

**BOULDER HOUSING PARTNERS
ETHICAL STANDARDS OF CONDUCT POLICY**

I. STATEMENT OF PURPOSE AND APPLICATION

The purpose of this Ethical Standards of Conduct Policy (“Policy”) is to A) establish ethical requirements and standards of conduct for current and former Boulder Housing Partners (BHP) employees and Board Members; B) to encourage BHP Board Members and employees to maintain the highest standard of conduct to justify the public trust that they enjoy; and C) foster public trust by defining standards of honest government and prohibiting the use of their position with BHP for private gain.

This policy shall be applied so as to avoid the appearance, or actual occurrence of, any favoritism or special treatment toward any Board Member, employee, applicant, resident, or vendor, having business, or dealings of any kind, with Boulder Housing Partners.

BHP is a housing authority established and governed by the Colorado State housing law, Colorado Revised Statutes (CRS) Title 29, Article 4, including Section CRS 29-4-207 -- Interested commissioners or employees. Furthermore, as a housing authority created under State law, BHP is also governed by CRS 24-18-101 -- Code of Ethics, in general and as it relates to BHP Board Members specifically under CRS 24-18-108.5 -- Rules of Conduct for members of boards and commissions. Such statutory requirements are made a part of this Policy.

Furthermore, BHP from time-to-time enters into contracts and agreements with the U.S. Department of Housing and Urban Development to develop, acquire, and manage certain housing. When such contracts are Annual Contribution Contracts, they contain specific conflict of interest requirements (See Appendix A, entitled Section 19 - Conflict of Interest, HUD Annual Contributions Contract, Form HUD-53012A). These requirements also are made part of this Policy and they shall apply when the nature of the activity, action, interests, or decision-making of a BHP Board Member or employee involves properties and/or activities covered by such Annual Contribution Contracts.

BHP may from time-to-time also enter into other contracts and agreements that impose other statutory or contractual standards of conduct. When such provisions apply to a BHP Board Member or employee, they too shall be adhered to.

BHP in establishing its Ethical Standards of Conduct Policy has also considered and attempted to reflect, where it has determined appropriate, the local standards of the City of Boulder.

When there is a conflict between these various applicable requirements (including those stated below) the most stringent and strict requirements shall apply.

II. SERVING BHP INTERESTS

The purpose of BHP is to serve the interests of BHP and the general population that it serves and not the personal interests of Board Members, employees or the individual interests of elected or appointed officials. All Board Members and employees have a fiduciary responsibility to take actions and do what is in the best interest of BHP.

III. DEFINITIONS

Immediate Family Member shall mean a spouse, domestic partner, partner in a civil union, child, and whether related directly or through adoption or marriage, a child, parent, brother or sister.

Interest shall mean a benefit or anything of value accruing directly or indirectly to a Board Member or employee. A Board Member or employee is deemed to have an Interest if any of the following have an Interest:

- (1) An Immediate Family Member;
- (2) Any person or business entity with whom a contractual relationship exists with the Board Member or employee;
- (3) Any business entity in which the Board Member or employee is an officer or director; or
- (4) Any business entity in which the Board Member or employee has a stock, legal ownership, or beneficial ownership of at least five percent of the total stock or total legal and beneficial ownership, or which is controlled or owned directly or indirectly by the Board Member or employee.

A benefit or Interest shall not include any situation in which the Board Member, employee, or family member has only a Remote Interest. A benefit does not include things that affect the entire membership of a significant class or a significant segment of the community in a similar manner as the affected Board Member or employee.

Not Participating in a decision, selection, award or administration of a contract shall mean not discussing the matter in or outside meetings, not being physically present for any discussions and neither voting on nor being present for a vote. Furthermore, it means not using a BHP position to influence in any way a decision in which the Board Member or employee has a personal interest.

Remote Interest shall mean any interest which is incidental to a contract or transaction and shall include:

- (1) A position as a non-salaried director, officer or employee of a non-profit corporation or organization;

- (2) Less than five percent of the total stock or total legal and beneficial ownership in a business entity;
- (3) A position of employment held by a Board Member, or a family member which is not a director, officer, manager or supervisor in a business entity;
- (4) A position of employment held by a Board Member, or a family member which does not directly exercise decision making authority affecting a contract or transaction; or
- (5) A position in a representative capacity such as a receiver, trustee or administrator.

