costs will include, but are not limited to: overhead, retrieval, preparation, reproduction, shipping and handling. In addition, the Arch Foundation shall charge a fee to recover the cost of the staff and professional time needed to respond to any information request. All fees shall be paid by the requesting party to the Arch Foundation prior to receipt of requested information. Copies of the Arch Foundation's IRS Forms 990 and 1023 are freely available on the Arch Foundation's web site at www.uga.edu/archfoundation/.

Documents not Covered by the Policy

To the extent the Arch Foundation receives requests for information not accounted for in this Policy, the Executive Director will evaluate such requests within a reasonable time and determine whether the requested information can be disclosed consistent with this Policy. Absent a specific, clear and necessary constraint on disclosure, the Foundation shall voluntarily disclose the requested information.

Protection of Privacy

This Policy sets forth the Arch Foundation's practices with respect to disclosure of information. To the extent it is inconsistent with federal or state law, including Georgia's Open Records Act, or an agreement with a donor, such law or agreement shall prevail in determining the propriety of disclosure. The Arch Foundation further protects individual privacy rights by requiring that all Arch Foundation trustees and staff members annually sign a confidentiality agreement.

Applicability; Defined Terms

This Code of Conduct applies to the following individuals: (1) Arch Foundation trustees; (2) Arch Foundation employees; and (3) individuals who perform volunteer services for or on behalf of the Arch Foundation.

For the purposes of this Code of Conduct:

- The terms "Arch Foundation" and "Foundation" means the Arch Foundation for the University of Georgia, Inc.
- The term "Board of Trustees" means the Board of Trustees of the Foundation.
- The term "University" means the University of Georgia.
- The term "Arch Foundation employees" or "employees" means (a) all individuals employed and compensated by the Foundation, (b) all individuals employed and compensated by the University which compensation from the University is reimbursed, in whole or in part, by the Foundation, and (c) all individuals employed and compensated by the University whose job responsibilities include work on behalf of the Foundation.
- The term "trustees" means all members of the Board of Trustees, including those members who are officers of the Board of Trustees.

Exhibit “A”
Conflicts of Interest Policy

Introduction

The Board of Trustees of the Arch Foundation for the University of Georgia, Inc. (the “Arch Foundation”) has adopted this Conflicts of Interest Policy (the “Policy”) to provide guidance to the Trustees and Officers of the Arch Foundation in situations where there might be a potential financial or personal conflict, or the appearance of such a conflict, between the outside interests of a Trustee or Officer and the obligations such person owes to the Arch Foundation in his or her capacity as a Trustee or Officer. This Policy is intended to be consistent with the provisions of the Georgia Nonprofit Corporation Code’s conflict of interest provisions contained in O.C.G.A. § 14-3-860 et seq. (the “Statute”). However, to the extent that this Policy imposes a higher standard of conduct on an Officer or Trustee of the Arch Foundation than the Statute, the higher standard contained in this Policy shall prevail. Capitalized terms used in this Policy shall have the meanings ascribed to such terms in Section 1. below, and where not defined, in the Statute.

Section 1. Definitions.

- a) “Covered Person” means each Trustee and Officer of the Arch Foundation.
- b) “Conflicting Interest” means the interest a Covered Person has respecting a transaction effected or proposed to be effected by the Arch Foundation (or by a subsidiary of the Arch Foundation or any other entity in which the Arch Foundation has a controlling interest) if:
 - (1) Whether or not the transaction is brought before the Board of Trustees of the Arch Foundation (the “Board”) for action, to the knowledge of the Covered Person at the Time of Commitment, the Covered Person or a Related Person is a party to the transaction or has a beneficial financial interest in or so closely linked to the transaction and of such financial significance to the Covered Person or a Related Person that it would reasonably be expected to exert an influence on the Covered Person’s judgment if the Covered Person were called upon to vote on the transaction; or
 - (2) The transaction is brought (or is of such character and significance to the Arch Foundation that it would in the normal course be brought) before the Board for action and, to the knowledge of the Covered Person at the Time of Commitment, any of the following persons is either a party to the transaction or has a beneficial financial interest so closely linked to the transaction and of such financial significance to that person that it would reasonably be expected to exert an influence on the Covered Person’s judgment if the Covered Person were called upon to vote on the transaction:

