

Internal Compliance Program Certification Form 2433

Background

Title 43 of the Texas Administrative Code requires specific state and federal funds recipients to adopt and enforce an internal ethics and compliance program that satisfies the requirements of 43 Texas Administrative Code §10.51. 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.

Minimum requirements set forth in Title 43 Texas

Administrative Code §10.51:

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 entity's internal ethics and compliance program and shall promote an organizational culture that encourages ethical conduct and a commitment to compliance with all applicable laws and regulations.
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 entity shall have a consistent process to vet the background of current and future employees in high level positions and those

involved in the handling of financial and/or highly confidential information.

3. Ensure that 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 entity shall ensure that employees and the governing board (if applicable) are made aware of all internal ethics and compliance policies, procedures, and practices by requiring them to participate in periodic ethics and compliance training. A record of those participating in training shall be kept.
4. Ensure that compliance standards and procedures are effectively communicated to all of the entity's agents.
 - ♦ The entity shall notify and require its partners doing business on its behalf to comply with the entity's internal ethics and compliance policies, procedures, and practices through written or verbal communication.
5. Ensure that 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 non-compliance and providing and publicizing a system for the entity's employees and agents to report suspected non-compliance without fear of retaliation.

- ♦ The entity shall have in place a reporting system, which may include mechanisms for anonymity or confidentiality, that allows employees, the governing board and entity agents to report suspected incidents of non-compliances without fear of retaliation.
 - ♦ The entity shall have an established process for assessing compliance with its code of conduct as well as policies and procedures adopted to promote adherence with laws and regulations.
6. Ensure consistent enforcement of compliance standards and procedures is administered through appropriate disciplinary mechanisms.
- ♦ The entity shall respond to incidents of non-compliance by following an established internal disciplinary process.
7. Ensure reasonable steps are being taken to respond appropriately to detected offenses and to prevent future similar offenses.
- ♦ The entity shall have established protocols and processes for monitoring and responding to risk that could potentially result in violations.
 - ♦ The entity shall act appropriately to prevent similar conduct by implementing a plan remedying past non-compliance, preventing future non-compliance and making modifications as necessary to the entity's policies to ensure effective compliance.

8. Have in place a written employee code of conduct that, at a minimum, addresses record retention, fraud, equal opportunity employment, sexual harassment, conflicts of interest, personal use of the entity's property, and gifts honoraria.
 - ♦ The entity shall adopt a code of conduct that, at a minimum, addresses each element of this requirement.

Certification

The undersigned organization would like to be eligible to receive state or federal funds from or through the Texas Department of Transportation.

To comply with the requirements set forth in the Texas Administrative Code, the undersigned entity certifies that:

1. the entity 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 entity enforces employee compliance with its internal ethics and compliance program; and
3. the entity'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)).

Organization Name:

Organization's Representative

Printed Name:

Title:

Date:

Signature:

Privacy Statement

The Texas Department of Transportation maintains the information collected through this form. With few exceptions, you are entitled on request to be informed about the information we collect about you. Under Sections 552.021 and 552.023 of the Texas Government Code, you also are entitled to receive and review the information. Under Section 559.004 of the Government Code, you are also entitled to have us correct information about that is incorrect.

Contact/Help

For information about completing this form, entities should contact the Compliance Division at 512-465-7509.