IV. WAIVERS

The Policy is intended to apply in all cases. However, in rare and unique circumstances, and only in those cases where it is expressly authorized in this Policy, a special waiver of particular requirement can be considered and approved by the BHP Board. In the case of this particular Policy, this waiver may occur only if (1) Board Members with personal Interests (as defined herein) abstain from and are not present for both the Board's deliberations and decision, (2) full and complete public disclosure of a waiver request occurs before, during, and after a vote, (3) a two-thirds (2/3) favorable vote of all Board Members appointed is obtained and (4) the waived Policy provision is not required by federal, state, or local law. Some waivers will require concurrence and approval by HUD. If the Board is unsure as to which provisions are required by federal, state or local law, they shall consult with legal counsel.

V. REQUIREMENTS

A. PROHIBITED ACTS.

1. No Board Member or employee shall solicit, receive or accept anything of value in exchange for performing or refraining from performing any act associated with the Board Member's or employee's position with BHP. See also, Section VI "Gifts and Donations," below.

2. No Board Member or employee shall use his or her position with BHP for financial gain. For employees, financial gain does not include regular salary and benefits.

3. No Board Member or employee shall use or disclose confidential information obtained as a result of holding his or her position. See also, Section VII "Confidentiality and Privileged Information," below.

4. No Board Member or employee of BHP shall acquire any Interest in any project or in any property included or planned to be included in any project, nor shall they have any Interest in any contract or proposed contract for materials or services to be furnished

or used in connection with any project. If any Board Member or employee of BHP owns or controls an Interest in any property included or planned to be included in any project, they shall immediately disclose the same in writing to BHP, and such disclosure shall be entered upon the minutes of the BHP Board. Failure to so disclose such Interest shall constitute misconduct in office.

5. No Board Member or employee shall appoint, hire, or advocate for the appointment or hiring by BHP any person who is his or her relative. In the event that an employee is concerned that the employee's decision to appoint, hire or advocate for the appointment or hiring by BHP a person who is the employee's relative may cause an appearance of violating this Policy, the employee may request that the Executive Director make such decision on the employee's behalf. Board Members may request the remaining un-conflicted Board Members to make such an appointment or hiring decision on their behalf.

B. CONFLICTS OF INTEREST ARISING BEFORE, DURING, AND AFTER POSITION AT BHP.

The duties and responsibilities of Board Members and employees are to act in the best interest of BHP. These duties are not to conflict with personal interests of Board Members or employees nor shall there be the appearance of any such conflicts of interest.

1. Board Members. BHP Board Members are prohibited from entering into, proposing or acquiring a contract, subcontract, or Interest, in any BHP project or activity.

Former Board Members are prohibited for a period of twelve (12) months after their tenure on the Board from employment, acquiring a contract, or an Interest, in any BHP project or activity. This requirement may be waived in rare and unique cases, but only after compliance with the provisions of Section IV "Waivers," hereof.

2. Employees. BHP employees are prohibited from entering into, proposing or acquiring a contract, subcontract, or other Interest, in any BHP project or activity.

Employees who have such Interests prior to being hired must divest themselves of those Interests in order to be hired, except in the case of an employee who has a Remote Interest, a membership, or is a non-employee Board Member of a community based not-for-profit entity.

Former employees are prohibited for a period of twelve (12) months after termination of their employment from having a contract or Interest, in any BHP project or activity in which the former employee either (A) had a substantial involvement in BHP procuring or awarding that contract, project or activity or, (B) was a senior official of BHP administering that contract, project or activity. This latter requirement may be waived by the Executive Director in rare and unique circumstances but only after full and public disclosure and a determination that this Interest is not obtained because of non-public information obtained because of the prior employment.

3. Award and Administration of Contracts. No employee or Board Member shall participate in a decision, selection, award, administration of a contract or a BHP determination if in fact or by appearance the Board Member or employee, has a contract or Interest in that BHP project or activity. In addition, to other disclosure requirements contained elsewhere in this Policy, Board Members, employees, and the BHP Board shall strive to openly and publicly disclose these Interests whenever there is even merely a question of a conflict of interest and no matter whether it is permitted, restricted or prohibited.

4. Disclosure and Recusal Procedure. It is important in addressing all Board Member and employee conflicts of interests for all BHP Board Members and employees to disclose to the public, as well as to BHP, their Interest, in any BHP project or activity.

