



INTERNATIONAL
ECONOMIC DEVELOPMENT
COUNCIL

*The Power of
Knowledge and Leadership*

Policies and Procedures for IEDC Code of Ethics Enforcement

Effective January 2015

INTERNATIONAL ECONOMIC DEVELOPMENT COUNCIL

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Introduction

IEDC adopted an aspirational Code of Ethics in 2008 as a means to demonstrate the commitment of the economic development profession to the highest standards of professional conduct and integrity. It is also a tool to help economic development professionals foster more ethical working environments within their organizations and addressing economic development challenges in their communities.

This document provides the procedures and policies that govern the enforcement of the Code of Ethics on all IEDC members including Board of Directors, Certified Economic Developers (CEdDs) and the general membership.

These policies and procedures provide a fair and reasonable process for resolving complaints of ethical violations and determining whether a member violated the Code. The policies and procedures help ensure that a member who is subject of an investigation (the “respondent”) is provided full and fair opportunity to be heard throughout the process.

The Committee on Professional Conduct (CPC) at the IEDC Board level is the main body for reviewing and investigating alleged violations as well as determining sanctions, if proved. Appeals to the decision(s) of the CPC can be made to the IEDC Governance Committee. Their decision will be considered final.

Review of alleged violations and sanctions will primarily be a peer-review process. Staff support is provided to the committee, as needed.

IEDC Code of Ethics

Adopted October 22, 2008

The following code of ethics was established by the professional economic developers in the International Economic Development Council to ensure a high ethical standard for those involved in economic development.

There may be circumstances where the board may choose to interpret and apply this code to a particular event such as a man-made or natural disaster.

1. Professional economic developers shall carry out their responsibilities in a manner to bring respect to the profession, the economic developer and the economic developer's constituencies.
2. Professional economic developers shall practice with integrity, honesty, and adherence to the trust placed in them both in fact and in appearance.
3. Professional economic developers will hold themselves free of any interest, influence, or relationship in respect to any professional activity when dealing with clients which could impair professional judgment or objectivity or which in the reasonable view of the observer, has that effect.
4. Professional economic developers are mindful that they are representatives of the community and shall represent the overall community interest.
5. Professional economic developers shall keep the community, elected officials, boards and other stakeholders informed about the progress and efforts of the area's economic development program.
6. Professional economic developers shall maintain in confidence the affairs of any client, colleague or organization and shall not disclose confidential information obtained in the course of professional activities.
7. Professional economic developers shall openly share information with the governing body according to protocols established by that body. Such protocols shall be disclosed to clients and the public.
8. Professional economic developers shall cooperate with peers to the betterment of economic development technique, ability, and practice, and to strive to perfect themselves in their professional abilities through training and educational opportunities.
9. Professional economic developers shall assure that all economic development activities are conducted with equality of opportunity for all segments of the community without regard to race, religion, sex, sexual orientation, national origin, political affiliation, disability, age, marital status or socioeconomic status.
10. Professional economic developers shall abide by the principles established in this code and comply with the rules of professional conduct as promulgated by IEDC.
11. Not exploit the misfortune of federally declared disaster-impacted regions. This includes actively recruiting businesses from an affected community.
12. Abide by the principles established in this code and comply with the rules of professional conduct as promulgated by IEDC.

Committee on Professional Conduct

The Committee on Professional Conduct (CPC) will be the main body reviewing and investigating complaints and determining sanctions, if the allegations are proved. The CPC is comprised of IEDC Board members, as follows

- Current Vice Chair of the Board
- Immediate Past Chair
- Past Chair of the Board who is also a CEcD
- Board member representing the public sector, to be appointed by the Current Board Chair
- Board member representing the private sector, to be appointed by the Current Board Chair

At least two members of the CPC will be Certified Economic Developers (CEcD). The Nominating Committee of the IEDC Board will nominate a Chair for the CPC and will be elected by the Board.

