



3401-B Armory Road
Wichita Falls, TX 76302

Phone (940) 766-3207
Fax (940) 766-1078

**Work Services Corporation
Board of Directors Policy**

Code of Conduct

Introduction

The Work Services Corporation (WSC) Board of Directors has adopted the following Code of Conduct Policy. This Code is intended to focus the Board on the duties and responsibilities of its Directors (See Attachment 1, Board Member Responsibilities), provide guidance to Directors to help them recognize and deal with ethical issues, provide mechanisms to report unethical conduct, and help foster a culture of honesty and accountability.

The Code governs the conduct of the Board's work and each Director should become familiar with its provisions. A failure to comply with the provisions will raise ethical questions which adversely affect the WSC mission. Each Director is therefore expected to comply with the letter and spirit of this Code.

Directors adhere to the following principles in the exercise of their duties on the WSC Board.

- Give allegiance to WSC when making decisions affecting the Organization.
- Be faithful to WSC's mission.
- Exercise reasonable care when making decisions as a steward of WSC resources.
- Enthusiastically represent WSC to the public.
- Avoid actions or behaviors that would harm or embarrass WSC.
- Exhibit respect for Board colleagues and staff by conducting themselves in a professional, courteous, and respectful manner.
- Maintain confidentiality where required or directed. Confidential information acquired in the course of service as a Director will not be used for personal advantage.
- Obtain a level of competence by reading briefing materials, attending and actively participating in Board and Committee meetings, and exercising your Board responsibilities in an ethical and prudent manner.
- Be a responsible Board member by doing your share of the work, accepting leadership positions, and working together as a Board in communicating and sharing ideas.
- Abide by consensus during Board and Committee meetings. Offer your opinions, ask questions, and/or disagree, but support the final decision of the Board.

No code or policy can anticipate every situation that might arise. Accordingly, this Code is intended to serve only as a source of guiding principles for Directors. Directors are encouraged to bring questions about particular circumstances that might relate to one or more provisions of the Code to the attention of the Board Chair or the Board Audit Committee.

Conflict of Interest

WSC Board members have a paramount interest in promoting and preserving the interests of the Organization. A conflict of interests exists when there is a conflict (or the appearance of a conflict) between an individual's personal, financial, or professional interests and his or her fiduciary obligations as a WSC Board Member. Conflicts of interest can also arise when a Director or a member of his or her immediate family receives improper benefits as a result of his or her directorship with the Organization.

Where there is an actual or potential conflict of interest, the Director must make full disclosure to the Board and must not participate in the matter giving rise to the conflict of interest.

Any Director who becomes aware of an actual or potential conflict of interest should bring it to the attention of the Board Chair and/or the Board Audit Committee.

Disclosure

Board members should make known their personal relationships and interests to entities which are currently or potentially conducting business or otherwise involved with WSC. Board members must inform the Board as soon as they have knowledge of a WSC transaction or proposed transaction with an outside individual, business, or other organization that could create a conflict of interest. As a minimum, Board members are required to disclose any of the following.

- Remuneration the Board member or immediate family member received from an individual/organization conducting business with WSC.
- Investments or ownership interests the Board member or immediate family member has in outside organizations conducting business with WSC.
- Offices or positions the Board member or immediate family member has in outside organizations conducting business with WSC.
- Other relationship with outside organizations that actually or potentially create a conflict of interest.

All disclosure will be recorded in the official Board Minutes. Violations of disclosure requirements will be reported to the Board Chair and/or Board Audit Committee.

Recusal

The Board or Board Committee may take any or all of the following actions when disclosure has been made of an actual or potential conflict of interest.

- Director(s) may not participate in any discussion or debate on particular matters relating to the conflict of interest.
- Director(s) may not be present where a discussion or debate is occurring.
- Director(s) will not vote on particular matters relating to the conflict of interest.
- Director(s) will not be present for a vote on particular matters relating to the conflict of interest.

