

Tuckaseegee Water & Sewer Authority

Ethics Policy

Policy Purpose

The proper operation of local government entities requires that:

- (a) the public officials who represent their constituents be independent, impartial and responsible to the people;
- (b) all local government decisions and policy be made in conformance to applicable local, state and federal laws and rules and through proper channels of the local governmental structure;
- (c) those who hold public office shall not use their position for personal gain; and
- (d) the public have confidence in the integrity of its local governmental organizations.

In recognition of these goals, an ethics policy for the Tuckaseegee Water and Sewer Authority Board Members is hereby set down. The purpose of this policy is to establish guidelines for ethical standards of conduct for all such officials by setting forth those acts or actions that are incompatible with the best interests of the Board.

Policy Statement

Tuckaseegee Water and Sewer Authority Officials shall:

- (a) Obey all local, state and federal laws.
- (b) Uphold the integrity and independence of his/her office or position on the TWSA Board, yet be responsive to the needs of those he/she represents in an advocacy capacity.
- (c) Avoid impropriety in the exercise of the board member's official duties; demonstrate the highest standards of personal integrity, truthfulness and honesty in all their public activities.
- (d) Faithfully perform the duties of the office.
- (e) Conduct the affairs of the Board in an open and public manner, including complying with all applicable laws governing open meetings and public records.
- (f) Maintain the integrity and confidentiality of those discussions and deliberations that take place individually at the staff level or corporately in any closed session of the TWSA Board, so long as those discussions and deliberations are consistent with current state law.
- (g) Participate in establishing, maintaining, and enforcing the standards of conduct and disclosure as set forth in this policy.

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While not a requirement of NCGS 162A for Water and Sewer Authority Members, TWSA Board Members are expected to complete 2 hours of training through the Ethics for Local Government Officials program through the UNC School of Government at the beginning of their appointment and upon each successive reappointment. TWSA Board members who also serve as Local Government Officials at their Appointing Entity may document the training they receive through that agency to meet this ethics training requirement. Board Members shall provide a written record of such Ethics Education to the TWSA Board Secretary. Any costs for Board Members completing such training shall be covered by TWSA.

Definitions

The following words, terms, and phrases, when used in this policy, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Board means the Board of the Tuckaseegee Water and Sewer Authority comprised of members as appointed by the forming entities in conformance with the consolidation agreement and by-laws under which it was established.

Business entity means any business, proprietorship, firm, partnership or person in a representative or fiduciary capacity, association, venture, trust, or corporation which is organized for financial gain or for profit.

Board official means the members of the TWSA Board, and TWSA appointees to advisory boards.

Immediate household means the Board official, spouses and all dependents of the Board official.

Interest means direct or indirect financial, fiscal, economic, or material benefit accruing to a Board official as a result of a contract or transaction which is or may be the subject of an official act or action by or with the Board. For the purpose of this policy, a Board official shall be deemed to have an interest in the affairs of:

- 1) Any person in his/her immediate household, as such term is defined in this section;
- 2) Any business entity in which the Board official is an officer, manager or director;
- 3) Any business entity in which in excess of five percent of the stock of, or legal or beneficial ownership of, is controlled or owned directly or indirectly by the Board official; or
- 4) Any nonprofit organization on which the Board official currently serves as an officer, manager, director or board member.

Official act or action means any legislative, administrative, appointive or discretionary act of any Board official.

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Standards of Conduct

- (a) Scope.** All Board officials shall be subject to and shall abide by the standards of conduct in this section.
- (b) Interest in contract or agreement.** No Board official shall have or thereafter acquire an interest in any contract or agreement with TWSA.
- (c) Use of official position.** No Board official shall use his/her official position or TWSA facilities or resources for private gain, nor shall he/she appear before or represent any private person, group or interest before any department, agency, commission or board of TWSA except in matters of purely civic or public concern. Members of the Board shall refrain from using their position to unduly influence the deliberations or outcomes of advisory committee proceedings. Board officials shall represent the official policies and positions of the Board, to the best of their ability when designated as delegates for this purpose. When presenting their individual opinions and positions, officials shall explicitly state they do not represent their body or the Tuckaseegee Water and Sewer Authority.
- (d) Disclosure of confidential information.** No Board official shall use or disclose confidential information gained in the course of or by reason of his official position in a manner that is harmful to the Board supported goals or the strategy of TWSA as an entity or for purposes of advancing;
 - (1)** His/her financial or personal interest;
 - (2)** A business entity or non-profit organization of which he/she is an owner in part or in whole, an officer, manager or a director; or
 - (3)** The financial or personal interest of a member of his/her immediate household or that of any other person.
- (e) Incompatible service.** No Board official shall engage in or accept private employment or render service for private interest, when such employment or service is incompatible with the proper discharge of his official duties or would tend to impair his independence of judgment or action in the performance of his official duties, unless otherwise permitted by law and unless disclosure is made as provided in this policy.
- (f) Gifts.** No Board official shall directly or indirectly solicit any gift or accept or receive any gift having a value of \$50 or more, whether in the form of money, services, loan, travel, entertainment, hospitality, thing or promise, or any other form, under circumstances in which it could reasonably be inferred that the gift was intended to influence him/her, or could reasonably be expected to influence him/her, in the performance of his official duties, or was intended as a reward for any official action on his part. Legitimate political contributions to Board members who are also elected officials with a forming entity shall not be considered as gifts under this subsection.
- (g) Special treatment.** No Board official shall grant any special consideration, treatment or advantage to any citizen beyond that which is available to every citizen.

