

**RESOLUTION NO. 2024-01**

**RESOLUTION ADOPTING A COMPREHENSIVE ETHICS POLICY**

**WHEREAS**, this Board has determined to approve a Comprehensive Ethics Policy and maintain the Comprehensive Ethics Policy for the life of the District.

**NOW, THEREFORE, BE IT RESOLVED** by the Board that:

Section 1. This Board hereby formally adopts the Comprehensive Ethics Policy on file with the Board and agrees to maintain the Comprehensive Ethics Policy for the life of the District, which Comprehensive Ethics Policy may be amended from time to time in accordance with the governing laws and regulations.

Section 2. This Board hereby finds and determines that all formal actions taken relative to the passage of this Resolution were taken in an open meeting of this Board, and that all deliberations of this Board and of its committees, if any, which resulted in formal action, were taken in meetings open to the public, in full compliance with applicable legal requirements, including Ohio Revised Code Section 121.22.

Section 3. The Resolution shall be in full force and effect immediately upon its passage.

**THEREFORE BE IT RESOLVED**, by the J.E.D.D. I Board of Directors, that a Comprehensive Ethics Policy be established.

Director Geiger moved for the adoption of the foregoing resolution. Director Hartmann seconded the motion and upon call of roll, the vote resulted as follows:

Director Geiger,	YES
Director Pitney,	YES
Director Chiarenzelli	YES
Director Dissel	YES
Director Hartman	YES

Adopted: August 29, 2024

Attest: Caroline McKinney  
Caroline McKinney, Secretary

**COMPREHENSIVE ETHICS POLICY  
OF THE LIBERTY TOWNSHIP JOINT ECONOMIC DEVELOPMENT DISTRICT I**

**CHAPTER 1**

**CONFLICTS OF INTEREST POLICY**

**Section 1. Purpose.** The purpose of this conflicts of interest policy (this "Policy") is to protect the interests of the Liberty Township Joint Economic Development District I (the "District") when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an Officer, Director or employee of the District. A transaction or arrangement that provides a public benefit to a political subdivision with which an Officer, Director or employee is associated either by election or employment is not in and of itself a conflict of interest under this Policy. This Policy is intended to supplement but not replace the provisions of the Ohio Revised Code where such provisions are determined by a court or other body with jurisdiction over such matters to be applicable to the Officers, Directors or employees of the District, including the following provisions set forth in the first paragraph of Section 715.72(P)(4) thereof which address the issue of not only conflicts of interest but also the incompatibility of public offices:

*"... Membership on the board of directors of a joint economic development district created under this section is not the holding of a public office or employment within the meaning of any other section of the Revised Code prohibiting the holding of other public office or employment. Membership on such a board is not a direct or indirect interest in a contract or expenditure of money by a municipal corporation, township, county, or other political subdivision with which a member may be affiliated. Notwithstanding any provision of law to the contrary, No member of a board of directors of a joint economic development district shall forfeit or be disqualified from holding any public office or employment by reason of membership on the board."*

**Section 2. Prohibited Interests and Actions of Directors, Officers and Employees; Permitted Interests; Exceptions.**

**Section 2.1. Prohibited Interests in District Contracts.** No Director, Officer or employee of the District shall knowingly do any of the following:

- (1) Authorize, or employ the authority or influence of such person's office to secure authorization of any contract with the District in which such person, a member of such person's family, or any of such person's business associates has an interest;

(2) During such person's term of office with the District or within one year thereafter, occupy any position of profit in the prosecution of a contract authorized by such person or by the Board of Directors of the District of which such person was a member at the time of authorization, unless the contract was let by informal competitive bidding to the lowest and best bidder;

(3) Have an interest in the profits or benefits of a contract entered into by or for the use of the District;

(4) Have an interest in the profits or benefits of a contract that is not let by informal competitive bidding and that involves more than one hundred fifty dollars.

