
Code of Ethics

The Housing Authority of the County of DeKalb

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Preface

In accordance with the U.S. Department of Housing and Urban Development (a/k/a HUD), Standards of Conduct, as set forth in 24 CFR Part O, and Section 515 "Conflict of Interest" of the Annual Contributions Contract executed between HUD and the Housing Authority of the County of Dekalb (a/k/a "HACD" or "Authority"), and under the mandate of HUD Procurement Handbook No. 7460.8, Section 2-6 which requires all PHAs to maintain a written standard of conduct to govern officers, employees or agents employed in the award and administration of contracts, the HACD Board of Commissioners hereby resolve to enact a Code of Ethics that shall apply to all employees of the HACD and to all members of the HACD Board of Commissioners.

Purpose

The purpose of this Code of Ethics shall be to ensure the highest standards of behavior in the conduct of HACD Commissioners and employees, who, as members of a public corporation, hold positions of public trust. This Code of Ethics is an effort to provide HACD Commissioners/employees with guidelines to help them: to evaluate potential ethical problems before they have developed; to avoid potential conflict of interest situations; and to recognize and change behaviors not compatible with an employee's position of public trust.

Goals

The goals of the HACD Code of Ethics shall be:

1. To ensure and maintain public confidence in the integrity of the employees and operations of the HACD.
2. To ensure the accountability of the HACD to the people it serves.
3. To provide a system for the fair and effective enforcement of this Code of Ethics and a mechanism for sanctions and other disciplinary actions against Commissioners or employees who violate the Standards of Conduct.

Definitions

"Agent" shall mean any employee of the Authority (whether full or part time) acting in his or her official capacity is an agent of the Authority.

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

"Commissioner" shall mean one of the persons serving on the Board of Commissioners of the Authority.

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"Contract" shall mean any obligation to do something arising from an exchange of promises or consideration between persons, regardless of the particular form in which it is stated.

"Conventional" shall mean those housing programs operated by the Authority, which are broadly considered part of the "conventional public housing program." This shall include but not be limited to, such programs as Public Housing, Housing Choice Voucher, the Capital Fund Program, etc.

"Employee" shall mean any person appointed or hired, whether full or part time, seasonal, temporary, paid or unpaid, on a fixed or unfixed term, provisional or permanent.

"Enrollee" shall broadly mean any applicant, resident, or program participant in any program operated by the Authority. Specifically, an "enrollee" shall be a person who expects to receive, or is receiving, some form of assistance from the Authority.

"Family" shall mean the spouse, father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, nephew, niece, husband, wife, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half brother, or half sister, or a person living in a stable family relationship.

"Interest" shall mean a benefit or advantage of an economic or tangible nature that a person or a member of his or her family would gain or lose as a result of any decision, or action or omission to decide or act, on the part of the Authority, its Board, or employees.

"Leasing program" shall mean programs operated by HACD that are broadly included within the Housing Choice Voucher Program or the Project Based Voucher Program. Unless otherwise noted, the provisions contained herein shall apply equally to both the "Leasing" and the "Conventional" programs of the Authority.

"Person" shall mean any individual, corporation, partnership, business entity, association, organization, and may include an Authority employee.

"Public Information" shall mean information obtainable pursuant to the Freedom of Information Act and Authority guidelines adopted pursuant thereto.

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External Vendors

The Housing Authority of the County of DeKalb, in establishing standards of conduct for its employees and commissioners, recognizes the importance of establishing standards of conduct for external vendors and suppliers of products and/or services to the Authority. While the Authority cannot mandate the internal conduct or policies of vendors, it nevertheless requires that vendors and suppliers adhere to certain basic principles in conducting business with the Authority. Specifically, these principles include:

- A. No direct or indirect personal inducement of Authority employees. This includes the giving of gifts, money, tickets or any item or service having value.
- B. No direct or indirect inducement of members of the Board of Commissioners. This shall include the same provisions covering employees, except that it is recognized that in the course of business dealings, there may be times when meals and/or visits may be arranged. In such cases, such events should be reported to the Chairman of the Board, with the nature of the visit explained.

