



Internal Compliance Program Certification

BACKGROUND

The U.S. Sentencing Commission has issued guidelines for an effective compliance and ethics program for corporations, partnerships, labor unions, pension funds, trusts, non-profit entities, and governmental units. The Commission's U.S. Sentencing Guidelines include that "as appropriate, a large organization should encourage small organizations (especially those that have, or seek to have a business relationship with the large organization) to implement effective compliance and ethics programs." Therefore, TxDOT requires an entity to have an internal ethics and compliance program that satisfies the requirements of 43 Tex. Admin. Code §10.51 to be eligible to receive state or federal public transportation funds (grants, loans, or other funds) from or through the department (43 Tex. Admin. Code §31.39). The requirements listed in 43 Tex. Admin. Code §10.51 comply with the U.S. Sentencing Guidelines.

MINIMUM REQUIREMENTS SET FORTH IN U.S. SENTENCING GUIDELINES AND TXDOT RULES:

1. *High level personnel are responsible for oversight of compliance with the standards and procedures.*

High level personnel shall be knowledgeable about the content and operation of the compliance and ethics program and promote an organizational culture that encourages ethical conduct and a commitment to compliance with the law.

2. *Appropriate care is being taken to avoid the delegation of substantial discretionary authority to individuals whom the entity knows, or should know, have a propensity to engage in illegal activities.*

The organization shall conduct, as appropriate, criminal background checks for current and future employees in high level positions, that are involved in handling financial or highly confidential information, and/or who admit a prior felony conviction.

3. *Compliance standards and procedures are effectively communicated to all of the entity's employees, including members of the governing board if the entity has a governing board, by requiring them to participate in periodic training in ethics and in the requirements of the program.*

The organization shall distribute the compliance policy and all related documents (i.e. amendments or a company handbook) and require employees to annually sign a document acknowledging its receipt and their understanding of the policy's requirements. The organization, at a minimum, shall require periodic training to all employees and the governing board on the policy and expected ethical behavior.

4. *Compliance standards and procedures are effectively communicated to all of the entity's agents.*

The organization shall notify the organization's partners doing business on their behalf on their policy and expected ethical behavior through written or verbal communication.

5. *Reasonable steps are being taken to achieve compliance with the compliance standards and procedures by using monitoring and auditing systems that are designed to reasonably detect noncompliance, and providing and publicizing a system for the entity's employees and agents to report suspected noncompliance without fear of retaliation.*

The organization shall maintain an anonymous reporting system and require employees to immediately report any suspicions of noncompliance with law or policy, or unethical behavior. The organization shall effectively promote the reporting system to employees and business partners.

6. *The organization's compliance and ethics program shall be promoted and enforced consistently through appropriate incentives and discipline.*

The organization shall respond appropriately to any criminal conduct to remedy any harm, and the organization shall act appropriately to prevent similar conduct by making any modifications to the organization's policies to ensure effective compliance.

7. *Reasonable steps are being taken to detect criminal conduct, to respond appropriately to detected offenses and to prevent future similar offenses.*

The organization shall train employees on the policy to prevent future offenses and periodically assess risks of criminal misconduct within the organization.

8. *The entity has a written employee code of conduct that, at a minimum, addresses: record retention; fraud; equal opportunity employment; sexual harassment and misconduct; conflicts of interest; personal use of the entity's property; and gifts and honoraria.*

The organization shall adopt a code of conduct based on the sample provided by TxDOT or has adopted one that meets or exceeds TxDOT's sample code of conduct.

CERTIFICATION

The undersigned organization would like to be eligible to receive state or federal public transportation funds from or through the department.

In order to comply with the requirements set forth in the Texas Administrative Code, the undersigned organization certifies that:

- (1) the organization has a written internal ethics and compliance program that provides compliance standards and procedures that are designed to detect and prevent violations of the law, and ethical standards;
- (2) the organization enforces employee compliance with its internal ethics and compliance program; and
- (3) the organization's internal ethics and compliance program specifically includes, at a minimum, the items contained in 43 Tex. Admin. Code §10.51.

Any other requirements by any state, federal, or local law, rule, regulation, ordinance or otherwise is not included in these requirements and it is the sole responsibility of the undersigned to comply with such laws. This is not intended to provide legal advice or representation to the undersigned.

The department may, at its discretion, request that the entity provide the department with written evidence of the entity's internal ethics and compliance program (43 Tex. Admin. Code §10.51(c)).

Fort Bend County

Organization Name

Signed by: Robert E. Hebert
Printed Name

Signature

County Judge

Title

Date

Reviewed by:



Paulette Shelton
Director, Fort Bend County Public Transportation



HUMAN RESOURCES DEPARTMENT
FORT BEND COUNTY, TX

Kent M. Edwards, PHR
Director of Human Resources

September 1, 2016

Paulette Shelton
Public Transportation Director
Fort Bend County
12550 Emily Court, Suite 400
Sugar Land, TX 77478

Ms. Shelton,

The Fort Bend County Human Resources Department agrees to provide annual training on ethics and fraud prevention/detection for the Fort Bend County Public Transportation Department, to ensure compliance with Title 43 of the Texas Administrative Code. This training will be open to all Fort Bend County Public Transportation employees, as well as personnel from any other Fort Bend County departments providing support functions.

If you have any questions regarding this matter, please feel free to contact me.

Thank you,

A handwritten signature in cursive script, appearing to read "Beatrice Galan".

Beatrice Galan
Human Resources Generalist – Training
Fort Bend County
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Beatrice.Galan@fortbendcountytexas.gov