

INTERLOCAL COOPERATION AGREEMENT FOR THE SHARED ETHICS ADVISORY COMMISSION, AS AMENDED

WHEREAS, the City of Crown Point, the City of East Chicago, the City of Hobart, the City of Whiting, the Town of Dyer, the Town of Highland, the Town of Lowell, the Town of Munster, the Town of Schererville, and the County of LaPorte are signatories to an Intergovernmental Cooperation Agreement originally dated November 21, 2005, for the purposes of forming a Shared Ethics Advisory Commission; and,

WHEREAS, it is the mission of the Shared Ethics Advisory Commission to promote and educate local government officials on ethical concepts and practices throughout the geographic region of Northwest Indiana; and,

WHEREAS, it is the desire of the Shared Ethics Advisory Commission to include those governmental units that wish to encourage a culture of ethical behavior within those organizations; and,

WHEREAS, the government of the City/Town, Lake/Porter/LaPorte County, Indiana, through its Town Council has expressed its desire to become a contributing member of the Shared Ethics Advisory Commission;

NOW, THEREFORE, BE IT HEREBY ORDAINED AND ENACTED AS FOLLOWS:

Article 1. DURATION

The duration of this agreement shall be retroactive from December 30, 2008, ... [and] shall be automatically renewed annually thereafter. A party may withdraw from this Agreement by notice to the other parties in accordance with the requirements of Article 11.

Article 2. PURPOSE

The purpose of this agreement is to provide for the appointment of a Joint Board of Delegates which shall be empowered to optimize the resources of the member entities for the mutual benefit of the participating entities related to each community's ethics code of values. The Joint Board of Delegates shall cause services to be provided under this agreement that may include but are not limited to ethics training, ethics policy review, ethics code administration and such supplies and services that may be desirable in support of the services.

Article 3. ADMINISTRATION AND QUORUM

This agreement shall be administered through the Joint Board of Delegates (JBD) composed of the duly appointed delegates. The JBD shall consist of one delegate appointed by the chief executive officer of every governmental entity that is a party to this Agreement. A quorum shall consist of a majority of the delegates. The JBD shall fix the time and place of its regular meetings but it shall meet at least quarterly. Meetings

shall be open and are subject to the provisions of IC 5-14 et seq. Meetings of the JBD shall be convened at public meeting facilities provided by the participating entities. Except where otherwise provided in this agreement, official action shall require not less than a favorable vote by a majority of the appointed delegates attending as part of the quorum. Robert's Rules of Order, Newly Revised shall be the parliamentary authority.

Article 4. JOINT BOARD OFFICERS AND POWERS

- (A) For each year that this agreement is in existence, an annual meeting shall be held at a fixed time of each year, in which the JBD shall elect a President, a Vice President and a Secretary from among its membership. At the inaugural meeting, an agreed upon officer from one of the member entities shall preside for the purpose of organizing.
- (B) The term of the officers will be from January to December of a given year and until a successor is elected and qualifies. Persons elected may succeed themselves. The JBD may arrange for a non-member to provide for the secretarial function to the JBD.
- (C) The JBD shall fix a budget to support its activities and report it to the participating entities. The Joint Board of Delegates shall recommend reasonable dues or such reasonable user fees to be paid by each participating entity that becomes a signatory to this Agreement.
- (D) Further, the JBD:
 - (1) May contract and pay for goods and services, including those of proper ethics consulting and training providers, as budgeted that are obtained in consequence of this agreement, pursuant to the laws of the State of Indiana governing public entities.
 - (2) May contract and pay for the services of proper ethics consulting and training providers, as budgeted that are obtained in consequence of this agreement, pursuant to the laws of the State of Indiana governing public entities, particularly supporting the establishment of a Shared Ethics Advisory Commission as provided in Article 5 of this Agreement.
 - (3) Shall appoint an Administration Committee to provide staff support for the Shared Ethics Advisory Commission and Shared Ethics Officer. The Administration Committee shall consist of one member from each of the parties to this Agreement who is principally responsible for the human resource administration function of the entity.

Article 5. SHARED ETHICS ADVISORY COMMISSION

The Shared Ethics Advisory Commission (SEAC) shall consist of one (1) member each for the member governments and entities and not less than three (3) at-large members. Following the adoption of this amendment, members shall be selected and appointed in accordance with this amended agreement. Members of the SEAC serving their initial terms on the date of adoption of this amendment may be reappointed to four year terms subject to the renewal of this Agreement.