It is expected that vendors or suppliers of professional services to the Authority will be governed by the Code of Ethics to which their particular profession prescribes.

Any vendor or supplier found in violation of Authority policy shall be barred from future business dealings with the Authority. The Authority reserves the right to have vendors and suppliers sign a statement of compliance with the standards of conduct of the Authority.

Ethical Standards for Employees

No employee of HACD 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 or she would have an interest that would impair his or her independence of judgment or action in the performance of his or her official duties or that would be in conflict with the performance of his or her official duties.

No employee shall have or enter into any contract with any person who has or enters into a contract with the Authority unless:

- A. The contract between the person and the Authority is awarded pursuant to competitive bidding procedures and/or purchasing policies as outlined in regulations promulgated by the U.S. Department of Housing and Urban Development (HUD), state law, and the Authority's Procurement Policy; or

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- B. The contract between the person and the Authority is one in which the Authority employee has no interest, has no duties or responsibilities, or if the contract with the person is one which the Authority employee entered into prior to becoming an employee.

There shall be no preferential treatment given by an employee of the Authority acting in performance of his or her official duties to any person, agency or organization.

No Authority employee shall use or permit the use of Authority-owned vehicles, equipment, materials or property for the convenience or profit of himself, herself, or any other person. However this provision shall not apply in the case of usage for "diminutive" purposes, i.e., purposes which in and of themselves should not be construed as abuse of Authority property.

No Authority employee shall solicit any gift or consideration of any kind, nor shall any Authority employee accept or receive a gift having value in excess of \$25.00 regardless of the form of the gift, from any person who has an interest in any matter proposed or pending before the Authority.

No authority employee acting individually can bind the housing authority by any action or verbal representation.

No Authority employee shall disclose without proper authorization non-public information or records concerning any aspects of the operation of the Authority, nor shall he or she use such information to the advantage or benefit of himself, herself, or any other person. This shall include records maintained on enrollees of the Authority, for whom a properly executed release of information form shall be obtained and kept in the client file. The release of any information relative to enrollees of the Authority shall be done pursuant to government regulations allowing the release of information among government agencies or agencies receiving government subsidy, shall be done following prescribed methods of requesting and transmitting such information, and shall be done with full knowledge of the enrollee except in those cases where through action of law the enrollee's knowledge is not required.

No Authority employee currently employed shall represent any person, other than himself, in business negotiations, judicial or administrative actions or procedures, to which the Authority may be a party.

No former employee of the Authority shall personally represent any person in a matter in which the former employee personally participated while employed by the Authority for one year, if such representation would be adverse to the interests of the Authority. This provision shall not, however, bar the timely filing by a current or former employee, of any claim, account, demand, or suit arising out of personal injury, property damage, or any benefit authorized or permitted by law.

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No member of the family of any Authority employee shall be appointed or hired to serve under the direct supervision or authority of that employee, and in no event shall any Authority employee participate in the decision-making regarding employment or contract for services of any family member.

No Authority employee shall have an interest in a contract between any person and the Authority, except that this provision shall not apply if the contract was entered into prior to the employee's hire by the Authority; the employee discloses his or her interest in the contract prior to employment; and after employment, the employee has no power to authorize or approve payment under the contract, monitor performance or compliance under the contract, or audit bills or claims under the contract and the compensation of the employee will not be affected by the contract.

No Authority employee shall have any employment, engage in any business or commercial transaction, or engage in any professional activity in which, directly or indirectly, he or she would have an interest that would impair his or her independence of judgment or action in the performance of his or her duties with the Authority or that would be in conflict with his or her duties at the Authority.

No employee of the Authority shall discuss, vote upon, decide or take part in (formally or informally) any matter before the Authority in which he or she has an interest. Exception shall be made in the case of an employee whose interest in the matter is minimal (e.g. an employee helping decide on a new telephone system owns 100 shares of AT&T stock), provided the employee shall fully and specifically describe his or her interest, in writing, and the underlying basis of it, whether it be ownership, investment, contract, claim, employment or family relationship, to his or her immediate supervisor prior to the employee's participation.

