

PFLUGERVILLE COMMUNITY DEVELOPMENT CORPORATION

BOARD OF DIRECTORS CODE OF ETHICS PCDC Approval:

Council Approval:

Statement of Purpose:

The Code of Ethics ("Code") is a public statement by the Pflugerville Community Development Corporation ("PCDC" or "the Corporation") that sets clear principles and rules to guide practice and inspire professional excellence. The Corporation believes a commonly held set of principles and rules can assist in the individual exercise of professional judgment. This Code speaks to the core values of public accountability and transparency. The purpose of having a code of ethics and practices is to protect the credibility of the PCDC by ensuring high standards of honesty, integrity and conduct of its officers and members of the board. To that end, this Code of Ethics attempts to accomplish this by articulating the ethical standards observed by the Corporation in pursuing and implementing economic development initiatives and setting rules and policies that prevent conflicts of interest.

This policy shall be adopted by the PCDC Board and reviewed on an annual basis in accordance with Sec. 2.03 of the PCDC By-laws related to Code of Ethics requirements and shall amend the same as necessary to accomplish corporate policy. Officers and Board Members shall sign an annual statement reflecting that they have read and understand the policy. Officers shall be elected and appointed officer positions including President, Vice President, Secretary, and the Executive Director.

It is the intent of Board of Directors of the PCDC that this Code of Ethics shall compliment and be read in harmony with Article 11.05 of the City Charter and the City's Code of Ethics, Article II, Section 35.21 of the City's Code of Ordinances, as amended. In the event of irreconcilable conflict between this policy and the Charter or Ordinance, the Charter and/or Ordinance shall control.

Canons and Disciplinary Rules:

This Code is divided into canons and disciplinary rules. Each canon states a code of conduct or prohibition against certain activity, whereas each disciplinary rule establishes or identifies actions or conduct that may subject a board member or officer to disciplinary action.

Canon I Conflicts of Interest

No officer or member of the Board shall have any interest, financial or otherwise, direct or indirect or engage in any business or transaction or professional activity or incur any obligation of any nature, which is in substantial conflict with the proper discharge of his or her duties in the public

interest or which will impair his or her independence of judgment in the exercise of his or her official duties.

Disciplinary Rules Regarding Conflicts of Interest

No officer or member of the Board shall:

- Have a substantial interest in a business entity or real property that is involved in a matter that becomes a transaction of the PCDC and which may or will come before the Board of Directors, as such substantial interest is defined in Chapter 171, Texas Local Government Code unless such officer or member of the Board shall file with Corporation an affidavit disclosing the nature and extent of such interest, which affidavit shall be open to public inspection, and shall thereafter refrain from participating in such matter as it relates to the PCDC.

Canon II

Employment, Investments, Transactions, and Contracts

No officer or member of the Board shall solicit, accept, or engage in concurrent outside employment, make investments, or enter transactions or contracts which could reasonably be expected to impair his or her independence of judgment in, or faithful performance of, official duties.

Disciplinary Rules Regarding Employment, Investments, Transactions, and Contracts

No officer or member of the Board shall:

- Engage in any transaction as the representative or agent of the Corporation with any business entity in which he or she has direct or indirect financial interest.
- Accept employment or engage in any business or professional activity which will require him or her to disclose confidential information which he or she has gained by reason of his or her official position or authority.
- Make personal investments in enterprises which he or she has reason to believe are or may be directly involved in the business of the Corporation.
- Accept or arrange for any loan or extension of credit from the Corporation to any individual, company, or entity unless doing so has been specifically approved and delegated by the Board.
- Acquire an interest in or become affected by, any performance agreement, contract, transaction, acquisition of property, offer or other matter, if the officer Board member

knows or has reason to know that the interest will be directly or indirectly affected by impending official action by the Corporation.

- Arrange to host an event, secure accommodations, or transportation, reserve a site, or make other arrangements in the name of the Corporation when such arrangements are for the benefit of someone other than the Corporation.

Canon III Improper Influence

No officer or member of the Board shall use or attempt to use his or her official position to secure unwarranted privileges or exemptions for himself, herself or others.

No officer or member of the Board shall:

- Enter into an agreement or understanding with any other person or entity to the effect that official action by the officer or Board member will be rewarded or reciprocated by the other person, directly or indirectly.
- Use his or her position to obtain private or official information not already available to the public about any person or entity for any purpose other than the performance of official duties.
- Shall appoint or employ or vote to appoint or employ any relative within the third degree of consanguinity or second degree of affinity to any office or position of employment with the Corporation.
- Shall permit himself or herself to be in the line of supervision of a relative within the third degree of consanguinity or second degree of affinity.

Canon IV Gifts

No officer or member of the Board shall solicit, accept, or agree to accept any gift or benefit for himself or herself of his or her business that reasonably tends to influence or reward official conduct; or that the officer or Board member knows or should know is being offered with the intent to influence or reward official conduct.

Disciplinary Rules Regarding Gifts

No officer or member of the Board shall:

- Accept, or agree to accept any gift or benefit, save and except for items or meals received that are of nominal value.