Section 2.2. Permitted Interests. In the absence of bribery or a purpose to defraud, a Director, Officer or employee of the District, member of such person's family, or any of such person's business associates shall not be considered as having an interest in a District contract or the investment of its funds, if all of the following apply:

(1) The interest of that person is limited to owning or controlling shares of the corporation, or being a creditor of the corporation or other organization, that is the contractor on the contract involved, or that is the issuer of the security in which the funds are invested;

(2) The shares owned or controlled by that person do not exceed five per cent of the outstanding shares of the corporation, and the amount due that person as creditor does not exceed five per cent of the total indebtedness of the corporation or other organization;

(3) That person, prior to the time the contract is entered into, files with the Board of Directors of the District, an affidavit giving that person's exact status in connection with the corporation or other organization.

Section 2.3. Exceptions. Section 2.1 hereof does not apply to a District contract in which a Director, Officer or employee of the District, a member of such person's family, or one of such person's business associates has an interest, when all of the following apply:

(1) The subject of the contract is necessary supplies or services for the District;

(2) The supplies or services are unobtainable elsewhere for the same or lower cost, or are being furnished to the District as part of a continuing course of dealing established prior to such person's becoming associated with the District;

(3) The treatment accorded the District is either preferential to or the same as that accorded other customers or clients of the corporation or other organization in similar transactions;

(4) The entire transaction is conducted at arm's length, with full knowledge by District of the interest of such person, the member of such person's family, or business associate, and such person takes no part in the deliberations or decision of the District with respect to the contract.

Section 2.4. Soliciting or Accepting Improper Compensation. No Director, Officer or employee of the District shall knowingly solicit or accept, and no person shall knowingly promise or give to a Director, Officer or employee of the District, either of the following:

(1) Any compensation, other than as allowed by divisions (G), (H), and (I) of Section 102.03 of the Revised Code or other provisions of law, to perform such person's official duties, to perform any other act or service in such person's official capacity, for the general performance of the duties of such person's office or employment, or as a supplement to such person's compensation;

(2) Additional or greater fees or costs than are allowed by rule or regulation of the District to perform such person's official duties.

Section 2.5. Soliciting or Accepting Anything of Value in Exchange for Certain Consideration. No Director, Officer or employee of the District for such person's own personal or business use, and no person for the person's own personal or business use or for the personal or business use of a Director, Officer or employee of the District, shall solicit or accept anything of value in consideration of either of the following:

(1) Appointing or securing, maintaining, or renewing the appointment of any person to any office, employment, or agency with the District;

(2) Preferring, or maintaining the status of, any Director, Officer or employee of the District with respect to compensation, duties, placement, location, promotion, or other material aspects of employment or service.

Section 2.6. Soliciting or Accepting Political Contributions in Exchange for Certain Consideration. No person for the benefit of a political party, campaign committee,

legislative campaign fund, political action committee, or political contributing entity shall coerce any contribution in consideration of either of the following:

- (1) Appointing or securing, maintaining, or renewing the appointment of any person to any office, employment, or agency with the District;
- (2) Preferring, or maintaining the status of, any employee of the District with respect to compensation, duties, placement, location, promotion, or other material aspects of employment.

Section 2.7. Definitions. Words and terms with initial capital letters used as defined words and terms in this Policy and not otherwise defined herein shall have the same meaning given such words and terms in the JEDD Contract of the District. For purposes of this Section, "family" means any member of the immediate family of a Director, Officer or employee of the District.

### Section 3. Procedures.

Section 3.1. Duty to Disclose. Notwithstanding the provisions of Section 2.2(3) hereof, in connection with any actual or potential conflict of interest, a Director, Officer or employee of the District must disclose in writing the existence and nature of his or her interest to the Board of Directors prior to its formal approval of the proposed transaction or contractual arrangement.

