

**TEXAS GOVERNMENT ACCOUNTABILITY ASSOCIATION  
TRANSPARENCY AND ETHICS INTERLOCAL AGREEMENT**

This Contract and Interlocal Agreement (hereinafter referred to as “Agreement”) is entered into by and between political subdivisions of this state (hereinafter referred to as “Members”) to form a joint transparency and ethics pool operated by the Texas Government Accountability Association (hereinafter referred to as the “Transparency and Ethics Pool”) for the purpose of providing comprehensive transparency and ethics policies, as well as oversight and enforcement, which are inherent in operating a political subdivision.

WHEREAS, to promote confidence in local government and thereby enhance local government’s ability to function effectively, the Texas Government Accountability Association (hereinafter referred to as “TGAA”) has adopted uniform transparency and ethics policies that the Members have determined are in the best interests of the public to adopt and adhere to;

WHEREAS, the undersigned Member finds that it is in the best interests of the public to have transparency and ethics compliance performed by a trusted third party, rather than or in addition to any compliance-related efforts being performed internally by such Member, where potential conflicts of interest may arise; and

WHEREAS, the undersigned Member, in accordance with the Interlocal Cooperation Act, Texas Government Code §791.001, et seq., and the interpretation thereof by the Attorney General of the State of Texas (Opinion # MW-347, May 29, 1981), and in consideration of other political subdivisions executing like agreements, does hereby agree to become a member of the TGAA.

NOW, THEREFORE, in consideration of the execution of this Agreement by and between the Members and the TGAA, and of the contributions of the Member to the TGAA, the undersigned Member agrees to adopt and implement the applicable Comprehensive Transparency and Ethics Policy established by the TGAA as may be amended, supplemented, updated, revised, altered, modified or otherwise changed by the TGAA from time to time, (hereinafter referred to as “Transparency and Ethics Policy”), and the TGAA agrees to provide certain consulting and advisory services to the undersigned Member in connection with the implementation of and adherence to such Transparency and Ethics Policy. The TGAA shall provide guidance and accountability for the benefit of the public to the Member in the specific areas of transparency and ethics only. The transparency and ethics responsibilities shall cover the Member, its employees, elected officials, vendors, grant recipients, appointees and agents, but shall exclude any matters related to an elected official’s candidacy or election governed by the Texas Ethics Commission.

The Member and the TGAA agree that adequate and sufficient consideration, including but not limited to, the exchange of mutual obligations and benefits set forth herein, have been received and the sufficiency thereof acknowledged, and that the enforceability of this Agreement is not dependent upon the payment of dues by the Member.

For the purpose of promoting confidence in the government of the Member and thereby enhancing the Member’s ability to function effectively, the applicable Transparency and Ethics Policy of the TGAA is hereby adopted by the Member, whether or not physically attached hereto.

The Member, and all committees, sub-committees, working groups, boards, corporations, local government corporations, commissions, agencies, departments, funds, non-profits, or any other entity created by the Member, shall implement and adhere to the most current version of the applicable Transparency and Ethics Policy then in effect on the date of this Agreement. The Member shall come into full compliance with the current version of the applicable policy within six (6) months from the date of execution of this Agreement, and within two (2) months of the date this Agreement, the governing body of the Member shall designate specific individual, publicly named administrators responsible for ensuring full compliance with the applicable Transparency and Ethics Policy. In addition, each Member agrees to implement and comply with any amendments, supplements, updates, revisions, alterations, clarifications and any other changes to the applicable Transparency and Ethics Policy within six (6) months of issuance of any such changes by the TGAA (collectively, hereinafter referred to as “Member Adherence Requirements”).

It is understood that by participating in the TGAA to provide transparency and ethics policies and oversight services, the Member does not intend to and hereby does not waive any of the immunities that its officers or its employees now possess.

The term of this Agreement and the transparency and ethics policies and oversight provided to the Member shall be continuous commencing 12:01 a.m. on the date this Agreement is executed by the Member until terminated as provided herein.

The requirements, standards, obligations, remedies and enforcement provided for in this Agreement are not exclusive of any other transparency and ethics requirements that the Member may (a) have under state or federal law or other local government ordinances, (b) have imposed on itself or (c) be subject to pursuant to any other regulatory body.

The TGAA may terminate this Agreement at any time upon one (1) year advance notice to the Member and shall subsequently return the pro-rated dues paid by the Member for the remaining portion of the Member’s annual term.

The Member may terminate this Agreement by one of the following options:

- 1) Hosting a referendum of all the citizens within its geographic borders (and if a government association, of all its members’ geographic borders) and receiving a majority affirmative vote to terminate this Agreement. The ballot caption language shall read as follows: “*Shall [Name of Member] terminate its association with the Texas Government Accountability Association and thus permanently eliminate implementation of the Transparency and Ethics Standards promulgated by the Texas Government Accountability Association for [Name of Local Government]?*”.
- 2) Two affirmative votes of the governing body of the Member per the following process:
  - a. The Member declares intent to terminate this agreement in open session of a regularly scheduled meeting of the Member’s governing body with an affirmative vote with a 4/5<sup>th</sup> majority.
  - b. A waiting period of at least one hundred fifty (150) days for the public to consider the intention and provide feedback.

- c. The Member terminates this agreement in open session of a regularly scheduled meeting of the Member's governing body with an affirmative vote with a 4/5<sup>th</sup> majority.

At such point, the Member may deliver a six (6) months advance notice of its intent to terminate this Agreement. Dues will remain constant for the Member for the subsequent six (6) months after which the Member will no longer be a member of the TGAA and at which point this Agreement will become null and void with respect to such Member. Any dues paid by the Member for a term exceeding six (6) months shall be refunded on a prorated basis upon conclusion of membership.

