

HOUSING AUTHORITY OF THE CITY OF LUMBERTON CODE OF ETHICS AND STANDARDS OF CONDUCT

INTRODUCTION

Public confidence in the Housing Authority of the City of Lumberton (HACL) is essential to the achievement of its mission to provide decent, safe and sanitary housing for low and moderate income citizens. The Code of Ethics and Standards of Conduct (Code of Ethics) is designed to ensure public trust and confidence in the policies and procedures of HACL. HACL is committed to conducting all business in an ethical manner. HACL is further committed to conducting all business affairs in accordance with federal, state and local law, the Codes of Federal Regulations, the HACL Personnel Policies, the HCV Guidebook, and the Annual Contributions Contract (ACC).

A. Applicability

The provisions contained herein shall apply to all HACL employees, officers and agents of HACL, during their employment, tenure, or agency relationship, and after their employment, tenure, or agency relationship, and after their employment, tenure or agency relationship where indicated.

In the event of a conflict between this Code of Ethics and Standards of Conduct and applicable federal, state, or local law, Statement of Personnel Policies or the ACC, whichever is the stricter standard shall prevail unless the more lenient standard is one embodied in a law which by its express terms or by judicial construction preempt any other standard.

B. Definitions

Defined by words and phrases [indicated by capitalization of their first letter(s)] shall have the meanings set out herein. Generally, unless noted, words in the singular number shall include the plural and words in plural shall include the singular. The words "he" and "his" shall be interpreted to mean "he" or "she" and "his" or "hers" as necessary.

"Agent" shall mean any individual authorized by HACL to act on behalf of or represent HACL under contract or relation of agency

"Authority" or HACL shall mean the Housing Authority of the City of Lumberton or HACL shall be further defined to include (1) any sub-grantee of the Authority as defined in 24CFR §85.3 or (2) any person or entity in the nature of a sub-grantee of the Authority (such as a resident or resident organization), if the Authority supplies funding in whole or in part for the activity conducted by the sub-grantee (or person or entity in the nature of a sub-grantee) which gives rise to interest.

"Business Entity" means any business, proprietorships, firm, partnership, person in a representative or fiduciary capacity, association, venture, trust, corporation, limited liability business association of any sort, or any other organization or group of one or more persons or entities which is formed, conducted, or organized for financial gain.

"Claim" shall mean any demand, written or oral, made upon the Authority to fulfill an obligation arising from the law or equity.

“Commissioner” shall mean one of the persons comprising the Board of Commissioners for the Authority.

“Contract” shall mean any legal obligation to do or to refrain from doing something arising from an exchange of promises or consideration between persons, regardless of the particular form in which it started.

“Employee” shall mean any person appointed or hired by the Authority, whether full or part-time, seasonal or temporary, paid or unpaid, on a fixed or unfixed term, probationary, provisional or regular status.

“Immediate Family Member” shall mean any sibling, spouse, parent or child of a person, (whether related as a full blood relative, or as a “half” or “step” relative, e.g. a half brother or stepchild).

“Interest” shall mean a benefit or advantage of an economic or tangible nature.

“Officer” shall mean a person charged with important functions of management such as the Executive Director.

“Person” shall mean any individual, Business Entity, or other organization or association, and may include a Commissioner or Employee of the Authority.

“Relative” shall mean sibling, spouse, parent or child (whether related as a full blood relative, or as a half or step relative, e.g. a half-brother or stepchild), uncle, aunt, first cousin, nephew, niece, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law.

“Enrollee” shall broadly mean any applicant, tenant, or program participant whether in Conventional Housing, Leasing Program, or any other programs, currently operated or will be operated by the Housing Authority. Specifically, an “Enrollee” shall be a person who either expects to receive, or is receiving some form of housing assistance from the Authority.

C. Conflict of Interest

Employees, Officers and Agents shall exercise good faith in conducting business of HACL and shall not knowingly engage in any activity that creates a conflict of interest between their personal financial interest, the financial interest of a family member, or the interests of any business organization with which the Employee(s) Officer, Agent is associated, and their duties as an Employee, Officer or Agent of HACL.

1. Selection of Contract

Employees, Officers and Agents shall employ the highest standards in selecting, negotiating, and approving contracts, and shall comply with all federal, state and local laws and regulations, the HACL Procurement Policies and the HACL Statement of Personnel Policies and Procedures.

No Employee, Officer or Agent of HACL shall participate directly or indirectly in the selection or in the award or in the administration of any contract if a conflict of interest, real or apparent, would be involved or created. Such a conflict would arise when (1) the Employee, Officer, or Agent, or (2) his relative, as defined in Section III(k) or (3) his

partner, or (4) an organization which employs, or is about to employ any of the above, has a financial interest in the firm selected for the award.

2. Interest in Contracts with HACL

The following classes of people shall not have an interest in any contract or agreement with HACL during their employment, tenure or service with HACL:

- Officers or Agents, or any member of their immediate families;
- Employees who formulate policies or influence decisions with respect to the contract agreement, or any member of said employee's immediate family.

Should such interest exist, the interest must be disclosed to HACL and HUD. Failure to disclose said interest may result in action up to termination of employment, tenure or service with HACL.

Notwithstanding the foregoing, this section may be waived by HUD for good cause, if permitted under state and local law.