Section 3.2. Duty to Recuse Oneself from Vote or Selection Process. A Director or Officer that has, or will have, an interest in a transaction or contractual arrangement of the District with an entity or individual that is prohibited under this Policy must recuse himself or herself from (i) participating in discussions whose immediate purpose is to make a recommendation or selection of the entity or individual with whom the District will enter into the transaction or arrangement, (ii) voting on the matter or (iii) both, as applicable. A Director that is either elected or employed by a political subdivision with which the District is considering entering into a transaction or other arrangement must recuse himself or herself from voting on the matter involving the political subdivision. A Director or Officer who complies with the provisions of this Section 3.2 shall not be deemed to have an actual or potential conflict of interest.

Section 3.3. Determining Whether a Prohibited Interest Exists. After disclosure of a potential prohibited interest under Section 3.1 of this Policy, the Director, Officer or employee making such disclosure shall leave the Board of Directors' meeting while the Board discusses the nature of the interest and votes upon whether it believes such an

interest constitutes or will constitute a prohibited interest if the District were to enter into a transaction or contractual arrangement with the entity or individual in respect of which the interested person has an interest and whether such person is not or will not be deemed to have a conflict of interest due to such person's compliance with the provisions of Section 3.2 hereof. If such person is a Director, the remaining Board of Directors shall decide if a conflict of interest exists.

Section 3.4. Procedures for Addressing the Conflict of Interest. If, pursuant to Section 3.3, a prohibited interest is deemed to exist:

(1) The Board of Directors shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement and may in its discretion request verbal advice or a written opinion of the Ohio Ethics Commission on the matter.

(2) After exercising due diligence, the Board of Directors shall determine whether the District can obtain a more advantageous transaction or arrangement with reasonable efforts from a person or entity that would not give rise to a conflict of interest.

(3) If a more advantageous transaction or arrangement is not reasonably attainable under circumstances that would not give rise to a conflict of interest, the Board of Directors shall determine by a majority vote of the disinterested Directors whether the transaction or arrangement is in the District's best interest and for its own benefit and whether the transaction is fair and reasonable to the District and shall make its decision as to whether to enter into the transaction or arrangement in conformity with such determination.

Section 3.5. Violations of the Conflicts of Interest Policy.

(1) If the Board of Directors has reasonable cause to believe that a Director, Officer or employee of the District has failed to disclose an actual or possible prohibited interest under this Policy, it shall inform such person of the basis for such belief and afford such person an opportunity to explain the alleged failure to disclose.

(2) If, after hearing the response of such person and making such further investigation as may be warranted in the circumstances, the Board of Directors determines that such person has, in fact, failed to disclose an actual or possible prohibited interest, it shall take the disciplinary and corrective action which it, in

its sole discretion, determines to be appropriate in the circumstances, including, without limitation, compliance with division (A)(1) of Revised Code Section 2721.22.

Section 4. Records of Proceedings. With respect to any proceedings of the Board of Directors under this Policy, the minutes of the Board of Directors shall contain the following:

- (1) The names of the persons who disclosed or otherwise were found to have an potential or actual prohibited interest under this Policy, the nature of the interest, any action taken to determine whether the interest is a prohibited interest hereunder or under any law of the State of Ohio, and the Board of Directors' decision as to whether a prohibited interest in fact existed.
- (2) The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection therewith.

Section 5. Annual Statements. Each Director, Officer and employee of the District shall annually sign a statement which affirms that such person:

- (1) has received a copy of the most recent Conflicts of Interest Policy;
- (2) has read and understands this Policy;
- (3) has agreed to comply with this Policy; and
- (4) understands that (i) the District is an organization performing essential governmental functions authorized by Section 715.72 of the Ohio Revised Code, among others, and, therefore, pursuant to Section 115(1) of the Code, it and its income is exempt from federal income taxation and (ii) in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its governmental purposes.