Integrity and Objectivity

A Board member may not knowingly misrepresent facts in order to achieve any measure of personal gain for himself or herself, or any affiliated organization from which he/she might benefit. All decisions and representations must be made with the best interests of WSC in mind. Confidential financial bidding information privy to Board members that relates to a contract bidding process must not be disclosed to any of the competing parties. Information provided to such bidders shall not provide an unfair advantage to any one competing party.

Special Consideration, Gifts, Gratuities, Fees, and Other Payments

It is inappropriate for a Director or any member of the Director's immediate family to obtain special consideration or benefits in dealings with third parties as a result of such person's status as a WSC Director. Accordingly, each Director must ensure that dealings with third parties with whom WSC does business are concluded on terms that would be generally available to persons without the status of Director or Director's immediate family member.

Directors should refrain from any act that has the appearance of being a bribe, kickback, or other illegal or improper payment, whether direct or indirect, to any persons or entity for the purposes of (i) obtaining, retaining, or directing business or (ii) affecting the conditions of doing business. Moreover, Directors must report any offer of a bribe, kickback, or illegal payment that they receive or learn of to the Board Chair and/or Board Audit Committee.

No Director or immediate family member of a Director should accept any gift, gratuity, fee or other payment of any kind if it is known or suspected that its purpose is to influence a transaction, such item is excessive, or such item might cause embarrassment if its acceptance became known. Similarly, no Director or immediate family member of a Director should offer any gift, gratuity, fee, or other payment of any kind to a customer, potential customer, or related

party of WSC for the purpose of influencing any transaction between such entity and WSC. Cash gifts of any amount are unacceptable. Cash should not be accepted for any speech made or article written in connection with official WSC business. Any questions regarding the acceptability of an invitation or gift should be directed to the Board Chair, the Board Audit Committee, or the Corporate Attorney.

Confidentiality

Directors should maintain confidentiality of information entrusted to them by the Organization except when disclosure is authorized by the Board or legally mandated. For the purposes of this code, confidential information includes all non-public information relating to WSC.

Administration

This Code requires certain disclosures to be made to the Board Chair, the Board Audit Committee, or the Corporate Attorney. The information that Directors disclose to the Board Chair, Board Audit Committee, or Corporate Attorney will be privileged and will not be disclosed except as the WSC Board of Directors in its sole discretion determines that waiver of such privilege is in the best interests of WSC.

In the event of a reported impropriety, the Board Chair in consultation with the Board Audit Committee and (if necessary) Corporate Attorney will make a full investigation and report to the entire Board. The Board will then take appropriate corrective action and impose sanctions as necessary. Sanctions may include, but are not limited to, the following.

- Censure recorded in the official Board minutes.
- Verbal or written reprimand.
- Removal from a board Committee at the discretion of the Board Chair.
- Removal from the Board.

Attachment 1

Board Member Responsibilities

1. Determine the organization's mission and purpose. It is the Board's responsibility to periodically review and affirm or change mission and purpose statements as necessary.
2. Select the chief executive. Boards must reach a consensus on the chief executive's responsibilities and undertake a careful search to find the most qualified individual for the position.
3. Provide proper financial oversight. The board must assist in developing the annual budget and ensuring that proper financial controls are in place.
4. Ensure adequate resources. One of the board's foremost responsibilities is to provide adequate resources for the organization to fulfill its mission.
5. Ensure legal and ethical integrity and maintain accountability. The board is ultimately responsible for ensuring adherence to legal standards and ethical norms.
6. Ensure effective organizational planning. Boards must actively participate in an overall planning process and assist in implementing and monitoring the plan's goals.
7. Recruit and orient new board members and assess board performance. Identify and articulate prerequisites for board membership.
8. Enhance the organization's public standing. The board should clearly articulate the organization's mission, accomplishments, and goals to the public and gain support for the organization in the community.
9. Determine, monitor and strengthen the organization's program and services consistent with the organization mission.