- Solicit any gift or benefit in conjunction with Corporation business.
- Retain any unsolicited gift or benefit having a value of \$50 or more without securing the opinion of the Corporation's general counsel that retaining the gift is legally and ethically permissible.
- Gifts to Closely Related Persons, officers and Board members shall take reasonable steps to persuade a parent, spouse, child, or other relative within the second degree of consanguinity or affinity, or an outside business associate not to solicit, accept, or agree to accept any gift or benefit; that reasonably tends to influence or reward the PCDC officer's or Board member's conduct, or accept any gift that the officer or Board member knows or should know is being offered with the intent to influence or reward the officer's or Board member's discharge of official duties.

Exceptions

Canon IV and the disciplinary rules regarding gifts do not apply to:

- gift to a PCDC officer or member of the Board relating to a special occasion, such as a wedding, anniversary, graduation, birth, illness, death, or holiday, provided that it is commensurate with the occasion and the relationship between the donor and recipient.
- Reimbursement of reasonable travel-related expenses authorized in accordance with PCDC policies.
- A public award or reward for meritorious service or professional achievement, provided that the award or reward is reasonable considering the occasion.
- A loan from a lending institution made in its regular course of business on the same terms generally available to the public.
- A scholarship or fellowship awarded in its regular course of business on the same terms generally available to the public.
- Admission to an event in which the PCDC officer or Board member is participating in connection with official duties: any solicitation for civic or charitable causes; admission to an event in which the officer or Board member is participating in connection with his or her spouse's position.
- Ceremonial and protocol gifts presented to representatives of other governmental entities and accepted for the Corporation.
- Admission to a widely attended event, such as a convention, conference, symposium, forum, panel discussion, dinner, viewing, reception or similar event, offered by the sponsor of the event, and unsolicited by the PCDC officer or Board member, provided that:
 - The officer or Board member participates in the event as a speaker or panel participant by presenting information related to matters related to the Corporation;

- The officer or Board member performs a ceremonial function appropriate to that individual's position with the Corporation; or
- Attendance at the event is appropriate to the performance of the official duties or representative function of the officer or Board member;
- Admission to a training or education program, including meals and refreshments furnished to all attendees, if such training is related to the officer or Board member's official duties;
- Admission to a training or education program, including meals and refreshments furnished to all attendees, if such training is related to the officer or Board member's official duties;
- Campaign Contribution Exception. The general rule stated in Canon IV does not apply to a campaign contribution made pursuant to the Texas Election Code.

Canon V
Disclosure and Use of Information

No officer or member of the Board shall:

Disclose confidential information acquired by him or her in the course of his or her official duties or use such information to further his or her personal interest.

Disciplinary Rules Regarding Disclosure of Information

No officer or member of the Board shall:

- Intentionally, knowingly, or recklessly disclose any confidential information gained because of said officer's or Board member's position.
- Disclose any information to any third party in violation of Non-Disclosure Agreement entered by the Corporation or which is confidential by law.
- Disclose to any third party proprietary or confidential information, legal advice, property values, or business plans or considerations of the Corporation that was discussed or revealed during an executive session of the Board.

Canon VI
Representation of Private Interests

No officer or member of the Board may represent any individual, group, or organization that is not officially affiliated with the Corporation or the City of Pflugerville when communicating to the Board, any Board member, or any Corporation staff responsible for making recommendations or taking actions on behalf of the Board or the Corporation.

Disciplinary Rules Regarding Representation of Private Interests

No officer or member of the Board shall:

- Represent for compensation any person, group, or entity, other than himself or herself or his or her spouse or minor children, before the Corporation. For purposes of this subsection, the term compensation means money or any other thing of value that is received or is to be received for such representation.
- Represent any person, group, or entity, other than himself or herself, or his or her spouse or minor children, in any litigation to which the Corporation is a party, if the interest of that person, group or entity are adverse to the interests of the Corporation.

Exceptions

It shall not be a violation of Canon VI or a disciplinary rule if an officer or Board member appears before the Corporation or Board on behalf of a person, group, or entity who is not a representative of the Corporation or the City of Pflugerville when the purpose of doing so is without compensation and is only to provide information about the person, group, or entity that is needed or useful to the Corporation in the transaction of the Corporation's business.

Canon VII

Use of Public Property

An officer or Board member shall not use, request, or permit the use of PCDC facilities, personnel, equipment, or supplies for a private purpose (including political purposes).

Disciplinary Rules Regarding Use of Public Property

No officer or member of the Board shall:

- Make available to the public, a person, or a private party any office space, meeting room, or other physical facility of the Corporation beyond the scope of the Room Usage Policy without the express approval of the Board.
- Utilize the services of an officer or employee of the Corporation during normal business hours of the Corporation for a purpose that benefits anyone other than the Corporation.
- Borrow, take, or use any equipment or supplies of the Corporation for a purpose that benefits anyone other than the Corporation.