The board of directors of the TGAA (hereinafter referred to as "Board"), acting through its agents and the TGAA staff, is responsible for the administration of all TGAA business on behalf of the Members.

The annual membership dues of the TGAA are set forth in Schedule A attached hereto, which shall be due and payable immediately upon a Member's admission to the TGAA and thereafter in accordance with this Agreement. If any amounts owed by the Member are sought by the TGAA through legal action, the Member agrees to reimburse the TGAA for any attorneys' fees and costs incurred in bringing such action.

In addition to the TGAA, any member of the public may also bring legal action in an appropriate local court or through an arbitration process as set out below to enforce this Agreement (any such legal action, hereinafter referred to as "Action") against the Member. Before bringing an Action to enforce this Agreement, the TGAA or a member of the public must first file a complaint with the Member (if the TGAA is the complainant) or the TGAA (if a member of the public is the complainant). The complainant shall include all supporting documents in his or her possession when filing the complaint. If a member of the public is the complainant, the TGAA shall review the complaint within thirty (30) calendar days and 1) forward it to the Member or 2) dismiss the complaint and inform the complainant that it is not germane to this Agreement. The Member shall investigate the allegations in the complaint as necessary and schedule a conference with the complainant to be held within twenty-one (21) days after receipt of the written complaint. The Member may set reasonable time limits for the conference. The Member may assign the appropriate representative(s) to investigate and confer with the complainant. Absent extenuating circumstances, the Member shall provide the complainant with a written response within ten (10) days following the conference. The written response shall set forth the basis for the Member's decision. In reaching a decision, the Member may consider information provided at the conference and any other relevant documents or information the Member or its representative believes will help in rendering a decision, including but not limited to documents submitted by the complainant with the complaint. The complainant may bring an Action to enforce the Agreement against the Member if: (a) the TGAA determines the complaint is germane to this Agreement (if a member of the public is the complainant); (b) the Member refuses to abide by this Agreement; (c) the Member did not set the conference timely as proscribed herein and in the TGAA Bylaws; or (d) the Member did not provide a written response to the complainant as proscribed herein and in the TGAA Bylaws.

The parties hereto agree that irreparable harm to the TGAA could occur in the event the Member materially breaches any key provision of this Agreement or fails to perform any essential obligation in accordance with its specific terms. It is accordingly agreed that the TGAA shall be entitled to an injunction or injunctions to prevent breaches of this Agreement by the Member and to enforce specifically the terms and provisions hereof, this being in addition to any other remedy to which the TGAA would be entitled at law or in equity and/or pursuant to the terms of this Agreement. This right of specific performance shall expressly entitle the TGAA to seek an injunction to enforce specifically the requirement that the Member be required to comply at all times with all of the (a) Member Adherence Requirements and (b) standards and requirements of the applicable Transparency and Ethics Policy adopted by the Member pursuant to this Agreement. The Member agrees to waive immunity and allow suits for injunctive relief and specific performance of this Agreement by any member of the public or the TGAA. For the avoidance of doubt, the TGAA and/or any member of the public may bring an Action to enforce the requirements set forth in this Agreement if the complaint process described in the prior paragraph has been completed, and the Member shall be required to reimburse any member of the public and/or the TGAA for reasonable attorneys' fees and other costs incurred for prevailing merits only in bringing any such action against the Member, if such member of the public and/or the TGAA is the prevailing party on any of the merits in any such Action.

Except for Actions seeking injunctive relief or specific performance pursuant to this Agreement, any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be settled by arbitration administered by the American Arbitration Association in accordance with its Arbitration Rules and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Claims shall be heard by a panel of three arbitrators. Within fifteen (15) days after the commencement of arbitration, each party shall select one person to act as arbitrator and the two selected shall select a third arbitrator within ten (10) days of their appointment. If the arbitrators selected by the parties are unable or fail to agree upon the third arbitrator, the third arbitrator shall be selected by the American Arbitration Association. The place of arbitration shall be the county of the member or a mutually agreed upon county in Texas. The arbitration shall be governed by the laws of the State of Texas. The prevailing party shall be entitled to an award of reasonable attorneys' fees. The award of the arbitrators shall be accompanied by a reasoned opinion.

The Member acknowledges that it has received copies of (a) the Constitution of the TGAA, (b) the Bylaws of the TGAA, and (c) the applicable Transparency and Ethics Policy, and in each case agrees to abide by all of their terms and any amendments thereto.

MEMBER

TEXAS GOVERNMENT ACCOUNTABILITY  
ASSOCIATION

\_\_\_\_\_  
Authorized Representative of Member

\_\_\_\_\_  
Authorized Representative of TGAA

\_\_\_\_\_  
Authorized Representative Name and Title

\_\_\_\_\_  
Authorized Representative Name and Title

\_\_\_\_\_  
Address

\_\_\_\_\_  
Address

\_\_\_\_\_  
Member EIN

\_\_\_\_\_  
Phone

\_\_\_\_\_  
Phone

\_\_\_\_\_  
Contact Email

\_\_\_\_\_  
Contact Email

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

## **SCHEDULE A**

### **Annual Membership Dues**

The annual membership dues shall be an amount equal to the product of total population within the geographic area of such political subdivision as of the most recent census multiplied by \$0.15\* or \$25,000\*, whichever is less, with a minimum of \$500\*.

\*The Board may adjust these amounts, but no more than the Municipal Cost Index (MCI) as published by American City & County for the preceding twelve (12) months.