- (A) Members to represent local governments and entities shall be appointed by the chief

executive officer of the parties of this Agreement subject to the advice and consent of the legislative body of the member entity. These shall be persons who live, work in or hold property in Lake, Porter or LaPorte Counties, Indiana. These members should be persons of good character and not hold positions within a local government or entity.

- (B) At-large members shall be appointed by a majority vote of those attending and voting at the SEAC. In appointing these members, consideration should be given to seek persons with a legal, academic, religious, ethics, philanthropic or judicatory background. These members shall be persons who live, work in or hold property in Lake, Porter or LaPorte Counties, Indiana. The number of at-large members shall not exceed the number of members representing individual local governments and entities.
- (C) As each term expires, the members in subdivisions (A) and (B) of this section continue to serve until a successor is appointed and qualifies, subject to the extension of the Agreement.
- (D) The SEAC shall fix the time and place of its meetings but it shall meet at least quarterly.
- (E) Meetings of the SEAC shall be open and are subject to the provisions of IC 5-14 et seq. Meetings of the SEAC shall be convened at public meeting facilities provided by the participating entities
- (F) Except where otherwise provided in this agreement, favorable action of the SEAC shall be official only if authorized by not less than a majority of the members attending and voting as a part of the quorum.
- (G) The most current edition of Robert's Rules of Order, Newly Revised shall be the parliamentary authority.
- (H) Administrative staff and secretarial support for the SEAC shall be provided by respective staffs of the member entities. This service shall be provided to the SEAC at no additional charge.

Article 6. SHARED ETHICS ADVISORY COMMISSION OFFICERS AND DUTIES

- (A) For each year that this agreement is in existence, an annual meeting shall be held at a fixed time of each year, in which the SEAC shall elect a President, and a Vice President from among its membership. The SEAC shall appoint a Shared Ethics Officer, who shall serve as staff to the SEAC and its committees. The Shared Ethics Officer shall not have a vote.
- (B) The term of the officers will be from January to December of a given year and until a successor is elected and qualifies. Persons elected may succeed themselves.
- (C) The SEAC shall recommend an annual budget and work program. The SEAC shall report these annually to the participating entities. The SEAC may fix reasonable fees to be paid by participating entities for programs, services and training, which may be offered in consequence of this agreement and its administration.
- (D) The SEO and the SEAC shall develop forms and protocols for conventional and

electronic reporting and disclosure consistent with the member entities code of ethics and values, which shall be complimentary to the disclosure provisions of IC 35-44-1-3, in addition to such other activities they may carry-out under this agreement.

- (E) The SEO and the SEAC shall encourage and promote membership in this agreement by all eligible governmental units.
- (F) The SEO with the approval of the SEAC shall adopt written rules for the effective administration of its activities carried out under this agreement.

Article 7. SHARED ETHICS INITIATIVE FUND

- (A) There is hereby created and established the Shared Ethics Initiative Fund, a special non-reverting fund established for the purposes of acquiring supplies and services including training that are obtained in consequence of this agreement, pursuant to the laws of the State of Indiana governing public entities.
- (B) Expenditures from this fund may only be for the purposes for which this fund was established as set forth in this Interlocal Cooperative Agreement:
 - (1) Expenditures from this fund may be made only upon appropriation by the Joint Board of Delegates;
 - (2) Expenditures from this fund may only be for the purposes of set forth in this agreement and according to its terms.
- (C) The sources of money for the fund may be as follows:
 - (1) The local periodic dues or other contribution described and authorized in this Interlocal Cooperative Agreement;
 - (2) Interest earned from the investment of moneys on deposit to the credit of the fund, provided such investments are conducted pursuant to IC 5-13-9 et seq.;
 - (3) Gifts, donations and other voluntary contributions from any person or entity to the fund consistent with the lawful purposes and objectives of the fund; and
 - (4) Money derived from state or federal reimbursement grants, matching funds, and
 - (5) Contributions for such projects as may be consistent with the objects of I.C. 8-14-1 and I.C. 36-9-1, including but not limited to multi-party or intergovernmental undertakings.
- (D) Expenditures from the Fund may be made from the proper category of expense and for the purposes of the fund, only after an appropriation has been made in the manner provided by statute for making other appropriations and shall be disbursed only on approved accounts payable vouchers allowed by the Joint Board of Delegates. Expenditures shall only be made at a regular or special meeting of the Joint Board of Delegates, pursuant to IC 5-11-10 and IC 36-5-4 et seq.;
- (E) The fund appropriations shall be further governed as follows:
 - (1) All unused and unencumbered monies do not revert to any corporation general fund nor to any fund but the fund created by this agreement;