Exceptions

It shall not be a violation of Canon VII or a disciplinary rule if an officer or Board member uses, requests, or permits the use of PCDC facilities, personnel, equipment, or supplies for a private purpose if doing so it:

- Pursuant to duly adopted PCDC policies; or
- To the extent and according to the terms that those resources are lawfully available to the public.

Canon VIII **Appearance of Impropriety**

No officer or member of the Board shall knowingly pursue a course of conduct which will raise suspicion among the public that he or she is likely to be engaged in actions that are a violation of his or her trust.

Disciplinary Rules Regarding Appearance of Impropriety

No officer or member of the Board shall:

- By his or her conduct give reasonable basis for the impression that any person can improperly influence him or her, unduly enjoy his or her favor in the performance of his or her official duties, or that he or she is affected by the kinship, rank, position or influence of any party or person.
- Take any official action that he or she knows is likely to affect the economic interests of the officer or Board member; his or her partner, child, spouse, or other family member within the second degree of consanguinity or affinity; his or her outside client; the outside employer of the officer or Board member or of his or her parent child, or spouse; or a business entity in which the officer or Board member holds an economic interest.

Complaints and Disciplinary Actions

- An officer or Board member who has knowledge of a violation of any of the 8 provisions of this Ethics Code shall report this violation as provided below within fifteen (15) business days after the person has knowledge of a violation. An officer or Board member shall not delegate to, or rely on, another person to make the report.
- Such report shall be made to the Executive Director of the Corporation unless the report is about the Executive Director, in which case the report shall be made to the President of the Board of Directors.
- Unless waived in writing by the person making the report, the identity of an individual making a report under this section is confidential and may be disclosed only to the proper authorities for the purposes of investigating the report; provided that such confidentiality shall terminate if the matter is placed on an agenda of the Board of Directors.
- The Executive Director shall conduct a thorough investigation of the complaint using personnel of the Corporation or an outside person or entity. In the event that the

Executive Director finds that the complaint has merit, he or she shall cause an item to be placed on the agenda of the Board of Directors as an executive session item under the exception for personnel or for advice of legal counsel if appropriate under the Open Meetings Act.

- Following consideration of the complaint and the results of the investigation by the Executive Director, the Board of Directors may:
 - Take no action;
 - Vote that the person who is the subject of the complaint be counseled by an appropriate person for the purpose of ensuring that person's understanding of the nature of his or her inappropriate action in order that the same will not be repeated;
 - Vote to verbally censure or reprimand the officer or Board member who is the subject of complaint;
 - Vote to adopt a resolution of censure or reprimand regarding the officer or Board member who is the subject of the complaint;
 - Vote to place a memorandum of censure or reprimand regarding the officer or Board member who is the subject of the complaint in the personnel file of the officer;
 - Vote to suspend the officer, for a specific period of time;
 - Vote to request the resignation of the Board member who is the subject of the complaint; or
 - Vote to refer the matter to the City Council with a request that the Board member who is subject to the complaint be removed from the Board.

Each officer and member of the Board shall accept, review and adhere to the International Economic Development Council (IEDC) Code of Ethics adopted in 2008 which is hereby attached as Exhibit A and incorporated herein, and as the same may hereafter be amended by the IEDC Board of Directors, provided that the IEDC Code of Ethics does not conflict with this Code.

EXHIBIT A:
INTERNATIONAL ECONOMIC DEVELOPMENT
CODE OF ETHICS



CODE OF ETHICS

The following code of ethics was established by the professional economic developers in the International Economic Development Council to ensure a high ethical standard for those involved in economic development.

PROFESSIONAL ECONOMIC DEVELOPERS SHALL:

1. Carry out their responsibilities in a manner to bring respect to the profession, the economic developer and the economic developer's constituencies.
2. Practice with integrity, honesty, and adherence to the trust placed in them both in fact and in appearance.
3. Hold themselves free of any interest, influence, or relationship in respect to any professional activity when dealing with clients which could impair professional judgement or objectivity or which in the reasonable view of the observer, has that effect.
4. Be mindful that they are representatives of the community and shall represent the overall community interest.
5. Keep the community, elected officials, boards and other stakeholders informed about the progress and efforts of the area's economic development program.
6. Maintain in confidence the affairs of any client, colleague or organization and shall not disclose confidential information obtained in the course of professional activities.
7. Openly share information with the governing body according to protocols established by that body. Such protocols shall be disclosed to clients and the public.
8. Cooperate with peers to the betterment of economic development technique, ability, and practice, and to strive to perfect themselves in their professional abilities through training and educational opportunities.
9. Assure that all economic development activities are conducted with equality of opportunity for all segments of the community without regard to race, religion, sex, sexual orientation, national origin, political affiliation, disability, age, marital status, or socioeconomic status.
10. Refrain from sexual harassment. Sexual harassment is defined as any unwelcome conduct of a sexual nature.
11. Not exploit the misfortune of federally declared disaster-impacted regions. This includes actively recruiting businesses from an affected community.
12. Abide by the principles established in this code and comply with the rules of professional conduct as promulgated by IEDC.