

Code of Ethics for the
[Board's Official Name] of
[Name of City, County,]

North Carolina

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PREAMBLE

WHEREAS, the Constitution of North Carolina, Article I, Section 35, reminds us that a “frequent recurrence to fundamental principles is absolutely necessary to preserve the blessings of liberty,” and

WHEREAS, a spirit of honesty and forthrightness is reflected in North Carolina’s state motto, *Esse quam videri*, “To be rather than to seem,” and

WHEREAS, Section 18B-706 of the North Carolina General Statutes requires local ABC boards to adopt a code of ethics, and

WHEREAS, as public officials we are charged with upholding the trust of the citizens of this [jurisdiction], and with obeying the law, and

WHEREAS, [other clauses that jurisdiction may desire]

NOW THEREFORE, in recognition of our blessings and obligations as citizens of the State of North Carolina and as public officials representing the citizens of the [type of jurisdiction] of [name of jurisdiction], and acting pursuant to the requirements of Section 18B-706 of the North Carolina General Statutes, we the [official name of ABC board] do hereby adopt the following General Principles and Code of Ethics to guide the [local ABC board], in its lawful decision-making.

GENERAL PRINCIPLES UNDERLYING

THE CODE OF ETHICS

- The stability and proper operation of democratic representative government depend upon public confidence in the integrity of the government and upon responsible exercise of the trust conferred by the people upon their elected and appointed officials.
- Governmental decisions and policy must be made and implemented through proper channels and processes of the governmental structure.
- Board members must be able to act in a manner that maintains their integrity and independence, yet is responsive to the interests and needs of those they represent.
- Board members must always remain aware that at various times they play different roles:
 - As advocates, who strive to promote the controlled sale by law of spirituous liquor.
 - As trustees charged with a fiduciary duty to the public to use sound business judgment in overseeing a government-operated commercial enterprise.
 - As decision-makers, who arrive at fair and impartial quasi-judicial and administrative determinations.
- Board members must know how to distinguish among these roles, to determine when each role is appropriate, and to act accordingly.
- Board members must be aware of their obligation to conform their behavior to standards of ethical conduct that warrant the trust of their constituents. Each official must find within his or her own conscience the touchstone by which to determine what conduct is appropriate.

CODE OF ETHICS

The purpose of this Code of ethics is to establish guidelines for ethical standards for the [official name of the ABC board] (board members, general manager and employees) and to help determine what conduct is appropriate in particular cases. It should not be considered a substitute for the law or for a person's best judgment.

Section 1.

Board members should obey all laws applicable to their official actions as members of the board. Board members should be guided by the spirit as well as the letter of the law in whatever they do.

At the same time, board members should feel free to assert policy positions and opinions without fear of reprisal from fellow board members or citizens. To declare that a board member is behaving unethically because one disagrees with that board member on a question of policy (and not because of the board member's behavior) is unfair, dishonest, irresponsible, and itself unethical.

Board members should endeavor to keep up to date, through the board's attorney and other sources, about the most pertinent statutory and other legal and ethical requirements with which they must be familiar to meet their legal responsibilities. [The board should consider adopting a list of applicable laws and regulations, with appropriate commentary, as a reference document accompanying this Code. Suggested sources include; Open Meetings (NCGS Chapter 143, Article 33C), Public Records (NCGS Chapter 132), Contract Bidding Requirements (NCGS Chapter 143, Article 8), Sale and Disposition of Property (NCGS Chapter 160A, Article 12), the "Gift Ban" (NCGS § 133-32), NCGS Chapter 18B provisions and ABC Commission Rules]

Section 2.