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Disclosure of Interest in Official Action

All Board officials who have interest in any official act or action before the Board shall publicly disclose on the record of the Board the nature and extent of such interest and refrain from any undue participation in the particular matter involved. At the opening of each TWSA Board meeting the following shall be read as part of the process of calling the meeting to order.

ETHICS AWARENESS & CONFLICT OF INTEREST

(to be read by the Chair or his/her designee at the beginning of each meeting)

In accordance with the TWSA Ethics Policy as adopted by this Board, it is the duty of every Board member to avoid conflicts of interest and appearances of conflict.

Does any Board member have any known conflict of interest or appearance of conflict with respect to any matters coming before the Board today?

*If so, please identify the conflict or appearance of conflict **and refrain from any undue participation in the particular matter involved.***

The initial decision to refrain from any undue participation in the particular matter involved is to be made by the Board official making the disclosure. Such Board official may then abstain from voting on such matter but state his or her position on the record or go ahead and vote. If there is no objection from any other Board official or other person, then the decision of the Board official shall be deemed to have been affirmed by the Board without further action.

However, should any other Board official or person believe that the decision of the Board official making the disclosure is not consistent with this policy and so states on the record prior to a vote on the particular matter involved, then the Board may, without participation by the Board official making the disclosure, and by majority vote:

(1) Direct the Board attorney to issue an advisory opinion. The Board official who made the disclosure shall have the opportunity to present his/her interpretation of the facts regarding the matter of concern and of the applicability of sections of this policy to the attorney for the Board before such advisory opinion is made. An advisory opinion issued by the Board attorney shall be in writing and directed to all officials of the Board and to the Board official making the disclosure. Until such advisory opinion is issued no further consideration or action shall be taken by the Board on the particular matter involved. The advisory opinion shall be made within five (5) days of the meeting where the disclosure was made. The Board, after issuance of the advisory opinion by the attorney for the Board may accept the Board official's initial decision by taking no further action, or by majority vote without participation by the Board official making the disclosure, may excuse the Board member from considering or voting on the particular matter involved as an affirmation of the Board official's initial decision or in contradiction to such decision.

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(2) In the absence of a direction to the Board attorney for an advisory opinion, the Board may excuse the Board member from considering or voting on the particular matter involved as an affirmation of the Board official's initial decision or in contradiction to such decision.

General Disclosure Statement

(a) Every Board official shall file with the TWSA Board Secretary, on January 15th of each year, a statement containing the following information:

(1) The identity, by name and address, of any business entity or nonprofit organization of which he/she or any member of his immediate household is an officer, manager, director, or board member, or in which in excess of five percent of the stock of, or legal or beneficial ownership of, is controlled or owned directly or indirectly by such person. Additionally, the Board official and spouse shall give the names of their employers or, if self-employed, shall state the nature of their work.

(2) The identity, by location and address, of all real property located in the Tuckaseegee Water and Sewer Authority service area, owned or leased by the Board official or any member of his immediate household, including an option to purchase or option to lease for ten years or more, other than his personal residence.

(b) The statements required by this section shall be filed on a form prescribed by the TWSA Board Secretary and are public records available for inspection and copying by any person during normal business hours. The TWSA Board Secretary is authorized to establish and charge reasonable fees for the copying of statements.

Investigations; Filing of Complaints

The Board, by majority vote, may direct the TWSA attorney to investigate any apparent violation of this policy, as it applies to any Board official and to report the findings of the investigation to the Board. Any person who believes that a violation of this policy has occurred may file a complaint in writing with the Board when a Board official is the subject of the complaint.

Hearings on Violation; Sanctions; Rights of Accused at Hearings

If the Board, after the receipt of investigative findings, has cause to believe a violation of this policy has occurred, it shall then schedule a hearing on the matter. The Board official who is charged with the violation shall have the right to present evidence, cross examine witnesses,

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including the complainant and to be represented by counsel at the hearing. If, after such hearing and a review of all the evidence, the Board finds that a violation of this policy has occurred, it shall take, by majority vote, whatever lawful disciplinary action deemed appropriate and allowed by NCGS 162A, the founding documents for TWSA and other applicable State law. Such actions may include, but not be limited to, reprimand, suspension, demotion, termination of service, or adoption of a resolution to censure, which shall be placed as a matter of record in the minutes of an official Board meeting and also be supplied to the Forming Entity appointing the Board official. The Board official accused of a violation of this policy shall not vote in these proceedings. If, after hearing proceedings, the Board, by majority vote, determines that no violation has occurred, the Board agrees to reimburse the accused Board official for legal expenses incurred for the purpose of the hearing.

Advisory Options

The Tuckaseegee Water and Sewer Authority does not attempt to deny Board officials the opportunity to acquire, retain, or pursue private interests, economic or otherwise. However, these interests may potentially conflict with their responsibility in public office. When any Board official has a doubt as to the applicability of any section of this policy to a particular situation, or as to the definition of terms used in this policy, he/she may apply to the Board attorney for an advisory opinion. The Board official shall have the opportunity to present his/her interpretation of the facts regarding the matter of concern and of the applicability of sections of this policy before such advisory opinion is made. An advisory opinion issued by the Board attorney shall be in writing and shall be made available to the Board official requesting the opinion and also to other officials of the Board. The advisory opinion shall be made within seven (7) days of the date of the request for the opinion.

Adopted by a vote of the TWSA Board on this _____ day of _____

Tracy Rodes, Chair

Nancy Hoyle, Secretary