(a) An employee or Board Member with an Interest prohibited by this Policy shall give written notice of such Interest to the BHP Board and Executive Director as soon as reasonably possible after the Interest has arisen. However, no written notice is required if such person discloses the conflict of interest on the record of a public meeting of the BHP Board. The interested employee or Board Member shall thereafter:

- (1) Refrain from voting upon or otherwise acting in an official capacity in such transaction;
- (2) Physically absent himself or herself from the room in which a matter related to such transaction is being considered; and
- (3) Not discuss any matter related to such transaction with any other member of the council, board, commission, task force or similar body of which the person is a member.

(b) Recusal by the BHP Board: The BHP Board may order recusal of one of its members if that member has an actual conflict, the appearance of a conflict, or any other obligation to recuse themselves under this Policy and the Board member has failed to do so. Such an order is valid if reached after majority vote of the members of the Board, not including the member whose recusal is sought, based on competent evidence.

5. Program Participants. Nothing in this Policy shall prohibit a BHP program participant, who is a Board Member or employee from fully participating in BHP activities and decision making so long as those activities and that decision making is not particular and unique to their unit, application, contract or BHP activity.

6. Prior Employment and Change in Employment.

(a) Prior Employment: No person shall be disqualified from service with BHP as a Board Member or employee solely because of his or her prior employment. Board Members and employees shall not take any action with respect to their former employers

for a period of six months from the date of termination of the prior employment if such action involves an exercise of discretion by the Board Member or employee and provides direct benefit to the prior employer, including but not limited to a contract, lease, employment or regulatory approval.

(b) Disclosure by Board Members: Board Members shall report any change in their employment status that could give rise to a conflict of interest under this Policy.

VI. GIFTS AND DONATIONS

A. GIFTS. BHP Board Members, employees, agents, grantee's or grantee's officers or employees will not solicit, nor accept, anything deemed by this Policy to have a significant monetary value from contractors, potential contractors, or parties to agreements. This includes gifts and gratuities.

(1) No Board Member or employee or Immediate Family Member of a Board Member or employee shall accept anything of value including, without limitation, a gift, a favor, a discount or a promise of future employment from anyone that is known to have or to be likely to have a transactional, business, or regulatory relationship with BHP.

(2) Exceptions and Items not Considered Gifts: The following shall not be considered gifts for purposes of this section, and it shall not be a violation of this chapter for a person to accept:

- (a) Campaign contributions as permitted by law;
- (b) An unsolicited, occasional non-cash gift of a maximum amount of \$53 or less in value. The maximum amount will be equal to the amount established by the State of Colorado pursuant to Colorado Constitution Article XXIX, Section 6;
- (c) A gift from a relative;
- (d) An award, publicly presented, in recognition of public service;
- (e) Items which are similarly available to all employees of BHP, employees of the City of Boulder, or to the general public on the same terms and conditions.

B. DONATIONS. BHP may solicit and accept donations to its programs, however, all such solicitations and donations shall be open, public, recorded and disclosed at Board Meetings and must be for the sole benefit of BHP and not particular employees, contractors or Board Members. Furthermore, no donations shall be solicited, offered or made while the party donating is seeking or being considered for a contract or benefit and no donation shall be considered or accepted if it would in any way influence the award of a contract or a benefit or give the appearance of such possible effects.

C. PARTICIPANT GIFTS OR PAYMENTS. No employee or Board Member, or his or her Immediate Family Member, who has any authority, control or influence in their official capacity shall accept any gift or money from a tenant, homebuyer, program participant or applicant if it would reasonably appear or if in fact such a gift was an attempt to influence that employee or Board Member's actions at the BHP.

VII. CONFIDENTIALITY AND PRIVILEGED INFORMATION.

A. No Board Member shall disclose privileged or confidential information without a public majority vote granting the permission of the BHP Board. The sanction for a member of the Board shall be censure of the body or other discipline as provided under the Board Bylaws and/or adopted Board Policies, reached by a majority vote of the body, not including the member charged with disclosing such confidential information.

B. No employee shall disclose privileged or confidential information, obtained as a result of holding his or her position with BHP unless the employee has first received approval by the Executive Director acting upon the advice of the BHP attorney.

C. No Board Member or employee shall use or disclose confidential information obtained as a result of holding his or her position, to obtain financial gain, whether for personal gain; gain for his or her relative; gain of any property or entity in which the Board Member or employee has a substantial interest; or gain for any person or for any entity with whom the Board Member or employee is negotiating for or has any arrangement concerning prospective employment.