3. Interest in Contracts with Third Parties

No Employee, Officer or Agent shall have or enter into any contract with any person who has or enters into a contract with the Authority unless:

- The contract between the person and the Authority is awarded pursuant to competitive bidding procedures and/or procurement and purchasing policies as outlined in regulations promulgated by HUD, North Carolina General Statutes (NCGS) governing Public Bidding Contracts, (Article 8 of Chapter 143 of NCGS; and also Chapter 157), and internal bidding and purchasing procedures developed by HACL; or
- The Contract between the person and the Authority is one in which the Employee, Officer or Agent has no Interest, has no duties or responsibilities; or if the Contract with the person is one which the Employee, Officer, of Agent entered into prior to employment or service with HACL, he abstains from any performance of duties or responsibilities, and exercises or attempts to exercise no influence.

4. Interest in Contracts for Materials or Services

No employee shall acquire or have any Interest, direct or indirect, in any Contract or proposed Contract for materials or services to be furnished or used by HACL.

If any Employee of HACL owns or controls an Interest, direct or indirect in any property included or planned to be included in any housing project, he shall immediately disclose the same thing in writing to HACL and such disclosure shall be entered upon the minutes of the meeting of the Commissioners. Failure to so disclose such interest shall constitute misconduct.

5. Selling Supplies, Services or Construction

No Employee, Officer, or Agent shall engage in selling or attempting to sell supplies, services, or construction to HACL during his tenure, service or agency and for one year

following such tenure, service or agency. The term "sell" means signing a bid or proposal, negotiating a contract, contacting any HACL Commissioner, Employee, Officer or Agent for the purpose of obtaining, negotiating, or discussing changes to the specifications, price, cost allowances, or other terms of a contract, settling contract disputes, or any other liaison activity with a view toward the ultimate consummation of a sale, although the actual contract is negotiated by another person.

D. USE OF OFFICIAL POSITION

No Employee, Officer or Agent shall use his official position or the Authority's facilities for his private Interest or gain, nor shall he use or permit the use of HACL equipment, materials or property, including but not limited to HACL-owned vehicles, for the convenience or profit of himself or any other person.

E. CONDUCT

Employees, Officer and Agents shall make good faith efforts to maintain a fair, safe and healthy environment at HACL, free from harassment, intimidation, substance abuse, violence, bias and discrimination, and they shall not participate in any activity that is contrary to the best interest of HACL.

F. OUTSIDE ACTIVITIES

No Employee of the Authority shall have any employment or engage in any business or commercial transaction, or engage in any professional activity, or incur any obligation in which directly or indirectly, he would have an interest that would impair his independent judgment or action in the performance of his official duties or that would be in conflict with the performance of his official duties.

No Employee, Officer or Agent shall request any person in business negotiations, judicial or administrative action or procedures, to which the Authority may be a party. Employees have an affirmative obligation to immediately disclose their status as a recipient of housing assistance or as a lessor/lessor's agent participating in HACL's Programs.

G. USE AND DISCLOSURE INFORMATION

No Employee, Officer or Agent shall use or disclose confidential information gained in the course of , or by reason of his official position, for purposes advancing:

- a) His financial or personal interest;
- b) A business entity of which he is an owner (in part or in whole), an officer or director;
or
- c) The financial or personal interest of a member of his immediate family or that of any other person

Confidential information includes but is not limited to, the contents of a bid proposal if designated by the bidder as proprietary or confidential pursuant to applicable law.

In addition, No Employee, Officer or Agent shall disclose without proper authorization non-public information or records concerning any aspects of the operation of the Authority. Non-public information shall include but not be limited to personnel records maintained on

Employees of the Authority. Information relative to Employees' of the Authority shall be released in accordance with law.

H. GIFTS AND GRATUITIES

No Employee, Officer or Agent shall directly or indirectly solicit, accept, or agree to accept any of the following:

- Gifts
- Gratuities
- Favors
- Items of greater than \$25 (nominal) in value in the form of anything or promise, from any vendor, contractor, potential contractor, parties to sub-agreements, or from any other interested parties seeking to do business with HACL including but not limited to:
 - Money
 - Services
 - Loans
 - Travel
 - Entertainment
 - Hospitality

I. SPECIAL TREATMENT

No Employee, Officer or Agent shall grant any special consideration, preferential treatment or advantage while acting in the performance of his official duties to any person, agency or organization.

J. COMPLAINTS OF VIOLATIONS

Any person who believes that a violation of this Code of Ethics has occurred may file a written complaint (a) with the Board of Commissioners when or the Executive Director is the subject of the complaint; or (b) with the Executive Director when an Employee (other than the Executive Director), Officer or Agent is the subject of the complaint.

K. VIOLATIONS

Failure of Employees, Officers or Agents of HACL to comply with this Code of Ethics will result in disciplinary action in accordance with HACL's Statement of Personnel Policies, up to and including termination from employment.

If a violation of this Code of Conduct by the Executive Director is suspected, the Board of Commissioners may schedule a hearing on the matter. The Executive Director who is charged with the violation shall have the right to present evidence, cross-examine witnesses, including the complainant or complainants, and may be represented by legal counsel at the hearing.

At the conclusion of the hearing, the Board of Commissioners shall vote on whether a violation of the Code of Ethics has occurred. If at least a simple majority of the total number of members of the Board of Commissioners vote to find a violation has occurred as to the Executive Director take whatever lawful disciplinary action may be deemed appropriate, including but not limited to, reprimand, suspension, demotion or termination of employment. In addition to the foregoing provisions, the Board of Commissioners or the Executive Director, as the case may be, may refer any matter involving a violation of law to the appropriate law enforcement officials for prosecution at any time, whether or not the procedures herein have been completed, and without prejudice to the rights of any party under any procedure in the Code of Ethics.

A handwritten signature in dark ink, appearing to read "Lemark Harris", written over a horizontal line.

Mr. Lemark Harris, Interim Executive Director