Board members should act with integrity and independence from improper influence as they exercise the duties of their offices. Characteristics and behaviors consistent with this standard include the following:

- Adhering firmly to a code of sound values.
- Behaving consistently and with respect toward everyone with whom they interact.
- Exhibiting trustworthiness.
- Living as if they are on duty as appointed public officials regardless of where they are or what they are doing.
- Using their best independent judgment to pursue the common good as they see it, presenting their opinion to all in a reasonable, forthright, consistent manner.
- Remaining incorruptible, self-governing, and unaffected by improper influence while at the same time being able to consider the opinions and ideas of others.
- Disclosing contacts and information about issues that they receive outside of public meetings and refraining from seeking or receiving information about quasi-judicial matters outside of the quasi-judicial proceedings themselves.
- Treating other board members and the public with respect and honoring the opinions of others even when the board members disagree with those opinions.
- Not reaching conclusions on issues until all sides have been heard.
- Showing respect for their offices and not behaving in ways that reflect badly on those offices.
- Recognizing that they are part of a larger group and acting accordingly.
- Recognizing that individual board members are not generally allowed to act on behalf of the board but may only do so if the board specifically authorizes it, and that the board must take official action as a body.

Section 3a.

Board members should avoid impropriety in the exercise of their official duties. Their official actions should be above reproach. Although opinions may vary about what behavior is appropriate, this board will consider impropriety in terms of whether a reasonable person who is aware of all the relevant facts and circumstances surrounding the board member's action would conclude that the action was inappropriate.

Section 3b.

If a board member believes that his or her actions, while legal and ethical, may be misunderstood, the member should seek the advice of the board's attorney and should consider publicly disclosing the facts of the situation and the steps taken to resolve it (such as consulting with the attorney).

Section 4.

Board members should faithfully perform the duties of their offices. They should act as the especially responsible citizens whom others can trust and respect. They should set a good example for others in the community, keeping in mind that trust and respect must continually be earned.

Board members should faithfully attend and prepare for meetings. They should carefully analyze all credible information properly submitted to them, mindful of the need not to engage in communications outside the meeting in quasi-judicial matters. They should demand full accountability from those over whom the board has authority.

Board members should be willing to bear their fair share of the board's workload. To the extent appropriate, they should be willing to put the board's interests ahead of their own.

Section 5.

Board members should conduct the affairs of the board in an open and public manner. They should comply with all applicable laws governing open meetings and public records, recognizing that doing so is an important way to be worthy of the public's trust. They should remember when they meet that they are conducting the public's business. They should remember that ABC board records belong to the public and not to board members or their employees.

In order to ensure strict compliance with the laws concerning openness, board members should make clear that an environment of transparency and candor is to be maintained at all times in the governmental unit. They should prohibit unjustified delay in fulfilling public records requests. They should take deliberate steps to make certain that any closed sessions held by the board are lawfully conducted and that such sessions do not stray from the purposes for which they are called.

Section 6.

It is in the public interest to establish policies on ethical conduct which establish a code of behavior to be followed by the general manager and employees of the [official name of ABC board] that is consistent with State law, North Carolina Alcoholic Beverage Commission Administrative Rules, and the established ethics policy applicable to the members of this board.

The general manager and employees are expected to:

- Obey all laws applicable to their official actions and should be guided by the spirit as well as the letter of the law.
- Maintain and exercise the highest ethical standard of conduct in the performance of their official duties and responsibilities. Characteristics and behaviors consistent with this standard include; adhering to a code of sound values, behaving consistently and with respect toward everyone with whom they interact and exhibiting trustworthiness.
- Conduct himself or herself in a manner which upholds the integrity of the board, and which avoids or prevents all types of impropriety (including but not limited to, placement of self interest above the public interest, partiality, favoritism and undue influence).
- Avoid conflicts of interest. A conflict of interest arises when a private interest, usually of a personal, financial or economic nature, conflicts or creates an appearance of a conflict with the individual's official duties and responsibilities. An appearance of a conflict of interest exists when a reasonable person would conclude from the circumstances that the individual's ability to perform official duties is compromised by personal interest.

The general manager should comply with all applicable laws governing public records as directed by the board. The board is conducting the public's business and the general manager should be cognizant that ABC board records belong to the public and not to board members or their employees.

All employees including the general manager are expected to bear their fair share of the workload and to faithfully perform their duties to the best of their ability.

[Other expectations that jurisdiction may desire]