Section 6. Periodic Reviews. To ensure that the District operates in a manner consistent with its governmental purposes and that it does not engage in activities that could jeopardize its status as an organization performing essential governmental functions and claiming exemption from federal income taxation pursuant to Section 115(1) of the Code, periodic reviews shall be conducted. The periodic reviews shall, at the minimum, include the following subjects:

(1) Whether compensation arrangements and benefits are reasonable and are the result of arm's-length bargaining; and

(2) Whether partnership and joint venture arrangements and arrangements with management service organizations, including property management organizations, if any, conform to written policies of the District, are properly recorded with the District, reflect reasonable payments for goods and services, further the District's governmental purposes and do not result in personal inurement or impermissible private benefit.

Section 7. Use of Outside Experts. In conducting the periodic review provided for in Section 6, the District may, but need not, use outside advisors or experts. If outside experts are used their use shall not relieve the Board of Directors of its responsibility for ensuring that periodic reviews are conducted.

Section 8. Amendments. This Policy may be amended from time to time by the Directors of the District acting in accordance with the provisions governing amendments to this Policy set forth in the Code of Regulations.

## CHAPTER 2

### **GENERAL ETHICS POLICY**

Section 1. Statement of Intent and Purpose. Notwithstanding that Revised Code Section 715.72(P)(4) expressly provides that "*Membership on the board of directors of a joint economic development district created under this section is not the holding of a public office or employment within the meaning of any section of the Revised Code prohibiting the holding of other public office or employment*", Officers and employees of the Liberty Township Joint Economic Development District I (the "District"), the Directors of the District, acknowledging the quasi-public nature of the District and the public purpose for which it is organized, desire to voluntarily adopt, along with the Conflicts of Interest Policy set forth in Chapter 1 hereof, an ethics policy (this "General Ethics Policy") that is to govern actions of the District's Directors, Officers and employees in order to protect the public trust inherent in the District's statutory purposes.

Section 2. Definitions. As used in this Chapter 2:

- (A) "*Income*" includes gross income as defined and used in the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C. 1, as amended, and interest and dividends on obligations or securities of any state or of any political subdivision or authority of any state or political subdivision.
- (B) "*Anything of material value*" means to the extent material, as defined below:
- (1) Money, bank bills or notes, United States treasury notes, and other bills, bonds, or notes issued by lawful authority and intended to pass and circulate as money;
  - (2) Goods and chattels;
  - (3) Promissory notes, bills of exchange, orders, drafts, warrants, checks, or bonds given for the payment of money;
  - (4) Receipts given for the payment of money or other property;
  - (5) Rights in action;
  - (6) Things which savor of the realty and are, at the time they are taken, a part of the freehold, whether they are of the substance or produce thereof or affixed thereto, although there may be no interval between the severing and taking away;
  - (7) Any interest in realty, including fee simple and partial interests, present and future, contingent or vested interest, beneficial interests, leasehold interests, and any other interest in realty;

- (8) Any promise of future employment;
- (9) Every other thing of value, including, but not limited to, a contribution as defined in section 3517.01 of the Revised Code.

For the purposes of this definition, "material" when used in the phrase "anything of material value" means anything with a monetary value in excess of \$400.

Section 3. Prohibited Representations. A present or former Director, Officer or employee of the District is not permitted, during employment with or service to the District or for a period of one year thereafter to represent a client or act in a representative capacity for any person on any matter in which the Director, Officer or employee personally participated as a Director, Officer or employee of the District through decision, approval, disapproval, recommendation, the rendering of advice, investigation, or other substantial exercise of administrative discretion.

Section 4. Maintaining Confidentiality of Information. A present and former Director, Officer or employee of the District is prohibited from disclosing or using, without appropriate authorization, any information acquired by such Director, Officer or employee in the course of the Director's, Officer's or employee's official duties for the District that is confidential because of statutory provisions, or that has been clearly designated to the Director, Officer or employee as confidential when that confidential designation is warranted because of the status of the proceedings or the circumstances under which the information was received and preserving its confidentiality is necessary to the proper conduct of the District's business.

