

## ETHICS CODES AND CODES OF CONDUCT

Presenters:

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The 3-legged stool of the huge cost of attaining State of Good Repair, DOT's Safety Initiative and the stated intent to increasingly rely on the private sector to build and re-build infrastructure means that there will be heightened emphasis on innovative financing and Public Private Partnerships.

The FTA Master Agreement requires recipients of transit Funds to establish and maintain written Standards of Conduct covering Conflict of Interest that apply to certain individuals who have a present or potential financial interest, or other significant interest, such as a present or potential employment interest in the selection, award or administration of a third-party contract or subcontract.

Among other things, the Standards of Conduct must prohibit certain individuals from engaging in any activities, including selection, award, or administration of a third party contract in which the individual has a present or potential financial or other potential or other significant interest; and from accepting a gratuity, favor, or anything of monetary value from a present or potential Third Party Participant in the Recipient's underlying Project "unless the gift is unsolicited and has an insubstantial financial or nominal intrinsic value.

A significant objective of an effective Ethics Codes is that there be no secret dealings.

Organizational Conflicts of Interest and Gift Policies are important components of Standards of Conduct.

This interactive Ethics Session will present actual ethics scenarios encountered by transit agencies and their counsel.

## FTA Master Agreement MA (23) 10-1-16

1. The Standards of Conduct must apply to the Recipients' officers, employees, board members or agents engaged in the selection, award, or administration of any third-party agreement;
  - a. the immediate family members or partners of the foregoing.
  - b. And any entity that employs or is about to employ any person who has such a relationship with the Recipient.
2. Among other things, the Standards of Conduct must prohibit these individuals from:
  - a. Engaging in any activities, including selection, award, or administration of a third-party contract in which the individual has a present or potential financial or other potential or other significant interest; and
  - b. Accepting a gratuity, favor, or anything of monetary value from a present or potential Third Party Participant in the Recipient's underlying Project "unless the gift is unsolicited and has an insubstantial financial or nominal intrinsic value.
3. A significant objective: No Secret Dealings.
4. An important component of Standards of Conduct—Gift Policies.

--[NYC] several very high ranking officials lost their jobs. A new Gift Policy was adopted: a sign in the Procurement Office states "we appreciate your understanding as to why we can't accept holiday gifts."