Any matter decided on, contracted, adjudicated, or in any way acted upon by an employee who does not disclose a personal interest either in the matter, or in any person or organization having an interest in the matter, may be considered null and void by the Authority.

No employee of the Authority shall be permitted to participate as a lessor or lessor's agent in the leasing programs. Similarly, no member of the Board of Commissioners in his or her individual capacity shall be a lessor or lessor's agent. These prohibitions, however, shall not apply where the employee or Commissioner is a principal in a not-for-profit or charitable, educational, or humanitarian agency or organization that may own or manage housing for rental purposes.

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Ethical Standards for Commissioners

The Board of Commissioners of the Housing Authority of the County of DeKalb is the architect of policy governing the operations of the Authority and retains legal and fiscal responsibility for the Authority. Recognizing that the Commissioners are chosen from a broad range of fields and professions and community interests renders difficult the circumscription of external interests and activities of the Commissioners. It is the intent that, insofar as is possible, the members of the Board of Commissioners are generally enjoined to follow the standards of conduct which are outlined in the Code of Ethics for employees. Further, it is expected that a Commissioner will voluntarily and fully outline his or her personal interests and potential conflicts of interest prior to assuming their seat on the board. Such a statement should be submitted to the Board Chairman within ninety (90) days of the Commissioner's appointment. For Commissioners currently serving, such an updated statement shall be developed within ninety (90) days of their re-appointment for a new term.

- A. Any current or past contact in, or interest in, activities or programs of the Authority, including, but not limited to, any contracts previously bid and let, familial relationships with any staff or other board members, or any consultative or professional contracts.
 - 1. No Commissioner shall vote, decide on, or discuss any matter before the Board if that Commissioner has an interest in the matter, except that:
 - a. A Commissioner having interest through a voluntary association with the person or organization may be allowed to discuss the matter.
 - b. If the matter concerns a person or organization with which the Commissioner had former contact, and that former contact existed either prior to his or her selection, or occurred at least two years prior to the current discussion of the matter, the Commissioner may freely act.
 - 2. No Commissioner may use his or her position on the Board to intimidate, coerce, persuade or otherwise influence any of the activities or employees of the Authority.

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Fraud

The Housing Authority of the County of DeKalb by its Board of Commissioners, Executive Director and Staff are responsible for the detection and prevention of fraud, misappropriations, and other inappropriate conduct. This applies to any fraud, theft, waste or abuse or suspected fraud, theft, waste, or abuse involving any Commissioner, employee consultant, vendor, contractor, or outside agency doing business with the HACD or in any other relationship with the HACD.

Specifics relating to fraud, theft, waste or abuse are supported and supplemented by a variety of existing policies and procedures including the Personnel Policy, Annual Contributions contract, EIV, the Housing Choice Voucher Administrative Plan, the Public Housing Admissions and Continued Occupancy Policy and various accounting and reporting procedures. These policies and procedures further provide a framework to support compliance with this policy. **HACD does not tolerate any type of fraud, waste or abuse.** The agency's policy is to promote consistent, legal and ethical organizational behavior.

Failure to comply subjects an employee to disciplinary action, including immediate termination. Failure to comply by a consultant, vendor, contractor, our outside agency, or person doing business with HACD or in any other relationship with HACD could result in cancellation of the business or other relationship between the entity and HACD. HACD will pursue prosecution if the results of an investigation indicate the possibility of criminal activity.

Definitions and Examples of Fraud, Waste, and Abuse

"Fraud" is defined as an intentional deception designated to obtain a benefit or advantage or to cause some benefit that is due to be denied. Examples of fraud include:

- Any dishonest or fraudulent act
- Forgery or alteration of any document or account belonging to the Housing Authority of the County of DeKalb
- Forgery or alteration of a check, bank draft, or any other financial document
- Misappropriation of funds, supplies, or other assets
- Impropriety in the handling or reporting of money or financial transactions
- Profiteering as a result of insider knowledge of company activities
- Accepting or seeking anything of material value from contractors, vendors or persons providing services/materials to the Housing Authority of the County of DeKalb (material value being defined as a value in excess of \$50).
- Destruction, removal or inappropriate use of records, furniture, fixtures, and equipment
- Any similar or related inappropriate conduct

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“*Waste*” is the loss or misuse of the HACD resources that results from deficient practices, system controls, or decisions. An example is purposely not taking advantage of early bird conference registration discounts.

