

## Code of Ethical Conduct

**DATE ISSUED:** August 27, 1991  
**Resolution No.** 910154  
**Amended by Resolution:** 070100, 170049, 180032, 190033  
**Policy No.** V.01 (Overall Guiding Policies)

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1. The Dallas Area Rapid Transit Authority (DART) Board of Directors, recognizing that DART will, over a period of several years, construct and operate several major public works improvements, determines it desirable to adopt a code of ethical conduct for board members in order that the public may be assured that the actions of those associated with DART serve only the public's best interests. The Board further determines that the proper operation of government requires that officials be independent, impartial, and responsible only to the citizens of the Service Area. It shall therefore be the policy of the Board that this Code of Ethical Conduct shall guide and direct the actions of DART board members.
  - a. i) participate, either directly or through a household member of the Board member, as a principal in any DART contract or first tier subcontract or as an employee of a contractor or subcontractor of DART for any DART contract or ii) accept compensated employment with DART (employment means part-time, temporary, full-time, hourly or other work arrangement other than those specified in subsection i. Uncompensated voluntary services shall not be considered employment.);
  - b. accept a gift or favor of more than nominal intrinsic value from any entity or individual that a reasonable person would conclude would influence the board member in the discharge of official duties;
  - c. use the position of DART board member to secure any special privilege or exemption for the board member or other private entity;
  - d. in the conduct of official duties as a DART Board member, grant any special consideration, treatment, or advantage to any entity which is beyond that made available to any other similarly situated entity;
  - e. disclose information identified to the Board member as confidential and/or attorney-client privileged, whether so identified in writing or orally, and whether received in an executive session of the Board or elsewhere, which is provided to a Board member or members, the disclosure of which could adversely affect the conduct of DART's business or adversely impact the ability of DART to successfully negotiate any transaction or agreement or to litigate any lawsuit;
  - f. receive any compensation for service as a DART Board member from any source other than DART; for remuneration, appear on behalf of or represent any private third party before the DART Board or any DART committee, task force, or subcommittee.
2. Prohibition. No Board member or member of the Board member's immediate family living in the Board member's household shall, during the Board member's term and for a period of two years following the end of the term or effective resignation:
  - a. To ensure that DART procurements are conducted independently and impartially, Board members, just as DART staff, shall not communicate with any party concerning any active DART procurement or ongoing procurement dispute unless such communication is within the scope of the Board member's official duty on behalf of DART. This prohibition extends to potential
3. Board Communications Concerning Procurement or Real Estate Matters.
  - a. To ensure that DART procurements are conducted independently and impartially, Board members, just as DART staff, shall not communicate with any party concerning any active DART procurement or ongoing procurement dispute unless such communication is within the scope of the Board member's official duty on behalf of DART. This prohibition extends to potential

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- contractors or subcontractors, and their designated representatives.
- b. The disclosure of procurement sensitive information at any time prior to actual contract award or final determination could adversely affect the ability of DART to successfully negotiate transactions or agreements. Procurement sensitive information includes any information contained in a technical or price proposal or bid submitted to DART by any offeror.
  - c. If a Board member is contacted by anyone concerning an active DART procurement or ongoing procurement dispute, the Board member should not discuss any specific procurement information. The party contacting the Board member should be referred to the Vice President of Procurement for any response that may be necessary.
  - d. DART real estate matters, including acquisitions, sales and transit oriented development, must be conducted independently and impartially. DART Board members, just as DART staff, shall not communicate with any party concerning an active real estate matter or ongoing dispute concerning a real estate matter unless such communication is within the scope of their official duties for DART.
  - e. The disclosure of confidential information relating to a real estate matter or a dispute concerning a real estate matter could adversely impact DART's ability to successfully negotiate transactions or agreements. Board members who are contacted by any person concerning an active real estate matter or ongoing dispute concerning a real estate matter should not discuss any specific information. The party contacting the Board member should be referred to the Executive Vice President of Growth and Regional Development for any response that may be necessary.
  - f. Under certain circumstances, the unauthorized disclosure of confidential information received by a Board member in his/her official capacity could subject the Board member to criminal prosecution. [Chapter 39 of the Texas Penal Code, V.T.C.A., and Chapter 552.352 of the Texas Government Code]
4. Financial Disclosure Statement. Each Board member, immediately upon appointment to the DART Board, must prepare and shall annually amend a Financial Disclosure Statement in substantially the form attached as Exhibit A disclosing all employment and other economic interests of the Board member and his/her family as defined in the financial disclosure policy adopted by the Board on February 23, 1988. The Statement is available for public review in the Office of Board Support.
  5. Abstaining from Discussion and Voting. Whenever any Board member is called upon to vote on a matter which constitutes a potential conflict of interest as defined in Chapter 171 of the Texas Local Government Code or which, to a reasonable person, would appear to place the member's personal interests at odds with the public's interest or which would appear to a reasonable person to directly or indirectly, tangibly or intangibly benefit the Board member greater than the benefit to the general public, said Board member must file an affidavit with the Director of Board Support and abstain from any discussion of the matter and not participate in any vote regarding the matter. To the extent practicable, the Board member should leave the meeting room during debate and consideration of the item.

