



SUBJECT

**Standards of Ethical Conduct**

APPROVED BY OMNITRANS  
BOARD OF DIRECTORS

DATE: Nov 6, 2013

**I. PURPOSE**

To state Standards of Ethical Conduct.

**II. SCOPE**

All Departments

**III. PROCEDURE**

A. Definitions

For the purpose of this policy, the following definitions will apply:

1. Abuse of Power- Wrongful use of a position of authority to influence employees, colleagues, customers, or volunteers (e.g., coercion to participate in activities or decision making in violation of laws, regulations, or policies).
2. Conflict of Commitment – A situation in which an employee’s additional employment or other activity, whether internal or external to Omnitrans, interferes with his or her performance of his/her primary duties at Omnitrans.
3. Conflict of Interest – A situation in which an individual or any of his or her family has an existing or potential financial or other material interest that impairs or might appear to impair the individual’s independence and objectivity of judgment in the discharge of responsibilities of Omnitrans. A conflict of interest also arises when an individual evaluates the work or performance of a person with whom he or she is engaged in a romantic or sexual relationship.
4. Ethical Conduct – Behavior conducted according to Omnitrans’ “Statement of Ethical Conduct” and this policy.
5. Financial Irregularity – An intentional misstatement, omission, or failure to disclose information related to a financial transaction that is detrimental to the interests of Omnitrans, including embezzlement, fraud, or falsification or records; to misappropriate assets.
6. Fraud - An intentional act of misrepresentation, dishonesty, trickery, or deceit (including the concealment or suppression of the truth), designed to obtain information or assets without approval.
7. Kickback – The act of accepting a payment to improperly obtain or reward with favorable treatment in connection with either a contract or subcontract relating to



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a prime contract.

8. Misconduct - Cheating, falsification, fabrication, misappropriation, plagiarism, or other practice that seriously deviates from those commonly accepted as proper.

9. Stewardship - The management of tangible and intangible assets of Omnitrans.

B. Omnitrans' commitment to the highest standard of ethical conduct is an integral part of its mission "to provide the San Bernardino Valley with comprehensive public mass transportation services which maximize customer use, comfort, safety and satisfaction while efficiently using financial and other resources in an environmentally sensitive manner." That commitment upholds the reputation of Omnitrans and encourages compliance with applicable laws and regulations.

C. In cases when Omnitrans policies appear ambiguous, difficult to interpret or apply; and, when it is difficult to identify your responsibilities in situations of potential violations of standards of ethical conduct, contact your immediate supervisor, manager, director, or the Human Resources Department for assistance/interpretation.

D. Omnitrans will not tolerate retaliation toward or harassment of employees who report actual or possible violations. The identity of individuals providing information concerning possible violations, including fraud, will be protected within legal limits. Individuals who take retaliatory action will be subject to discipline, up to and including discharge.

E. Suspected violations will be investigated by the appropriate Omnitrans personnel, depending on the nature of the violation. Disciplinary measures may be taken, in accordance with applicable regulations, if appropriate to the circumstances.

F. Omnitrans is committed to the protection of both the accused and the accuser in the reporting of any violation of this policy. Therefore, attempts by individuals to discredit others through inappropriate use of this policy are not permitted.

G. To report an actual or suspected violation:

1. Discuss the violation with the immediate supervisor, except when the supervisor is involved, in which case discuss it with the person at the next supervisory level.

2. If you cannot address the situation in this manner, you may contact the Director of Human Resources.

**Caution:** Failure of a supervisor to report actual or possible violations may be a subject of appropriate Omnitrans discipline.



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H. Direct any questions about the Standards of Ethical Conduct Policy to the Director of Human Resources.

**IV. STANDARDS OF ETHICAL CONDUCT**

A. An environment that encourages the highest level of integrity from its members is critical to Omnitrans. Therefore, adherence by executive officers, directors, managers, supervisors, staff and others acting on behalf of Omnitrans to the standards of ethical conduct set forth in this document is an integral part of Omnitrans' long-range goals of attracting quality employees; ensuring proper stewardship of its resources; and attracting grants, and other forms of support.

Omnitrans executive officers, directors, managers, supervisors, staff and others acting on behalf of Omnitrans should not commit acts contrary to these standards or support the commission of such acts by others.

Further, employees of Omnitrans are expected to assume personal responsibility and accountability for their actions by maintaining these standards. In an effort to ensure that employees are adequately informed of Omnitrans' expectations, all employees will be asked to read a Statement of Ethical Conduct (see the "Appendix A" Section of this document).

Omnitrans employees that are designated in Omnitrans Conflict of Interest Code (COI) are required to submit California Form 700, Statement of Economic Interests, and shall comply with reporting requirements, including gifts limits established in Form 700. This policy is indicating a higher standard exists. No gift shall be accepted by employees, without approval of the CEO/GM. If approved, it must be reported in compliance with Form 700 and on file in the Administration Office.

Omnitrans employees not governed by California Form 700: No gifts shall be accepted by employees, without approval of the CEO/GM. If approved, by the CEO/GM, receipt of gift from any single source or multiple sources that have a cumulative value of more than \$50.00 in a calendar year must be on file in the Administration Office.

B. Listed below are some of the areas where frequent ethical questions arise, and some general principles of ethical conduct that apply to these areas:

**Abuse of Power**

- Support the creation and maintenance of an environment in which the abuse of power is not tolerated.