Goal

The CPC will be responsible for carefully reviewing complaints, investigating allegations and determining sanctions if the allegations are proved in accordance with the policies and procedures outlined in this manual. IEDC staff will provide support as needed.

Reporting

The CPC will report to the IEDC Governance Committee. The CPC Chair will provide updates during the Governance Committee meetings. Decisions of the CPC, including sanctions and reasons, will be provided in writing to the Governance Committee within 7 days of the decision. Every effort will be made by the CPC to adhere to the policies and procedures outlined in this manual, taking into account the benefits to those involved and the public interest from prompt resolution of complaints, the goal of maintaining confidentiality to the extent feasible, and the circumstances of a given case.

Meetings

The committee will schedule monthly meetings to discuss new and existing cases. Additional meetings may be scheduled for case reviews, hearings and other investigations, as necessary. However, if there are no complaints brought to the attention of the CPC in any given month, the meeting will be canceled. IEDC staff will send out materials at least one week in advance of the meetings.

Confidentiality Agreement

Members of the CPC agree to protect the identity and information regarding the alleged ethical violation(s) pertaining to all person(s) and organization(s) involved to the extent consistent with their other duties as a member of the committee. Each member of the CPC will be required to sign a confidentiality agreement.

Filing an Alleged Ethical Violation

Alleged violations can be brought to the attention of IEDC via a number of avenues – contacting a board member, the board chair, CEO or the Committee on Professional Conduct (CPC). Complaints may also be initiated by the CPC on its own initiative or at the request of the board chair or the CEO based on information concerning a potential ethical violation that comes directly to their attention by other means. The complaint should be submitted in writing with substantial written or electronic documentation to support the allegation. Providing as much documented proof of the alleged violation as possible is strongly encouraged. IEDC ensures the confidentiality of the review process as well as to keep the identity of the person submitting the complaint (the “complainant”) confidential.

Anonymous complaints can be filed, though anonymous testimony is not allowed if the case proceeds to detailed review phase.

Review Process for Alleged Violation

Upon receiving a complaint, IEDC will engage in a multi-step process of reviewing the case and determining sanctions, if proved that the allegation(s) occurred. The respondent(s) and complainant(s) will be engaged in each step of the review process. The steps include:

- Step I: Due Diligence
- Step II: Initial Review of Complaint
- Step III: Detailed Review of Complaint

The Chair of the CPC may grant an extension to any deadline established by these procedures on request of any involved person, taking into account the goal of prompt resolution of complaints.

Step I: Due Diligence – Information Review

Upon receiving a complaint, IEDC senior staff at the direction of the CEO will ensure that sufficient information has been provided for the Committee on Professional Conduct (CPC) to review and investigate the case. The information review will be completed and materials provided to the CPC within 10 business days. If the committee determines the need for additional information or documentation in order to proceed, IEDC may contact the complainant(s) to provide additional information, before or during the review process by the CPC.

Step II: Initial Review of the Complaint

The CPC will conduct an initial review of the complaint and information in support of the allegations to determine:

1. If sufficient information and details have been provided in order to merit a full review, and

2. Whether the alleged conduct may be a violation of the Code of Ethics.

Conditions Met

If the CPC determines that **BOTH** these conditions are met, the Chair of the CPC will inform the respondent(s) within 10 business days that a complaint has been submitted against the individual(s), provide a copy of the complaint, information on specific tenet(s) of the code that are determined by the CPC to be implicated, and that the CPC has decided to undertake a detailed review of the case. The respondent(s) will be allowed 10 business days to provide an initial response regarding the complaint and an additional 10 business days to provide documentation to the committee to respond to the complaint.

The detailed review will not be conducted if the respondent(s) admit(s) to the violation(s) in their initial response or if the CPC confirms that the respondent(s) have been found guilty in a court of law for the same conduct. The CPC will then determine sanction(s) based on all the information available.

