

Standards of Fiscal Conduct

Purpose

Economic Security Corporation has a responsibility to ensure that funds entrusted to the Agency's care are managed efficiently, distributed fairly and protected from fraud, abuse and other forms of inappropriate use. The Standards of Fiscal Conduct sets expectations and provides guidance for representatives of the Agency in carrying out their assigned duties.

Applicability

The *Standards of Fiscal Conduct* apply to all employees, Board members and other representatives of the Agency.

1. Fair Dealing

Representatives of the Agency are expected to conduct themselves ethically, honestly and with integrity in all dealings. This means principles of fairness, good faith and respect consistent with laws, regulations and Agency policies govern our conduct. Each situation needs to be examined in accordance with the *Standards of Fiscal Conduct*. No unlawful practice or a practice at odds with these standards can be justified on the basis of customary practice, expediency, or achieving a "higher" purpose.

2. Individual Responsibility and Accountability

Representatives of the Agency are expected to exercise responsibility appropriate to their position. They are responsible to the Agency, the community and the Agency's funding sources both for their actions and their decisions not to act. Each individual is expected to conduct the business of the Agency in accordance with the *Standards of Fiscal Conduct*, exercising sound judgment and serving the best interests of the Agency and the community.

3. Compliance with Applicable Laws and Regulations

Agency business is to be conducted in conformance with state and federal legal requirements and accompanying regulations, including contractual commitments undertaken by only by individuals authorized to bind the Agency to such commitments. Only the Chief Executive Officer or the Board Chairperson may enter into contracts or legal agreements. Bank accounts cannot be opened on behalf of the Agency without prior Board approval.

4. Compliance with Applicable Agency Policies, Procedures and Other Forms of Guidance

Representatives of the Agency are expected to transact all Agency business in conformance with policies and procedures and accordingly have an obligation to become familiar with those that bear on their areas of responsibility. Each person is expected to seek clarification on a policy or other

Agency directive he or she finds to be unclear, outdated or at odds with Agency objectives. It is not acceptable to ignore or disobey policies if one is not in agreement with them, or to avoid compliance by deliberately seeking loopholes. Following is a list of the principal policies and reference materials available in support of this standard:

- *Administrative Policies*
- *Fiscal Policies*
- *Department Policies*
- *Personnel Policies*
- *Agency policies on nondiscrimination, harassment and affirmative action*

5. Conflicts of Interest

Agency representatives who have certain personal, professional or financial interests are expected to disclose them in order to avoid actual, potential or perceived conflicts of interest. Representatives of the Agency may not receive gifts or incentives from clients. Representatives of the Agency may not receive gifts or incentives valued over \$30 from vendors. In all matters, Agency representatives are expected to take appropriate steps, including consultation if issues are unclear, to avoid both conflicts of interest and the appearance of such conflicts. Potential, actual or perceived conflicts of interest must be reported to the Division Director, the Deputy Director or Chief Executive Officer.

6. Records: Confidentiality/Privacy and Access

The Agency is the custodian of many types of information, including that which is confidential, proprietary and private. Individuals who have access to such information are expected to be familiar and to comply with applicable laws, Agency policies and directives pertaining to access, use, protection and disclosure of such information.

7. Internal Controls

Internal controls are the processes employed to help ensure that the Agency's business is carried out in accordance with these *Standards*, Agency policies and procedures, applicable laws and regulations and sound business practices. They help to promote efficient operations, accurate financial reporting, protection of assets and responsible fiscal management. All representatives of the Agency are responsible for internal controls. Each Division Director is specifically responsible for ensuring that internal controls are established, properly documented and maintained for activities within their jurisdiction. Any individual entrusted with funds is responsible for ensuring that adequate internal controls exist over the use and accountability of such funds.

8. Use of Agency Resources

Agency resources may only be used for activities on behalf of the Agency. They may not be used for private gain or personal purposes except in limited circumstances permitted by existing policy where incidental personal use does not conflict with, and is reasonable in relation to Agency duties. Representatives of the Agency are expected to treat Agency property with care and to adhere to

laws, policies and procedures for the acquisition, use, maintenance, record keeping and disposal of property.

9. Financial Reporting

All Agency accounting and financial records, expense reports, time sheets and other documents including those submitted to government agencies must be accurate, clear and complete. All published financial reports will make full, fair, accurate, timely and understandable disclosures as required under generally accepted accounting principles for government entities, bond covenant agreements and other requirements.

10. Reporting Violations

As part of good internal controls, representatives of the Agency are strongly encouraged to report all known or suspected improper activities. Employees who violate terms in this code of conduct will be subject to disciplinary action up to and including termination.

I acknowledge that I have received a copy of the Standards of Fiscal Conduct for Economic Security Corporation. I understand I have the opportunity and responsibility to seek clarification on any areas of these Standards that are unclear to me.

Agency Representative Signature

Date

Print Name Here