- (2) The unused and unencumbered balance of an appropriation shall not lapse at the end of the year in which the appropriation was made nor does it revert, but remains in full force and effect to the credit of the fund created by this agreement without re-appropriation until the purpose for which the appropriation was made has been accomplished or abandoned;
- (3) In the event that the entity created by this agreement is dissolved, after allowance for encumbrances and other lawful payables, the unobligated, unreserved fund balances shall be identified and distributed to the several participating entities on an equal share basis and the fund defeased upon satisfaction of all obligations and liabilities.

Article 8. JBD ENTITY FISCAL ADMINISTRATION

- (A) The JBD shall name one participating entity to administer the JBD Fund. The proper duly elected Clerk-Treasurer of the named entity will have the duty to receive, disburse and to account for all monies of the fund pursuant to terms of this agreement. The JBD may elect to rotate the administration.
- (B) Authorized expenses. The proper duly elected Clerk-Treasurer is authorized to make payments from the Shared Ethics Institute Fund (“SEIF”) upon formal approval by the Joint Board of Delegates (“JBD”). The proper duly elected Clerk-Treasurer is authorized to make payments from SEIF in advance of formal approval by the JBD for the following types of expenses:
 - (1) Property or services purchased or leased from:
 - (a) The United States government; or
 - (b) An agency or political subdivision of the United States Government; or
 - (c) The Government of the State of Indiana; or
 - (d) An agency or department or branch of the Government of the State of Indiana, including a body politic and corporate of the State.
 - (2) License fees or permit fees;
 - (3) Insurance premiums;
 - (4) Utility payments or utility connection charges;
 - (5) Federal grant programs if: advance funding is not prohibited; or the contracting party provides sufficient security for the amount advanced;
 - (6) Grants of state funds authorized by statute;
 - (7) Maintenance agreements or service agreements;
 - (8) Lease agreements or rental agreements;
 - (9) State, federal, or county taxes;
 - (10) The following additional expenses outlined in this section:
 - (a) Payments to such vendors or service providers, public or private, which have provided services or goods to the Ethics Entity, as approved by the

proper body, provided the amount of the accounts payable voucher is not greater than \$6,000.

- (b) Reimbursements to such officers or employees associated with the Ethics Entity which have provided services or goods to the Ethics Entity, as approved by the proper body, provided the amount of the accounts payable voucher is not greater than \$6,000.
- (C) Voucher required. Each payment of expenses outlined in subdivision (B) of this Article must be supported by a fully itemized accounts payable voucher.
- (D) Timely review. The Joint Board of Delegates shall review and confirm the advance payments at board's next regular or special meeting following the pre-approved payment of the expense.

Article 9. PRO-RATA LIABILITY FOR EXPENSES AND PERIODIC DUES

In addition to the schedule of fees set out in Article 10, the Joint Board of Delegates may establish reasonable dues and such reasonable user fees to be paid by each participating entity. Costs of operations or expenses common to the entirety (joint training, organization, etc.) shall be apportioned equally among the participating entities, with each paying a share of the identified costs, equally divided by the number of participating entities. Any fees or dues charged in furtherance of this agreement shall be paid to the Shared Ethics Initiative Fund. For services provided to or utilized by a specific participating entity, a reasonable user fee may be established to be paid by the particular entity.

Article 10. MEMBERSHIP AND SCHEDULE OF FEES FOR PARTICIPATING ENTITIES

- (A) Any governmental entity described in IC 36-1-7-1 of Lake, Porter or LaPorte Counties, Indiana is eligible for participation and membership in this agreement. An entity shall be a member in good standing only when all of the following occur:
 - (1) The entity has adopted by ordinance or resolution the Code of Ethics and Values, prescribed by the SEAC as adopted by the other members of the agreement.
 - (2) The entity has adopted by ordinance or resolution this Interlocal Agreement, executed the appropriate participant counterparts and delivered these to the Executive Secretary of the SEAC.
 - (3) The entity pays the enrollment fee identified in subdivision (C) of Article 10 of this agreement; and
 - (4) The entity pays and remains current in paying the annual membership fee identified in subdivision (C) of Article 10 of this agreement.
- (B) In order to support the administration and programs associated with this agreement, participating entities shall be assigned to a group, which shall be based upon the participating entities' number of employees as reported in January of each year of the term of this agreement on Form No. 100-R prescribed by the Indiana State Board of Accounts. The number of employees reported to classify a group pursuant to this

article shall exclude elected officials, members of Boards and Commissions, part-time, seasonal and temporary employees. The groups shall be identified according to the following classification:

- (1) Group I shall include entities whose number of full-time employees exceeds 150.
 - (2) Group II shall include entities whose number of full-time employees is from 101 to 150.
 - (3) Group III shall include entities whose number of full-time employees is from 50 to 100.
 - (4) Group IV shall include entities whose number of full-time employees is less than 50.
- (C) In order to support the administration and programs associated with this agreement, participating entities shall pay a one-time, initial enrollment fee according to the group to which the participating community belongs. The initial enrollment fee shall be according to the following schedule:
- (1) Group I initial enrollment fee is five thousand dollars (\$5,000).
 - (2) Group II initial enrollment fee is two thousand five hundred dollars (\$2,500).
 - (3) Group III initial enrollment fee is one thousand five hundred dollars (\$1,500).
 - (4) Group IV initial enrollment fee is five hundred dollars (\$500).
- (D) In order to support the on-going administration and programs associated with this agreement, participating entities shall pay an annual membership fee according to the group to which the participating entity belongs. The annual membership fee shall be according to the following schedule:
- (1) Group I annual membership fee is three thousand dollars (\$3,000).
 - (2) Group II annual membership fee is one thousand five hundred dollars (\$1,500).
 - (3) Group III annual membership fee is five hundred dollars (\$500).
 - (4) Group IV annual membership fee is two hundred fifty dollars (\$250).
- (E) All fees described herein shall be paid to the Shared Ethics Initiative Fund or it's duly identified receiving entity.
- (1) Enrollment fees are due no later than sixty (60) days after the participating entity adopts this agreement and executes the participating counterpart.
 - (2) Except as provided in subdivision (E)(3), annual membership fees are due after January 1 and before March 1 of each year the entity continues to participate in this agreement.
 - (3) If an entity adopts this agreement after October 31st, the first payment of annual membership fees will NOT be due until after January 1 of the subsequent year.
- (F) The SEO, members of the SEAC and the JBD shall not be compensated for meeting attendance. They may however be reimbursed for reasonable expenses and direct training efforts.

(G) The JBD based upon the recommendations of the SEAC may modify the initial enrollment fee and annual membership fees by:

- (1) Allowing payment of the enrollment fee to be paid over multiple fiscal years;
- (2) Modifying our waiving annual membership fees for members based on the existing resources and proposed expenses of the SEAC.

Article 11. TERMINATION

This agreement may be terminated by any one of the participating entities upon 90 days prior written notice to the others at the addresses indicated in the participants' counterparts. Upon termination, the property owned by the joint undertaking shall be appraised and disposed of and/or sold at auction in compliance with I.C. 36-1-11-1, et. seq. Any proceeds of the auction or sale shall then be distributed to the participating entities on an equal basis after payment of any and all liabilities and expenses of the joint undertaking. In the event one of the parties to the joint undertaking desires to terminate the agreement and the other parties desire to continue, notwithstanding anything in the aforesaid to the contrary, the other remaining entities shall be entitled to purchase the interest of the terminating party pursuant to IC 36-1-17-12 and IC 36-1-11-8 (upon payment by the terminating entity of any of its pro-rata expense obligations) and the agreement shall continue in full force and effect between the remaining participating entities.

Article 12. COUNTERPARTS

This Interlocal Cooperation Agreement may be executed in several counterparts, each of which when so executed shall be deemed to be an original, and such counterparts, together, shall constitute but one and the same instrument, which shall be sufficiently evidenced by any such original counterpart.

Article 13. RECORDING

Before this agreement takes effect, it must be recorded with the Office of the Lake, Porter or LaPorte County Recorders. Not later than sixty (60) days after it takes effect and is recorded, the agreement must be filed with the Office of the State Board of Accounts for audit purposes, all pursuant to I.C. 36-1-7-6.