“*Abuse*” is the intentional, wrongful, or improper use of resources or misuse of rank, position, or authority that causes the loss or misuse of resources such as tools, vehicles, computers, copy machines, etc. Examples of abuse include, but are not limited to:

- Using HACD equipment or supplies to conduct personal business; and
- An employee using non-confidential client information to get new customers for his/her outside business.

“*Theft*” is defined as the act of taking something from someone unlawfully. An example of theft is taking home a tool or other piece of equipment belonging to the HACD and keeping it for personal use.

Responsibility to Report Suspected Fraud

Each employee is required to report any suspected fraud, theft, waste, or abuse or other dishonest conduct to the Executive Director.

Each employee is required to report any suspected fraud, theft, waste, or abuse or other dishonest conduct of the Executive Director to the Board Chairperson.

Each employee is required to report any suspected fraud, theft, waste or abuse or other dishonest conduct of any Commissioner to the DeKalb County Board Chairman.

The Executive Director has the authority to determine the merits of a report of suspected fraud including obtaining, if necessary, the assistance of the HACD Attorney.

The identity of an employee or complainant who reports suspected fraud will be protected to the full extent allowed by law. Suspected improprieties and or misconduct concerning an employee’s ethical conduct should be reported in the same manner and to the same reporting entity as fraud, theft, waste, abuse or other dishonest conduct.

Inappropriate employee conduct that does not constitute fraud or criminal activities are considered personal improprieties, and, as such, should be resolved by management. Examples of personal improprieties are an employee’s immoral, unethical, or inappropriate behavioral conduct. Any questions as to whether an action constitutes fraud, should be directed to the Housing Authority’s Legal Counsel.

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The Executive Director and the Housing Authority's Legal Counsel shall treat all information received confidentially. Any employee who suspects dishonest or fraudulent activity will notify the Executive Director or the Housing Authority's Legal Counsel immediately, and should not attempt to personally conduct investigations or interviews/interrogations related to any suspected fraudulent act.

Guidelines for Handling a Report of Suspected Fraud, Theft, Waste, or Abuse

Whether the initial report is made to the Executive Director, Board Chairperson or County Board, the reporting individual should receive the following instruction and information:

- Do not contact the suspected individual in an effort to determine facts or demand restitution.
- Allow the investigative body to conduct the investigation. Do not further investigate the allegations.
- Observe strict confidentiality. Do not discuss the case, facts, suspicions, or allegations with anyone else unless specifically asked to do so by the investigative body, police, HACD Attorney, or the Office of the Inspector General.
- Retaliation will not be tolerated. The HACD will not tolerate any form of retaliation against individuals providing information concerning fraud or suspected fraud.
- Every effort will be made to protect the rights and the reputations of everyone involved including the individual who in good faith alleges perceived misconduct as well as the alleged violator(s).
- The identity of an employee or other individual who reports a suspected act of fraud will be protected as provided by this policy.

Responsibility of the Executive Director

The Executive Director, in consultation with HUD and Fiscal Auditor, shall evaluate the risks of fraud and implement processes, procedures and controls to mitigate those risks. Neither fraudulent financial reporting nor misappropriation of assets can occur without a perceived opportunity to commit and conceal the act. The Executive Director will be proactive in reducing fraud opportunities by:

- Identifying and measuring fraud risks;
- Taking steps to mitigate identified risks; and
- Implementing and monitoring appropriate preventative and detective internal controls and other deterrent measures.

The Executive Director shall serve as the primary Ethics Officer for the HACD. On receiving a report of fraud, the Executive Director shall document the contact and conduct a preliminary investigation to determine the credibility of the report. If the report is credible, the Executive Director shall follow the investigation guidelines provided in this policy.

