

LOCAL GOVERNMENT OFFICER CONFLICTS DISCLOSURE STATEMENT

FORM CIS

(Instructions for completing and filing this form are provided on the next page.)

This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.

This is the notice to the appropriate local governmental entity that the following local government officer has become aware of facts that require the officer to file this statement in accordance with Chapter 176, Local Government Code.

OFFICE USE ONLY

Date Received

1 Name of Local Government Officer

2 Office Held

3 Name of vendor described by Sections 176.001(7) and 176.003(a), Local Government Code

4 Description of the nature and extent of each employment or other business relationship and each family relationship with vendor named in item 3.

5 List gifts accepted by the local government officer and any family member, if aggregate value of the gifts accepted from vendor named in item 3 exceeds \$100 during the 12-month period described by Section 176.003(a)(2)(B).

Date Gift Accepted _____ Description of Gift _____

Date Gift Accepted _____ Description of Gift _____

Date Gift Accepted _____ Description of Gift _____

(attach additional forms as necessary)

6 SIGNATURE

I swear under penalty of perjury that the above statement is true and correct. I acknowledge that the disclosure applies to each family member (as defined by Section 176.001(2), Local Government Code) of this local government officer. I also acknowledge that this statement covers the 12-month period described by Section 176.003(a)(2)(B), Local Government Code.

Signature of Local Government Officer

Please complete either option below:

(1) Affidavit

NOTARY STAMP / SEAL

Sworn to and subscribed before me by _____ this the _____ day of _____,

20 _____, to certify which, witness my hand and seal of office.

Signature of officer administering oath

Printed name of officer administering oath

Title of officer administering oath

OR

(2) Unsworn Declaration

My name is _____, and my date of birth is _____.

My address is _____, _____, _____, _____, _____.

(street)

(city)

(state)

(zip code)

(country)

Executed in _____ County, State of _____, on the _____ day of _____, 20 _____.

(month)

(year)

Signature of Local Government Officer (Declarant)

LOCAL GOVERNMENT OFFICER CONFLICTS DISCLOSURE STATEMENT

Section 176.003 of the Local Government Code requires certain local government officers to file this form. A "local government officer" is defined as a member of the governing body of a local governmental entity; a director, superintendent, administrator, president, or other person designated as the executive officer of a local governmental entity; or an agent of a local governmental entity who exercises discretion in the planning, recommending, selecting, or contracting of a vendor. This form is required to be filed with the records administrator of the local governmental entity not later than 5 p.m. on the seventh business day after the date on which the officer becomes aware of the facts that require the filing of this statement.

A local government officer commits an offense if the officer knowingly violates Section 176.003, Local Government Code. An offense under this section is a misdemeanor.

Refer to chapter 176 of the Local Government Code for detailed information regarding the requirement to file this form.

INSTRUCTIONS FOR COMPLETING THIS FORM

The following numbers correspond to the numbered boxes on the other side.

- 1. Name of Local Government Officer.** Enter the name of the local government officer filing this statement.
- 2. Office Held.** Enter the name of the office held by the local government officer filing this statement.
- 3. Name of vendor described by Sections 176.001(7) and 176.003(a), Local Government Code.** Enter the name of the vendor described by Section 176.001(7), Local Government Code, if the vendor: a) has an employment or other business relationship with the local government officer or a family member of the officer as described by Section 176.003(a)(2)(A), Local Government Code; b) has given to the local government officer or a family member of the officer one or more gifts as described by Section 176.003(a)(2)(B), Local Government Code; or c) has a family relationship with the local government officer as defined by Section 176.001(2-a), Local Government Code.
- 4. Description of the nature and extent of each employment or other business relationship and each family relationship with vendor named in item 3.** Describe the nature and extent of the employment or other business relationship the vendor has with the local government officer or a family member of the officer as described by Section 176.003(a)(2)(A), Local Government Code, and each family relationship the vendor has with the local government officer as defined by Section 176.001(2-a), Local Government Code.
- 5. List gifts accepted, if the aggregate value of the gifts accepted from vendor named in item 3 exceeds \$100.** List gifts accepted during the 12-month period (described by Section 176.003(a)(2)(B), Local Government Code) by the local government officer or family member of the officer from the vendor named in item 3 that in the aggregate exceed \$100 in value.
- 6. Signature.** Signature of local government officer. Complete this section after you finish the rest of this report. You have the option to either: (1) take the completed form to a notary public where you will sign above the first line that says "Signature of Local Government Officer" (an electronic signature is not acceptable) and your signature will be notarized, or (2) sign above both lines that say "Signature of Local Government Officer (Declarant)" (an electronic signature is not acceptable), and fill out the unsworn declaration section.