- (i) an entity (other than the Arch Foundation, any subsidiary of the Arch Foundation, or any other entity in which the Arch Foundation has a controlling interest) of which the Covered Person or a Related Person is a director, general partner, agent or employee;
 - (ii) a person that controls one or more of the entities specified in subsection (i) of this subparagraph or an entity that is controlled by, or is under common control with, one or more of the entities specified in subparagraph (i) of this subparagraph; or
 - (iii) an individual who is a general partner, principal, or employer of the Covered Person or the Related Person.
- c) “Covered Person’s Conflicting Interest Transaction” means a transaction effected or proposed to be effected by the Arch Foundation (or by a subsidiary of the Arch Foundation or any other entity in which the Arch Foundation has a controlling interest) respecting which a Covered Person has a Conflicting Interest.
- d) “Related Person” of a Covered Person means:
 - (1) The spouse (or a parent or sibling thereof) of a Covered Person or a child, grandchild, sibling, parent (or spouse of any thereof), or an individual having the same home as the Covered Person, or a trust or estate of which an individual specified in this subparagraph is a substantial beneficiary; or
 - (2) A trust, estate, incompetent, conservatee, or minor of which a Covered Person is a fiduciary.
- e) “Required Disclosure” means disclosure by the Covered Person who has a Conflicting Interest of: (1) the existence and nature of the Covered Person’s Conflicting Interest, and (2) all facts known to the Covered Person respecting the subject matter of the transaction that an ordinarily prudent person would reasonably believe to be material to a judgment as to whether or not to proceed with the transaction. Notwithstanding the foregoing, if a Covered Person has a Conflicting Interest respecting a transaction, but neither he nor a Related Person of the Covered Person is a party thereto, and if the Covered Person has a duty under law or professional canon or a duty of confidentiality to another person, respecting information relating to the transaction such that the Covered Person cannot, consistent with that duty, make a disclosure as defined in the preceding sentence, then the actions required by Sections 2 (a) and 3 (a) below shall be sufficient for purposes of the Required Disclosure if the Covered Person discloses to other persons voting on the transaction the existence and nature of such person’s Conflicting Interest and informs them of the character of the limitations imposed by that duty prior to their vote on the transaction.

- f) “Time of Commitment” respecting a transaction means the time when the transaction is consummated or, if made pursuant to contract, the time when the Arch Foundation (or its subsidiary or the entity in which it has a controlling interest) becomes contractually obligated so that its unilateral withdrawal from the transaction would entail significant loss, liability, or other damages.

Section 2. - Procedures to Determine Whether a Conflicting Interest Exists. In the event any Covered Person believes that he or she may have a Conflicting Interest, such Covered Person must:

- a) Make the Required Disclosure;
- b) Play no part, directly or indirectly, in the deliberation or vote of the Board (or Committee of the Board) with respect to the determination of whether a Conflicting Interest exists; and
- c) Must absent himself or herself from the meeting, or the portion of the meeting, at which the potential Conflicting Interest is discussed.

The minutes of the meeting of the Board (or Committee of the Board) at which the potential Conflicting Interest is discussed shall include the names of the persons who disclosed a potential Conflicting Interest, the nature of the potential Conflicting Interest and whether the Board (or Committee of the Board) determined there was a Conflicting Interest.

Section 3 – Procedures When a Conflicting Interest Has Been Determined to Exist. In the event any Covered Person has a Conflicting Interest, such Covered Person must:

- a) Make the Required Disclosure;
- b) Play no part, directly or indirectly, in the deliberation or vote of the Board (or Committee of the Board) with respect to such transaction; and
- c) Must absent himself or herself from the meeting, or the portion of the meeting, at which the potential Conflicting Interest is discussed.

