

## **Code of Ethics**

Adopted by the Board of Directors on August 21, 2009

### **I. Purpose of This Code of Ethics**

The Arc of Texas' ability to carry out its mission is dependent in part upon its reputation and credibility, which are based on the good judgment, ethical standards and personal integrity of every individual associated with The Arc. As The Arc continues to serve the community, it is paramount that it conducts its activities in an ethical and responsible manner. We can do no less for the people we are helping throughout Texas.

### **II. Scope of This Code of Ethics Limited to Conflicts Adversely Affecting The Arc**

The Board of Directors of The Arc recognizes that persons associated with The Arc have outside business, professional, personal and advocacy interests, and may have a wide range of personal beliefs, values and commitments. Such interests, beliefs, values and commitments are a conflict of interest if they prevent individuals associated with The Arc from acting in good faith for the sole benefit of The Arc in matters that may affect The Arc adversely.

### **III. Persons to Whom This Code of Ethics Directly Applies**

The Arc's Board of Directors adopts this Code of Ethics and directly applies it to members of the Board of Directors and its officers, committee members and chairs, Executive Director and Department Heads (the "affected parties"). It is the responsibility of the affected parties to act honestly, ethically and in a fiscally responsible manner, and to exercise their best skill, care and judgment for the sole benefit of The Arc of Texas in matters that may adversely affect The Arc.

### **IV. Notice of and Application of This Code of Ethics to Others Associated with The Arc**

Periodically but not less than annually, The Arc shall give notice of its policy in this Code of Ethics to other persons associated with The Arc, including volunteers and members of the association who are not "affected parties" as defined above. This notice shall be given by a method reasonably calculated to inform these others of the existence of and general description of this Code of Ethics and that The Arc expects that persons associated with The Arc will comply with the Code of Ethics. Such notice may be given in the e-newsletter and posted on the website and may refer to the Code of Ethics that may be inspected at The Arc office, and offer to provide a copy of the Code of Ethics on request. Contractors and consultants who provide goods or services to The Arc shall in any contract or purchase order or similar document agree to comply with The Arc's Code of Ethics, which either shall be attached to the contract or similar document, or the document or purchase order shall have stamped or typed on it a notice similar to "The Code of Ethics of The Arc of Texas applies to services provided under this agreement, and a copy will be provided on request."

## V. Policy Adopted

In adopting this Code of Ethics, it is the established policy of The Arc to prohibit and forbid any unethical behavior or any material conflict of interest by an affected party adversely affecting The Arc.

## VI. Obligation to Act in Good Faith

Affected parties shall exercise the utmost good faith in all matters touching on their association with The Arc of Texas and its programs, services and properties. In their dealings with and on behalf of The Arc, affected parties are held to a strict rule of honesty and fair dealing between themselves and The Arc, and shall not use their position or knowledge gained because of the position to create or further a conflict of interest which may affect The Arc adversely.

## VII. Obligation to Act for the Benefit of The Arc

All actions of affected parties shall be for the sole benefit of The Arc of Texas in any dealings that may affect The Arc adversely. Affected parties shall avoid directly or indirectly participating in any discussion, arrangement, agreement, investment or other activity which could result in a personal benefit, or benefit another organization at the expense of The Arc's interests.

## VIII. Prohibition on Soliciting or Accepting Benefits Unless Agreed

No affected party shall solicit or accept any payments, gifts, loans, services, favors or any other thing of value in the performance or conduct of their association with The Arc from any vendor, contractor, consumer, family member, relative, guardian, volunteer, staff member, employee or other person or entity doing business, seeking to do business, associated with or seeking to be associated with The Arc, excepting only the agreed compensation and benefits received by the affected party as part of a contract or employment agreement.

## IX. Required and Prohibited Conduct

All affected parties shall:

1. Maintain confidentiality regarding consumer, personal, family, member, volunteer, donor and other private or sensitive information and records, including The Arc's business records and information.
2. Refrain from the illegal use of alcohol or use of illegal drugs while on any property or facility of The Arc of Texas.
3. Refrain from sexual harassment, which includes unwelcome sexual advances, requests for sexual favors, or other verbal or physical conduct of a sexual nature.
4. Refrain from harassment and/or discrimination against individuals based on race, color, religion, national origin, gender, sexual orientation, marital status, age, veteran status, illnesses or disabilities.
5. Refrain from attempting to influence others with personal or religious beliefs or political advocacy or values unrelated to the mission or goals of The Arc while engaged in the performance of conduct or activities associated with or on behalf of The Arc of Texas, except that affected parties may be advocates for