Local Government Code § 176.001(2-a): "Family relationship" means a relationship between a person and another person within the third degree by consanguinity or the second degree by affinity, as those terms are defined by Subchapter B, Chapter 573, Government Code.

Local Government Code § 176.003(a)(2)(A):

- (a) A local government officer shall file a conflicts disclosure statement with respect to a vendor if:

- (2) the vendor:

(A) has an employment or other business relationship with the local government officer or a family member of the officer that results in the officer or family member receiving taxable income, other than investment income, that exceeds \$2,500 during the 12-month period preceding the date that the officer becomes aware that:

- (i) a contract between the local governmental entity and vendor has been executed; or
- (ii) the local governmental entity is considering entering into a contract with the vendor.



BOARD OF DIRECTORS COMPENSATION POLICY

Effective Date: September 17, 2021

POLICY AT A GLANCE

According to PEC's Bylaws, the **PEC Board of Directors** is allowed reasonable **compensation**. The Board is committed to being transparent in how that compensation is determined in order to maintain **Accountability** and **Integrity**.

Compensation and Benefits

Time and Attention

Fee Structuring and Fee Establishment



1. PURPOSE

The purpose of the Board of Directors Compensation Policy ("Policy") is to address all **compensation** and benefits provided to Directors for their time and attention in the performance of their duties for the Cooperative.

2. SCOPE

This Policy applies to members of the Board of Directors ("Board"). The Board of Directors Travel & Expense Reimbursement Policy addresses Director training, travel, and expense reimbursements.

3. POLICY AND IMPLEMENTATION

3.1. Fixed Monthly Fee

3.1.1. All Directors shall be paid a fixed monthly fee of \$3,000; provided, however, that a Director regularly attends Board meetings as provided by this Policy.

3.1.1.1. If a Director attends less than seventy-five percent (75%) of any scheduled Board meetings (e.g., regular, special, or called meeting) during any consecutive, rolling 12-month period, that Director shall forfeit the monthly fixed fee, beginning with the next month following the month in which the attendance fell below 75%, until such time as the Director's rolling attendance rises above 75% for a consecutive 12-month period; and

3.1.1.2. After one telephonic or electronic participation by a Director per year; any others shall be counted as one-half meeting attendance; and

3.1.1.3. If a Director attends less than half of any meeting in person, such attendance shall be counted the same as a telephonic or electronic participation.

3.1.2. Newly-elected Directors, who are not current Directors, shall be paid one-half (1/2) the Fixed Monthly Fee for the remainder of month following the Director Election at which they are first elected; and the 75% attendance policy does not apply until the first September after their initial election to the Board.

3.1.3. The Fixed Monthly Fee shall be paid regardless of the number of meetings, events or functions attended by the Director in any given month, so long as the 75% minimum Board meeting attendance level is met.

3.1.4. By majority vote of remaining Directors for good cause, a Director may be excused for Board meeting absence(s). The absence of a Director at a Board meeting because of attendance at a Board-approved seminar, educational, or training course is an excused absence.

3.2. Board Officer Fee

3.2.1. Directors who serve as an Officer of the Board shall receive a monthly fee of \$100 in addition to the Fixed Monthly Fee.

3.3. Board Committee Fee

- 3.3.1.** Directors who are members of a Board Committee shall receive \$100 for attendance and participation in a Board Committee meeting in addition to the Fixed Monthly Fee. Directors may receive up to a maximum of \$400 annually for each Board Committee.

3.4. Optional Insurance Coverage

- 3.4.1.** Health, dental, and vision insurance coverage that is also available to eligible employees, is provided, on a voluntary basis, to Directors and their dependents so long as the Director serves on the Board. A Director is solely responsible for the payment of all premium costs for selected coverage(s). Coverage may include access to the Cooperative's High Deductible Health Care Plan, including access to a Health Savings Account offered by the Cooperative. Access does not include any PEC contribution to a Health Savings Account offered by the Cooperative.
- 3.4.2.** The Cooperative does not provide sponsorship of any separate or distinct retirement or healthcare coverage or plan for any former, current, or future Director or their dependents, regardless if the cost of such coverage would be paid by the Cooperative or the Director.