Section 5. Prohibited Use of the Authority or Influence of Corporate Office or Employment. A Director, Officer or employee of the District is prohibited from using or authorizing the use of the authority or influence of his or her office or employment to secure anything of value or the promise or offer of anything of value that is of such a character as to manifest a substantial and improper influence upon the Director, Officer or employee with respect to that person's duties.

Section 6. Prohibition upon Solicitation or Acceptance of Things of Material Value. A Director, Officer or employee of the District is prohibited from soliciting or accepting anything of a material value that is of such a character as to manifest a substantial and improper influence upon the Director, Officer or employee with respect to that person's duties. For purposes of this Section, there is a rebuttable presumption that the acceptance of meals or casual entertainment from the same person or entity that does not exceed \$400 during a calendar year does not manifest a substantial and improper influence upon a Director, Officer or employee with respect to that person's duties.

This Section shall not be construed as prohibiting a Director, Officer or employee of the District from accepting a paid consulting engagement arising out of such Director's, Officer's or employee's expertise about the functions of or his or her relationship to the District and its mission if the payment for such an engagement is deposited into the general fund of the District and if the acceptance of such an engagement will not adversely affect that person's duties with the District.

Section 7. Requesting a Ruling from the Board of Directors. Any Director, Officer or employee of the District who is unsure of such person's compliance with the provisions of this Chapter in connection with an individual situation that arises may request that the Board of Directors of the District, in its absolute discretion, rule on the potential activity's compliance with the letter and spirit of this Chapter. If a Director of the District avails himself or herself of the provisions of this Section 7, such Director shall not participate in any discussions among the other Directors or in their ruling related to such Director's requested ruling, except as the other Directors may request in connection with learning or clarification of the factual matters related to such situation.

Section 8. Violations of the General Ethics Policy. If the Board of Directors has reasonable cause to believe that a Director, Officer or employee of the District has violated this General Ethics Policy, it shall inform the Director, Officer or employee of the basis for such belief and afford such person an opportunity to explain the alleged violation.

If, after hearing the response of such person and making such further investigation as may be warranted in the circumstances, the Board of Directors determines that such Director, Officer or employee has, in fact, violated this General Ethics Policy, it shall take appropriate disciplinary and corrective action, including, but not limited to, ordering mandatory withdrawal from the Board of Directors, if such person is a Director, or suspension or termination of employment, if such person is an Officer or employee.

Nothing in this Section 8 or anywhere else in Chapters 1, 2 or 3 of this Comprehensive Ethics Policy shall be construed as prohibiting the Board of Directors of the District from turning over evidence of an alleged violation of any provision of this Comprehensive Ethics Policy to local law enforcement authorities if it believes that the alleged violation may rise to the level of a criminal offense.

### **CHAPTER 3**

#### ***DISCLOSURE OF POLITICAL CONTRIBUTIONS TO DISTRICT DIRECTORS THAT ARE ELECTED OFFICIALS***

**Section 1.**     **Statement of Intent and Purpose.** Notwithstanding the bona fide belief of each Director of the District who is an elected official of a political subdivision (if any), as that term is used in Ohio law (each an "Affected Director"), that the District is not subject to the provisions of Revised Code Sections 3517.13(I) and (J), the Affected Directors acknowledge that disclosure by a potential person or entity that is seeking to contract with the District for the sale of goods or services of any political contributions made to any such Affected Director provides such Affected Director with the opportunity to recuse himself or herself from voting on the award of the related contract, thereby avoiding even an appearance of a prohibited conflict of interest. Therefore, the following policy regarding the disclosure of political contributions to any Affected Director is hereby adopted.

**Section 2.**     **Submission of Contribution Disclosure Form with Bids.** If an elected official of a political subdivision is appointed as a Director of the District, legal counsel to the District shall provide to the District for distribution to, and completion by, appropriate prospective bidders, any necessary political contribution disclosure forms in a form currently on file with the District.