VIII. DISCLOSURE OF POLICY VIOLATIONS. All Board Members and employees are required to promptly disclose to BHP their acts or conduct and all acts or conduct by other BHP Board Members and employees, agents, grantees, contractors, tenants, or program recipients that are illegal or are in violation of this Policy and other BHP policies. Disclosure can be to the Executive Director, the BHP Board, individual Board Members, or BHP attorneys. If the act or conduct was by the Executive Director, the disclosure should be made to the Board Chair. There shall be no retaliation or other punitive action taken against anyone who makes a disclosure under this section when the activities disclosed turn out to be a true violation.

IX. VIOLATION OF POLICY

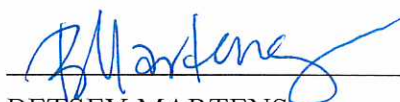
A. BY BOARD MEMBER. Any violation of any provision(s) of this Policy by a Board Member may be addressed as provided in this Policy, the Board Bylaws, and/or other adopted Board Policies.

B. BY BHP EMPLOYEE. Any violation of any provision(s) of this Policy by a BHP employee may be addressed as provided in this Policy and/or the BHP Employee Handbook.

DATE: 08/08/16



KAREN KLERMAN, CHAIR
Boulder Housing Partners



BETSEY MARTENS
Executive Director

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APPENDIX A

Section 19 - Conflict of Interest

HUD Annual Contributions Contract, Form HUD-53012A (7/95)

Section 19 – Conflict of Interest.

A)(1) In addition to any other applicable conflict of interest requirements, neither the HA nor any of its contractors or their subcontractors may enter into any contract, subcontract, or arrangement in connection with a project under this ACC in which any of the following classes of people has an interest, direct or indirect, during his or her tenure or for one year thereafter:

- i. Any present or former member or officer of the governing body of the HA, or any member of the officer's immediate family. There shall be excepted from this prohibition any present or former tenant commissioner who does not serve on the governing body of a resident corporation, and who otherwise does not occupy a policymaking position with the resident corporation, the HA or a business entity.
 - ii. Any employee of the HA who formulates policy or who influences decisions with respect to the project(s), or any member of the employee's immediate family, or the employee's partner.
 - iii. Any public official, member of the local governing body, or State or local legislator, or any member of such individuals' immediate family, who exercises functions or responsibilities with respect to the project(s) or the HA.
- 2) Any member of these classes of persons must disclose the member's interest or prospective interest to the HA and HUD.
 - 3) The requirements of this subsection (A)(1) may be waived by HUD for good cause, if permitted under State and local law. No person for whom a waiver is requested may exercise responsibilities or functions with respect to the contract to which the waiver pertains.
 - 4) The provisions of this subsection (A) shall not apply to the General Depository Agreement entered into with an institution regulated by a Federal agency, or to utility service for which the rates are fixed or controlled by a State or local agency.
 - 5) Nothing in this section shall prohibit a tenant of the HA from serving on the governing body of the HA.

B)(1) The HA may not hire an employee in connection with a project under this ACC if the prospective employee is an immediate family member of any person belonging to one of the following classes:

- i. Any present or former member or officer of the governing body of the HA. There shall be excepted from this prohibition any former tenant commissioner who does not serve on the governing body of a resident corporation, and who otherwise does not occupy a policymaking position with the HA.
- ii. Any employee of the HA who formulates policy or who influences decisions with respect to the project(s).
- iii. Any public official, member of the local governing body, or State or local legislator, who exercises functions or responsibilities with respect to the project(s) or the HA.

- 2) The prohibition referred to in subsection (B)(1) shall remain in effect throughout the class member's tenure and for one year thereafter.
- 3) The class member shall disclose to the HA and HUD the member's familial relationship to the prospective employee.
- 4) The requirements of this subsection (B) may be waived by the HA Board of Commissioners for good cause, provided that such waiver is permitted by State and local law.

C) The requirements of subsections (A) and (B) of this section do not apply to contracts entered into by an Indian Housing Authority, its contractors or subcontractors, although such contracts remain subject to other applicable conflict of interest requirements.

D) For purposes of this section, the term "immediate family member" means the spouse, mother, father, brother, sister, or child of a covered class member (whether related as a full blood relative, or as a "half" or "step" relative, e.g., a half-brother or stepchild).

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