In order for the Board to proceed with a Conflicting Interest Transaction, it must determine, by a majority vote of the non-interested, voting Trustees present at a meeting of the Board (or Committee of the Board) at which a quorum is present, that the transaction is in the Arch Foundation’s best interest, is for the Arch Foundation’s own benefit, and is fair and reasonable to the Arch Foundation. The minutes of the meeting of the Board (or Committee of the Board) at which the transaction is discussed shall include the names of the person who disclosed a Conflicting Interest and the nature of such Conflicting Interest.

Section 4 – Annual Disclosure of Interests. This Policy shall be distributed annually to each Covered Person, and each Covered Person shall promptly complete and submit to the Arch

Foundation a Disclosure of Interest and Confidentiality Statement in the form provided by the Arch Foundation.

Section 5 – Violation of Conflicts of Interest Procedures. Upon learning that a Covered Person may have willfully violated the provisions of this Policy, the Board shall form an independent Committee of Trustees to investigate such violation. Upon receipt of such Committee's report, the Board (excluding the person whose actions are being investigated) shall take such corrective or remedial action as it deems appropriate, including exoneration, censure or request for resignation.

Disclosure of Interest

The Board of Trustees of The Arch Foundation for the University of Georgia, Inc. (the “Arch Foundation”) adopted a Conflicts of Interest Policy (the “Policy”) to provide guidance to the Trustees and Officers of the Arch Foundation in situations where there is a potential financial or personal conflict, or the appearance of such a conflict, between the outside interests of a Trustee or Officer and the obligations such person owes to the Arch Foundation in his or her capacity as a Trustee or Officer. Pursuant to Section 4 of the Policy, this Disclosure of Interest and Confidentiality Statement shall be completed annually by each Trustee and Officer of the Arch Foundation. Please promptly complete this form, sign where indicated and return the completed form to: Ms. Cindy Coyle, Executive Director, The Arch Foundation for the University of Georgia, Inc., Suite 100, 394 S. Milledge Avenue, Athens, GA 30602-5582.

1. Your Name (Print): _____

2. During the past twelve (12) months, have you or any Related Person (as defined in Section 1(d) of the Policy) entered into any business relationships, transactions or contracts with the Arch Foundation in which you or such Related Person have a substantial interest? Yes _____ No _____

If Yes, please describe the nature of the relationship in detail.

3. Identify and list any other activities in which you or any Related Person are engaged that may constitute a Covered Person’s Conflicting Interest Transaction (as defined Section 1(c) of the Policy) as to the Arch Foundation.

4. Identify your best estimate of the financial benefit to you or any Related Person resulting from the relationships, transactions, contracts, or activities listed in response to paragraphs 2 and 3 above.

By the execution of this Disclosure of Interest Form, I certify that:

1. I have received and read a copy of the Policy,
2. I will comply with its terms,
3. To the best of my knowledge, the foregoing disclosures are complete and accurate, and
4. I will promptly report to the Chairman of the Arch Foundation any circumstance in the future that may cause the information provided herein to be incomplete or inaccurate.

Confidentiality Statement

I acknowledge that, as a Trustee and/or Officer of the Arch Foundation, I have access to information belonging to the Arch Foundation which is not available to the general public, including, but not limited to, personal and financial information on current and prospective donors to the Arch Foundation; information protected from public disclosure by O.C.G.A. Section 50-18-72; and information protected by the attorney-client and attorney work product privilege (the "Confidential Information"). I further acknowledge that the Arch Foundation at all times is and will remain the owner of the Confidential Information, and I agree, as part of my duty of loyalty to the Arch Foundation, to preserve the confidentiality of all such Confidential Information and to use such Confidential Information only for legitimate Arch Foundation business purposes and consistent with the manner in which the Arch Foundation uses and protects such Confidential Information.

I certify that I have not used, and will not use, the Confidential Information for my own or any Related Person's benefit and that I have not disclosed, and will not disclose, the Confidential Information to any third party, including other charitable organizations, except for legitimate Arch Foundation business purposes, or as otherwise required by law, without the prior written consent of the Arch Foundation.

Signature: _____

Date: _____