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6. Waiver. A person for whom a waiver is being considered shall provide the Board with a written statement detailing the relationship or financial interest for which a waiver is sought. If the Board determines that it is in the best interest of DART to waive the requirements of Sections 5.2a and/or 5.2g, it may, by two-thirds vote, waive or modify said requirement with regard to a particular person and/or relationship. If a waiver is granted, in that event, all provisions not waived shall continue in full force and effect. The Board may not waive any requirements of Chapter 171 of the Texas Local Government Code.
7. Employment after expiration of two years. After the expiration of two years from the end of the Board member's term or effective resignation, the President/Executive Director shall provide written notification to the Board of Directors upon making an offer of employment to a former DART Board member. Should the offer be accepted, the former Board member's start date shall be after the next Board meeting that follows notification.
8. Amendment. This policy may be amended by a majority vote of the DART Board.
9. Penalty. The failure of a Board member to comply with the requirements of this policy shall constitute grounds for censure and for reporting the violation to the municipality or municipalities that appointed the Board member. In addition, violation of this policy by a DART contractor or first tier subcontractor shall be grounds for such contract remedy as may be appropriate up to and including termination of the contract and debarment of the contractor.
10. Signature. Immediately upon taking the oath of office, a Board member shall sign a copy of the Code of Ethical Conduct as acknowledgement of its terms and application, and shall return the original signed version to the Office of Board Support.

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**EXHIBIT A**  
**DALLAS AREA RAPID TRANSIT BOARD FINANCIAL**  
**DISCLOSURE STATEMENT**

1. Date of Statement: \_\_\_\_\_

2. Type of Statement (please circle one): \_\_\_\_\_ Initial or Annual

3. Name of Board Member: \_\_\_\_\_  
(Last) (First) (Middle Initial)

4. Please give the full name of your spouse and all dependents.

Name

Relationship

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

5. Please list the names under which you and all persons listed in Item 4 do business:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

6. Please list the names of business entities, employers, (including self-employment), investments, and other activities from which you or a person listed in Item 4 received more than \$10,000 of income during the last calendar year. (This should include interest or dividend income of more than \$10,000, even if listed as an investment under Item 8.)

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\_\_\_\_\_  
\_\_\_\_\_

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7. Please list the name of each corporation, trust, partnership, or business association (including non-profit entities) in which you or a person listed in Item 4 is a general partner of a limited partnership, general partner, partner, manager, president, vice-president, trustee, member, or board member that does or foreseeably will do business with DART.

Name of Business, etc.

Manager, Partner, etc.

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8. Please list the name and type of investment of each non-publicly traded corporation, trust, general or limited partnership, or business association (including non-profit entities) in which you or a person listed in Item 4 has an investment of at least \$10,000 at the fair market value as of the date of this Statement. Also, please list the name and type of investment of each publicly traded corporation or entity in which you or a person listed in Item 4 has an investment of at least 5% of the entity's market capitalization.

- A beneficial interest is not considered an investment and need not be listed.
- An investment in a mutual fund does not need to be listed unless you or a person listed in Item 4 participates in the management of the mutual fund.

Name of Business, etc.

Type of Investment

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9. Please list, by street address or by legal or lot and block description, all real property located in the DART service area in which you or a person listed in Item 4 has a leasehold interest, interest as fee simple owner, a contractual right to purchase, general partnership owner, joint owner with an individual corporation, or as owner of more than 50% of a corporation that has title to the real property.

- You are not required to list the following properties:
  - a. Property used as the personal residence of a peace officer;
  - b. Property over which you have no decision power concerning acquisition or sales;

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c. Property held through a real estate investment trust, mutual fund, limited partnership, or similar entity, unless you or a person listed in Item 4 participates in the management of the trust, fund, or entity, or is a general partner of a limited partnership.

Address/Legal Description

Type of Interest/Ownership

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10. Please list the names of persons or entities to whom you personally, or a person listed in Item 4 personally, owe an unsecured debt of more than \$10,000.

- Do not list debts owed to persons related within the second degree of consanguinity or affinity, or list revolving charge accounts, or student loan debts.

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11. Please list the names of persons or entities who personally owe to you, or to a person listed in Item 4, an unsecured debt of more than \$10,000.

- Do not list debts owed by persons related within the second degree of consanguinity or affinity.

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12. Please list those gifts identified in filings made in accordance with Chapter 176 of the Texas Local Government Code for you and persons listed in Item 4 since the filing of your most recent Financial Disclosure Statement. (Please see Chapter 176 of the Texas Local Government Code).

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13. Have any supplemental pages been attached to this Statement?

Yes \_\_\_\_\_

No \_\_\_\_\_

If supplemental pages have been attached, please identify each page with your name and the item number the material on the supplemental page refers to. For example: if an additional page is needed to list real property owned, please put your name and "Item 9" at the top of the supplemental page.

**NOTWITHSTANDING** the information provided on this Financial Disclosure Statement, the Board Member shall fully comply with Local Government Code Chapters 171 and 176 (copies attached).

### OATH

The Statement (including any accompanying supplements) to the best of my knowledge and belief is true, correct, and complete.

\_\_\_\_\_  
Signature of Board Member

Sworn and subscribed to before me by \_\_\_\_\_ on this  
the \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_ to certify which, witness my hand and  
seal.

\_\_\_\_\_  
Notary Public in and for the  
State of Texas