If the respondent(s) do not admit to the violation(s) in their initial response, the Chair of the CPC will appoint a Fact Finding Committee (FFC) comprised of two members of the CPC and supported by IEDC senior staff. It will be established within 10 business days of receiving the initial response from the respondent(s). Further details about the FFC are provided in the next section.

Conditions Not Met

If either of the above conditions is not met, the CPC will communicate with the complainant(s) to advise them that based on the information provided, the CPC cannot determine that the Code of Ethics has been violated and the case will not be further reviewed unless they submit additional relevant information. The complainant(s) will have 10 business days to respond with additional information or the case will be closed.

Step III: Detailed Review of the Complaint

The Fact Finding Committee (FFC) will undertake a detailed review of the complaint and information provided by the complainant(s) and respondent(s). The review will be conducted in three parts, as described below.

Respondent(s) have an obligation to cooperate during the investigation and encourage others that may be involved with the case to do the same. The respondent(s) will have the opportunity to meet with the FFC in person or confer by phone to present their information. Respondent(s) may be accompanied by a personal representative to any meeting with the FFC during the detailed review process.

1. ***Fact Finding*** – the FFC will be responsible for investigating the complaint by reviewing information presented by the complainant(s) and respondent(s), interviewing both parties and additional witnesses at their discretion, as well as gathering information through other independent means to establish whether an ethical violation happened. The FFC will maintain

detailed notes of the investigation and may require respondent(s) and complainant(s) to sign statements prepared on the basis of those notes. The FFC will complete its investigation and prepare a report with its findings of fact and recommendations within 45 days. Extensions may be granted by the Chair of the CPC, if requested.

2. Review by CPC – the remaining three members of the CPC will promptly review the fact finding report submitted by the FFC. If they determine that a violation has occurred based on the information provided in the fact finding report, they will decide the sanction(s). The CPC will inform the respondent(s) in writing of the violation(s) determined by the CPC and their intent to impose those sanction(s), and will provide a copy of the findings of fact which support the determination. The respondent(s) will also be advised that they have 10 business days to provide additional information that may alter the decision or the sanction(s) and/or request a hearing, or the decision of the CPC will be final.

If additional information is submitted, the CPC will review the submission and inform the respondent(s) in writing whether it has determined to alter the decision or sanction(s). The respondent(s) will also be advised that they have 10 business days to request a hearing, or the decision of the CPC will be final. If a hearing is requested at either stage, the CPC will conduct the hearing in accordance with the procedures set in this manual.

3. Hearings – Upon receiving a request for a hearing from the respondent(s), the CPC will schedule a hearing date allowing at least 10 business days for both parties to assemble materials relevant to the complaint. One or both of the members of the FFC will present the case against the respondent(s), while the remainder of the CPC members who were not part of the FFC will hear the case. The FFC members will not vote on the decision(s) by the CPC.

Respondent(s) have the following rights:

- To appear personally and give evidence on their own behalf
- To be accompanied by a personal representative or attorney
- To review prior to the start of the hearing all documents and demonstrative evidence to be presented against them during the hearing
- To cross-examine any witness(es) who testify against them
- To present witnesses who testify on their behalf, subject to cross examination by the FFC or its representative
- To submit documents or other demonstrative evidence

The fact finding report as well as signed statements(s) from the complainant(s) and respondent(s) will be admissible evidence for the hearing. All witnesses who testify may be questioned by the CPC. Testimony of witnesses may be taken in person or by telephone, provided that a speaker phone or other communications device permits the respondent(s), the CPC and all participants at the hearing to hear the testimony as it is given. Formal rules of

evidence will not apply and the CPC may receive all evidence offered, in its discretion, and accord it such weight as the circumstances warrant.