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- and attempt to influence others with beliefs or values that are part of the mission and goals of The Arc of Texas or The Arc of the United States.
6. Refrain from soliciting business from employees of The Arc of Texas.
  7. Refrain from seeking preferential treatment in the operations or activities of The Arc of Texas, including in employment, consumer services or business relationships.
  8. Refrain from establishing relationships with The Arc of Texas volunteers and employees that are intimate, sexual or personal in nature to an extent that impairs the ability of the affected party to objectively perform the activities or tasks for The Arc, or that gives the appearance of providing preferential treatment.
  9. Refrain from any illegal or unethical behavior, which diminishes an individual's, or The Arc's reputation or credibility.
  10. Refrain from soliciting, attempting to secure, or securing any compensation or benefit for an immediate family member, other than reimbursement of reasonable out-of-pocket expenses, and refrain from accepting a position as or serving as an officer, director, employee or staff if an immediate family member holds or accepts any of those positions, and for these purposes an "immediate family member" is a spouse, former spouse, parent, stepparent, sibling, stepsibling, child or stepchild; however, it is not a violation of this specific provision for immediate family members to hold positions as committee members or chairs if the first family member holds a position as an officer, director, employee or staff.
  11. Comply with the Conflict of Interest Policy and the Whistleblower Policy adopted by the Board of Directors.

#### **X. Prohibition Against Participation in Actions or Decisions, and Required Disclosure**

No affected party shall participate by discussion, voting or any other action taken by the Board of Directors or any committee of the Board in the adoption of or the defeat of a motion or resolution that relates to any matter with a person or entity for whom the affected party is utilized as an employee, volunteer, officer, director, trustee, or receives compensation or benefits, or otherwise has a significant interest. In cases in which any such matter may be discussed at a meeting, the affected party shall disclose any such interest promptly, and shall not participate in any vote on such matter even if the presence of the affected party is necessary to constitute a quorum, and at the discretion of the chair of the meeting the affected party shall leave the meeting during discussion and voting on the matter.

#### ***XI. Disclosure of Potential Conflicts Before Beginning Association with The Arc***

All affected parties shall, before beginning or consummating any association or activity or agreement with The Arc of Texas, make a full disclosure of all facts that may be perceived to violate this Code of Ethics, or may be perceived to be a conflict of interest, to the Executive Committee, a standing committee of the Board of Directors, so an objective assessment may be made about whether such association or activity violates this Code of Ethics.

#### ***XII. Acknowledgement of Receipt of Code of Ethics***

Each affected party shall, initially upon beginning an association with The Arc of Texas and then annually, sign an acknowledgment of receipt of a copy of this Code of Ethics with a full disclosure of all facts known to them which may be perceived to be a violation of this Code of Ethics so an objective assessment may be made before beginning the association with The Arc and periodically during the association.

***XIII. Procedure for Determination of Conflicts and Enforcement of Code of Ethics***

The Executive Committee of The Arc of Texas, a standing committee of the Board of Directors, shall at the first reasonable opportunity following the receipt of information about any perceived violation of this Code of Ethics or any perceived conflict of interest that may adversely affect The Arc, review and investigate that information so an objective assessment may be made as to whether The Arc is adversely affected, and then report its findings and any recommendations to the Board of Directors of The Arc so that the Board may take such action as it may deem appropriate.

**THE ARC OF TEXAS  
ACKNOWLEDGMENT OF RECEIPT OF CODE OF ETHICS**

I acknowledge receipt of a copy of the Code of Ethics of The Arc of Texas adopted by its Board of Directors.

I wish to report that to the best of my knowledge, information and belief, I am not currently involved in a matter that might be construed as placing me in possible violation of the Code of Ethics of The Arc of Texas as applied to its programs and services, and/or its properties except for the matters I am disclosing below so an objective assessment may be made about whether a conflict of interest actually exists. I also understand I have a continuing obligation to disclose matters that might possibly violate the Code of Ethics that arise during the course of my involvement or activities with The Arc of Texas, again so an objective assessment may be made about whether a conflict of interest exists. I am describing here any matters that currently exist (describe or enter "none"):

I am a (check all that apply):

- Current officer or member of the board of directors: \_\_\_Yes \_\_\_No
- May serve on the board of directors: \_\_\_Yes \_\_\_No
- Current or potential committee chair or member: \_\_\_Yes \_\_\_No
- Current staff/employee: \_\_\_Yes \_\_\_No
- Applying for employment: \_\_\_Yes \_\_\_No
- Other (describe) \_\_\_\_\_: \_\_\_Yes \_\_\_No

I shall report any new matters under my continuing disclosure obligation to The Arc of Texas.

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

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