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**Communication**

- Communicate judgments, opinions, and other information--both positive and negative--fairly and objectively.

**Computer Use**

- Use electronic communications and systems in a responsible manner.

**Confidentiality**

- Use confidential information acquired in the course of Omnitrans affiliation only for official or legal purposes, and not for personal or illegal advantage, during or after such affiliation;
- Disclose confidential information acquired in the course of employment or Omnitrans affiliation on a need-to-know basis and only when authorized to do so.

**Conflicts of Interest and Commitment**

- Advise appropriate parties of potential conflicts in accordance with applicable Omnitrans conflicts policies;
- Avoid any activity that hinders your ability to carry out responsibilities to Omnitrans.

**Financial Transactions**

- Conduct, process, and report all financial transactions with integrity.

**Grants and Contracts**

- Adhere to grant and contractual obligations of Omnitrans, including proper allocation of expenses;
- Comply with applicable laws and regulations governing the receipt and disbursement of sponsored funds.

**Intellectual Property**

- Honor non-disclosure agreements;
- Abide by all rules and laws governing the use of copyrighted materials, patented ideas, licenses, and proprietary information;
- Properly attribute the ideas and work of others.

**Kickbacks**



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- Refrain from making or accepting payments to improperly obtain or reward with favorable treatment in connection with either a contract or subcontract relating to a prime contract.

**Reporting**

- Meet accurately and fully reporting obligations that are required by federal and state regulations.

**Stewardship**

- Use Omnitrans resources or assets legally and properly;
- Refrain from engaging in personal use of Omnitrans facilities, equipment, employees, or voluntary help unless written permission is obtained in accordance with applicable procedures.

**IV. RESPONSIBILITIES**

A. The major responsibilities each party has in connection with Omnitrans Standards of Ethical Conduct Policy are as follows:

CEO/General Manager	<p>Ensure that directors and managers are aware of the need for complete compliance with the Statement of Ethical Behavior.</p> <p>Report suspected violations to appropriate Omnitrans personnel.</p> <p>Take appropriate action with regard to violations by direct reports.</p>
Directors & Managers	<p>Encourage and support efforts by employees to perform duties and responsibilities at the highest standards.</p> <p>Ensure that supervisors are promoting excellence in ethical practices through periodic training and daily reinforcement.</p> <p>Report suspected violations to appropriate Omnitrans personnel to protect both the alleged violator and the individual reporting a suspected violation.</p>
Human Resources	Investigate alleged policy violations and determine whether a violation has occurred, and whether action is required.
You	Conduct Omnitrans-related activities according to the Statement of Ethical Conduct.



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**APPENDIX A**

The federal government provides significant support to Omnitrans. Included in this section is a brief overview of some of the laws, regulations, and guidelines that may be used to evaluate the actions of Omnitrans as well as its executive officers, directors, supervisors, staff and others. Omnitrans and these individuals are expected to be in full compliance with all federal and state laws.

**Anti-Kickback Act of 1986**

This act was passed to deter subcontractors from making payments and contractors from accepting payments to improperly obtain or reward with favorable treatment in connection with either a contract or subcontract relating to a prime contract.

**Federal Sentencing Guidelines**

1991 Federal Sentencing Guidelines define an effective internal control program in the following seven steps:

1. Compliance programs have been established to reduce the prospect of criminal conduct by the employees or agents of the organization. Other References include the Procurement Policy Manual. Omnitrans employees are to comply with other policies referencing Conflict of Interest such as Procurement Policy 1050 "Standards of Conduct and Conflict of Interest; Procurement Policy 1060 "Contractor Relations", as examples.
2. High-level individuals have been assigned responsibility to oversee compliance with the standards and procedures.
3. The organization has taken steps to install monitoring and auditing systems designed to detect criminal conduct.
4. Evidence confirms that substantial discretionary authority has not been delegated to individuals who the organization knows or should have known have a propensity to engage in illegal activities.
5. Standards and procedures have been communicated to all employees and agents through training programs and printed materials.
6. Standards and procedures have been consistently reinforced through appropriate disciplinary mechanisms.
7. Appropriate responses are made to reported offenses, with action taken to prevent recurrence.

Under the legal concept of *respondent superior*, or "let the master answer", the organization is responsible for the wrongful acts of its employees, as long as the employees are acting in



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their official capacity. Employees and agents are expected to be trained and counseled to act in a lawful and ethical fashion. Establishing a visible "track record" of prevention and detection within an organization is critical. The organization must be proactive in establishing anti-fraud programs and compliance audits.

**Foreign Corrupt Practices Act of 1977**

The anti-bribery provisions of this act require that books, records and accounts be maintained that accurately and fairly reflect the transactions and disposition of assets, and that a system of internal accounting control be maintained.

**Office of Federal Procurement Policy Act Regarding Procurement Integrity**

This act states that no competing contractor or any officer, employee, representative, agency, or consultant of such competing contractor shall knowingly:

- Make, directly or indirectly, any offer or promise of future employment with any procurement officer of such agency;
- Offer or give, directly or indirectly, any money, gratuity, or other thing of value to any procurement officer of such agency;
- Solicit or obtain, directly or indirectly, any proprietary or source selection information regarding such procurement.