Once the hearing is concluded, if the CPC determines that an ethical violation has occurred, it will decide on the appropriate level of sanction(s) pursuant to the level of violation. The decision of the CPC, including the reason(s) and the sanction(s) if a violation is found, will be communicated in writing to the respondent(s) within 5 business days of completion of the hearing. If a violation is found, the respondent(s) will also be advised that they have 10 business days to appeal. (See Appeals Process for complete details).

The CPC will submit a brief Summary Report to the IEDC Governance Committee within 5 business days of completion of the detailed review process explaining the review process, the findings and the sanction(s) imposed on the violator(s). The fact finding report may also be attached to this summary report.

Sanctions

No sanctions will go into effect until a decision of the CPC becomes final, including, if applicable, any appeal.

In determining the sanction(s) to be imposed, the following factors may be considered: the nature of the violation, prior violations by the respondent, the harm caused to individuals or the public interest, whether the violation was knowing and intentional, the respondent's professional or public responsibility, mitigating circumstances, and any other factors which bear upon the seriousness of the violation. The nature of sanctions will also consider whether the respondent(s) is/are certified member(s) of the organization (CEcD) or serve on the IEDC Board of Directors. The following sanctions may be imposed in any combination:

1. Private Censure – The CPC will issue a letter to the violator(s) stating that the individual(s) were found to have violated the IEDC Code of Ethics, and that if the conduct or related misconduct is repeated in the future, it may be cause for more serious sanctions. The CPC will inform the complainant(s) that an ethical violation was determined and as appropriate and in its discretion may inform that complainant(s) that appropriate action was taken.
2. Public Censure – The CPC will notify the violator(s) and their employer(s), and the complainant(s) that the individual(s) were found to have violated the IEDC Code of Ethics, and that if the conduct or related misconduct is repeated in the future, it may be cause for more serious sanctions. The nature of sanction(s) imposed will also be included. Notice may also be distributed to the membership through IEDC resources such as newsletters.
3. Suspension of Membership – Temporary suspension of the violator's membership privileges with IEDC. While the violator's employer(s) will continue to be a member of IEDC, the

individual(s) will be barred from participation in any IEDC events. The duration of the period of suspension and any other conditions will be set at the time it is imposed.

4. Termination of IEDC Membership / Cancellation of CEcD Certification / Removal from IEDC Board of Directors – A prohibition against reinstatement of the violator’s membership and participation in IEDC. While the employer(s) can continue to be a member of IEDC, the individual(s) will be barred from participation in any IEDC events.

The CPC will regularly report on the number of cases filed with IEDC and types of sanctions in the IEDC newsletter. Reasonable efforts will be made to keep the identity of the respondent(s) and organization(s) involved in the case confidential, consistent with the policies and procedures set out herein.

Exceptions:

Provided that the affected member promptly brings the circumstance to the attention of the CPC and provides updates as required, no private or public censure will be carried out against a violator in the event of a pending civil or administrative proceeding, or criminal investigation or prosecution against the violator arising from the same circumstances. Publication of any such decision will be held in abeyance pending the closure of the other pending proceeding or investigation.

Appeals Process

A respondent may appeal a decision of the CPC finding a violation by submitting a written appeal to the IEDC Governance Committee within 10 business days of receiving the decision from the CPC. The respondent should provide reasons why the respondent disagrees with the decision and may need to provide additional information for further review.

The Governance Committee will review the appeal as well as the summary report submitted by the CPC. The Chair of the CPC will be engaged in the review process by the Governance Committee but will not participate in any vote taken. The Governance Committee may accept or modify the findings and/or sanction imposed on the respondent. A decision by the Governance Committee will be delivered within 5 business days and their decision will be considered final.

Conflict of Interest

In case of an actual or apparent conflict of interest, member(s) of the CPC and Governance Committee will recuse themselves from participation in the review of the alleged violation(s). If a complaint is brought against a member of the CPC or Governance Committee, s/he will not be a part of the review process. The IEDC Board Chair or the CPC Chair may appoint an additional IEDC board member to participate in the review and investigation process, on their discretion.