4. POLICY ENFORCEMENT

The Board will enforce this Policy.

5. REFERENCES AND RELATED DOCUMENTS

[Texas Utilities Code § 161.073](#)

[Bylaws Article III, Section 2\(n\), Qualifications](#)

[Bylaws Article III, Section 7, Compensation](#)

[Board of Directors Travel & Expense Reimbursement Policy](#)

[Directors' Code of Conduct](#)

Date adopted:	May 21, 2012
Last reviewed:	September 17, 2018, July 21, 2021
Review frequency:	Every five years
Amendment dates:	May 21, 2012; June 18, 2012; December 17, 2012, February 22, 2016, September 17, 2018, September 17, 2021
Effective date:	September 17, 2021
Approver:	Board of Directors
Applies to:	Board of Directors
Administrator:	Board of Directors
Superseding effect:	This Policy supersedes all previous policies and memoranda concerning the subject matter. Only the Approver may authorize exceptions to this Policy.

2005.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 226 (H.B. 1491), Sec. 7, eff. May 25, 2007.

Acts 2011, 82nd Leg., R.S., Ch. 1163 (H.B. 2702), Sec. 76, eff. September 1, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 847 (H.B. 195), Sec. 3(b), eff. January 1, 2014.

Sec. 176.010. REQUIREMENTS CUMULATIVE. The requirements of this chapter are in addition to any other disclosure required by law.

Added by Acts 2005, 79th Leg., Ch. 1014 (H.B. 914), Sec. 1, eff. June 18, 2005.

Sec. 176.012. APPLICATION OF PUBLIC INFORMATION LAW. This chapter does not require a local governmental entity to disclose any information that is excepted from disclosure by Chapter 552, Government Code.

Added by Acts 2007, 80th Leg., R.S., Ch. 226 (H.B. 1491), Sec. 8, eff. May 25, 2007.

Commish Sec. 176.013. ENFORCEMENT. (a) A local government officer commits an offense under this chapter if the officer:

(1) is required to file a conflicts disclosure statement under Section 176.003; and

(2) knowingly fails to file the required conflicts disclosure statement with the appropriate records administrator not later than 5 p.m. on the seventh business day after the date on which the officer becomes aware of the facts that require the filing of the statement.

(b) A vendor commits an offense under this chapter if the vendor:

PEC (1) is required to file a conflict of interest questionnaire under Section 176.006; and

(2) either:

(A) knowingly fails to file the required questionnaire with the appropriate records administrator not later than 5 p.m. on the seventh business day after the date on which the vendor becomes aware of the facts that require the filing of the questionnaire; or

(B) knowingly fails to file an updated questionnaire

with the appropriate records administrator not later than 5 p.m. on the seventh business day after the date on which the vendor becomes aware of an event that would make a statement in a questionnaire previously filed by the vendor incomplete or inaccurate.

(c) An offense under this chapter is:

- (1) a Class C misdemeanor if the contract amount is less than \$1 million or if there is no contract amount for the contract;
- (2) a Class B misdemeanor if the contract amount is at least \$1 million but less than \$5 million; or
- (3) a Class A misdemeanor if the contract amount is at least \$5 million.

(d) A local governmental entity may reprimand, suspend, or terminate the employment of an employee who knowingly fails to comply with a requirement adopted under this chapter.

(e) The governing body of a local governmental entity may, at its discretion, declare a contract void if the governing body determines that a vendor failed to file a conflict of interest questionnaire required by Section 176.006.

(f) It is an exception to the application of Subsection (a) that the local government officer filed the required conflicts disclosure statement not later than the seventh business day after the date the officer received notice from the local governmental entity of the alleged violation.

(g) It is an exception to the application of Subsection (b) that the vendor filed the required questionnaire not later than the seventh business day after the date the vendor received notice from the local governmental entity of the alleged violation.

Added by Acts 2015, 84th Leg., R.S., Ch. 989 (H.B. 23), Sec. 8, eff. September 1, 2015.