The Executive Director shall make every effort to protect the rights and the reputations of everyone

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involved in the report of suspected fraud, including the individual who in good faith alleges perceived misconduct as well as the alleged violator(s). The Executive Director also shall make every effort to protect the identity of a person who in good faith reported the suspected fraud. However, disciplinary action may be taken as provided by this policy if a report is made in bad faith.

The Executive Director may find it necessary to involve outside agencies to assist the investigation and may refer questions as to whether the action constitutes fraud to the agency's auditor or attorney, as appropriate.

On determining that a report is not credible or is not a report of fraud, the Executive Director shall document this determination. The Executive Director's documentation shall include support for the determination. The Executive Director is responsible for the administration, interpretation, and application of this policy. The Board of Commissioners is responsible for policy adoptions and revisions.

Guidelines for the Investigation of Suspected Fraud

The Executive Director is responsible for the investigation of reported wrongdoing and all suspected fraud and for coordinating investigative activities. Each employee involved in an investigation of suspected fraud shall keep the content of the investigation strictly confidential to the full extent provided by law. Investigation results shall not be disclosed or discussed with anyone other than those who have a legitimate need to know.

Any required investigative activity shall be conducted without regard to the suspected wrongdoer's length of service, position/title, relationship to the HACD, or any other perceived mitigating circumstance.

The Executive Director shall maintain appropriate documentation regarding incidents of fraud. The Executive Director shall develop and maintain guidelines for access to and security of this documentation, until a determination is filed.

If an investigation substantiates fraudulent activities, the Executive Director will prepare an incident report to the Board of Commissioners. The Executive Director shall prepare the report as soon as possible after the fraud is confirmed and shall document the content of the investigation, the findings, and any disciplinary action taken as a result of the finding.

If an investigation substantiated fraudulent activities of a possible criminal nature, the Executive Director shall determine, in consultation with the Board of Commissioners, HUD, Agency's Attorney and/or the Office of the Attorney General, whether to refer the matter to law enforcement and/or at what level.

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Any inquiries from the suspected individual, his or her attorney/representative, or any other inquirer shall be directed to the Executive Director. If necessary, the Executive Director will refer these inquiries to the HACD Attorney.

The Board Chairperson is responsible for the investigation of any reported wrongdoing by the Executive Director. The Board Chairperson shall follow the same procedures that have been established for the Executive Director to follow when investigating and addressing possible wrongdoing. The Board Chairperson shall advise the other members of the Board of Commissioners about the allegations and provide them with periodic updates on the status of the investigation. The Board Chairperson may also choose to appoint one or more Commissioners to assist with the investigation. Each Commissioner is bound by the same requirements for strict confidentiality.

Any reported wrongdoing by a member(s) of the Board of Commissioners shall be investigated by the County Board Chairman in accordance with the policies of the DeKalb County Government.

Disciplinary Action

Failure to comply with any part of this policy will be grounds for disciplinary actions, including immediate termination. An employee who:

- Has engaged in any form of fraud, waste, or abuse;
- Suspects or discovers fraudulent activity and fails to report his or her suspicions as required by this policy; or
- Intentionally reports false or misleading information.

Any member of management who does not pass on to the Executive Director each and every report of suspected fraud made by an employee or other person is subject to disciplinary action, including immediate termination. Any losses from fraud will be recovered, if necessary, through civil action.

Client Fraud within the Assisted Housing Programs

The HACD has developed very specific procedures and guidelines for dealing with fraud by clients of its assisted housing programs. These standards are contained in the *Admissions and Continued Occupancy Policy* for the Public Housing Program and the *Administrative Plan* for the Housing Choice Voucher Program. HACD will take one or more of the following actions whenever it reaches a positive determination:

- Enter into a repayment agreement;
- Terminate assistance (Housing Choice Voucher Program);
- Terminate tenancy and evict (Public Housing Program);

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- Seek recovery of any excess subsidies including damages & legal costs through the civil courts; and/or
- Refer the matter to the Office of the Inspector General.