

## **Policy 4: Ethics Policy**

### **A. Purpose**

The Alamo Area Metropolitan Planning Organization (MPO) is committed to conducting its business in an ethical and open manner. To ensure ethical conduct by current and former members of the Transportation Policy Board and its employees, and to ensure compliance with the Transportation Code and other provisions under state law.

### **B. Rules**

The following rules have been adopted:

#### **I. Chapter 472. Transportation Code Requirements:**

- a) No policy board member or employee of the MPO may accept or solicit any gift, favor or service that might reasonably tend to influence the member or employee in the discharge of official duties or that the member or employee knows or should know is being offered with the intent to influence the member's or employee's official conduct.
- b) No policy board member or employee of the MPO may accept other employment or engage in a business or professional activity that the member or employee might reasonably expect would require or induce the member or employee to disclose confidential information acquired by reason of the official position.
- c) No policy board member or employee of the MPO may accept other employment or compensation that could reasonably be expected to impair the member's or employee's independence of judgment in the performance of official duties.
- d) No policy board member or employee of the MPO may make personal investments that could reasonably be expected to create a conflict between the member's or employee's private interest and the public interest.
- e) No policy board member or employee of the MPO may intentionally or knowingly solicit, accept, or agree to accept any benefit for having exercised official powers or performed the official duties in favor of another.

#### **II. Chapter 171. Local Government Code Requirements:**

- a) If a policy board member has a substantial interest in a business entity or in real property, the policy board member shall file, before a vote or decision on any matter involving the business entity or the real property, an affidavit stating the nature and extent of the interest and shall abstain from further participation in the matter if:

- (1) in the case of a substantial interest in a business entity, the action on the matter will have a special economic effect on the business entity that is distinguishable from the effect on the public; or
  - (2) in the case of a substantial interest in real property, it is reasonably foreseeable that an action on the matter will have a special economic effect on the value of the property, distinguishable from its effect on the public.
- b) If a policy board member is required to file and does file an affidavit, the policy board member is not required to abstain from further participation in the matter requiring the affidavit if a majority of the policy board members are likewise required to file and do file affidavits of similar interests on the same official action.
- c) A person has a substantial interest in a business entity if:
- (1) the person owns 10 percent or more of the voting stock or shares of the business entity or owns 10 percent or more or \$15,000 or more of the fair market value of the business entity; or
  - (2) funds received by the person from the business entity exceed 10 percent of the person's gross income for the previous year.
- d) A person has a substantial interest in real property if the interest is an equitable or legal ownership with a fair market value of \$2,500 or more.
- e) A policy board member is considered to have a substantial interest in a person related to the policy board member in the first degree by consanguinity or affinity, as determined under Chapter 573, Government Code, has a substantial interest.

### **III. Former Official and Employee Restriction**

Within one (1) year of the termination of official duties, a former Transportation Policy Board member, Technical Advisory Committee member and MPO staff member shall not have a financial interest, direct or indirect, in any discretionary contract with the MPO. This includes the former Transportation Policy Board member, Technical Advisory Committee member or MPO staff member and shall also include his or her parent, child or spouse.

Financial interest is defined as having a business entity in which the former Transportation Policy Board member, Technical Advisory Committee member and MPO employee, or his or her parent, child or spouse, directly or indirectly owns:

- (A) ten (10) percent or more of the voting stock or shares of the business entity, or
- (B) ten (10) percent or more of the fair market value of the business entity.

Any violation of this Section, with the knowledge, expressed or implied, of the individual or business entity contracting with the MPO shall render the proposal or contract involved voidable by the Executive Director or the Transportation Policy Board; this determination is based on who approved the contract.

### **C Incorporation of Statutes**

All provisions of Section 472.034 of the Transportation Code and Chapter 171, Local Government Code, are intended to be incorporated into this ethics policy. In the case of any uncertainty as to the applicability of any of these statutes, the policy board member or employee should refer to the actual statutes.

### **D. Penalties**

Any employee who violates the Ethics Policy is subject to termination or other employment related sanctions per personnel policy. Any board member or employee of the MPO who violates the Ethics Policy is subject to applicable civil or criminal penalty if the violation also constitutes a violation of a state statute.

### **E. Distribution**

Upon adoption of the Ethics Policy by the Transportation Policy Board, a copy shall be distributed to each policy board member and MPO employee. Each policy board member and employee will acknowledge receipt of the Ethics Policy. The Ethics Policy adopted by the Transportation Policy Board shall be provided to each new employee no later than three (3) business days after the date on which the person begins employment. The Ethics Policy adopted by the Transportation Policy Board shall be provided to each new board member no later than three (3) business days after the person qualifies for office.

### **F. Policy Amendment**

When considered for amendment, this policy shall be subject to the MPO's two-step approval process which allows for a public comment period of approximately 30 days prior to adoption by the Metropolitan Planning Organization Transportation Policy Board.

Adopted: September 28, 2020