

CITY OF COMMERCE ADMINISTRATIVE POLICIES

EMPLOYEE ETHICS

1.0 PURPOSE

- 1.1 The purpose of this policy is to establish guidelines for ethical standards of conduct which will govern City employees in the performance of City business and the duties of their respective jobs.
- 1.2 This policy is intended to provide positive direction to City employees in order to prevent potential conflicts of interest.
- 1.3 This policy is not all-encompassing in its definition of conflict of interest.
- 1.4 The "prudent man" theory can and will be applied: action deemed inappropriate by a reasonable person, whether specifically cited in this policy or not, will be subject to inquiry.

2.0 POLICY

CONFLICTS OF INTEREST:

- 2.1 No City employee will engage in any act which is in conflict, or creates an appearance of unfairness or conflict with the performance of official duties.
- 2.2 An employee will be deemed to have a conflict if the employee:
 - A. Has any financial interest in any sale to the City of any goods or services when such financial interest was received with prior knowledge that the City intended to purchase the property, goods, or services.
 - B. Solicits, accepts, or seeks a gift, gratuity, or favor from any person, firm, or corporation involved in a contract or transaction which is or may be the subject of official action by the City.
 1. Recognizing that personal friendships often precede and can evolve from official contact between employees and persons engaged in business with the City, reasonable exceptions to this section are permitted for those occasions which are social in nature and are not predicated on the employee's ability to influence, directly or indirectly, any matter before the City.
 2. The employee will be guided in interpretation of this section by the

distinction between a gift, gratuity, or favor given or received which has significant monetary value and is offered or accepted in expectation of preferential treatment, and an expression of courtesy

3. Examples of acceptable courtesies include: a meal or social event; exchanges of floral offerings or gifts of food to commemorate events such as illness, death, birth, holidays, promotions; a sample or promotional gift of nominal value (\$25 or less).
- C. Participates in his/her capacity as a City employee in the issuing of a purchase order or contract in which he/she has a private pecuniary interest, direct or indirect, or performs in regard to such contract some function requiring the exercise of discretion on behalf of the City.
- D. Engages in, accepts employment from, or renders services for private interests for any compensation or consideration having monetary value when such employment or service is incompatible with the proper discharge of official duties or would tend to impair independence of judgment or action in performance of official duties, or give the appearance of the above.
- E. Except for courtesies as provided in item "B,3" above, no employee will, directly or indirectly, give or receive, or agree to receive any compensation, gift, reward, commission or gratuity from any source except the City for any matter directly connected with or related to his official services as such employee with this City.
- F. Discloses or uses without authorization confidential information concerning property or affairs of the City to advance a private interest with respect to any contract or transaction which is or may be the subject of official action of the City.
- G. Have a financial interest or personal interest in any legislation coming before the City Council and participates in discussion with or gives an official opinion to the City Council unless the employee discloses on the record of the Council the nature and extent of such interest.

USE OF PUBLIC PROPERTY:

- 2.3 No employee of the City will request, use, or permit the use of City-owned vehicles, clothing, equipment, materials, or other property for unauthorized personal convenience, for profit, for private use, or as part of secondary employment. With the authorization of the Police Chief, public safety officers may appear in uniform for secondary employment as security officers.
- 2.4 Use of such City property is to be restricted to such services as are available to the

City generally and for the conduct of official City business.

- 2.5 Authorized personal uses include taking an assigned City vehicle to lunch on workdays as needed or home if assigned, use of City copy machine except for a limited number of copies, stopping to run personal errands when the destination point is in conjunction with official or authorized business, and other nominal personal uses as permitted by the City Manager on a case-by-case basis.

POLITICAL ACTIVITIES:

- 2.6 No city employee may use City time or property in any manner to promote any political issue or candidate, or to solicit funds for any political purpose or to influence the outcome of any election.
- 2.7 With the approval of the City Manager, an exception will be allowed when the subject of an election has received the endorsement and support of the City Council (e.g., bond issue).
- 2.8 No City employee will be eligible for appointment or election to any public office when the holding of such office would be incompatible or would substantially interfere with the discharge of official duties.

DISCIPLINE:

- 2.9 Any employee who is found to be in violation of this administrative policy may be subject to disciplinary action up to and including termination from employment.
- 2.10 Depending upon the seriousness of the action, other appropriate civil or criminal sanctions may also be pursued.

3.0 DEFINITIONS

- 3.1 **Employee.** An employee is defined as any person holding a regularly compensated position for the City of Commerce, including regular full time, part-time, temporary, seasonal or any other classification which is regularly compensated. Exclusions include City Council members and members of City Boards and Commissions.
- 3.2 **Interest.** Interest is any direct or indirect monetary or material benefit accruing to a City employee as a result of a contract or transaction which is or may be the subject of an official act or action by or with the City (except for such transactions which would confer similar benefits to all other persons and/or property similarly situated).

A. **Interests Include:** Interests in an employee's family,

- B. Any business entity in which stock or legal beneficial ownership is in excess of one percent (1%) of the total stock, or legal ownership is controlled or owned directly or indirectly by the employee,
- C. Interest in any business entity in which the City employee is an officer, director, or employee,
- D. Interest in any person or business entity with whom a contractual relationship exists with the employee; provided that a contractual obligation of less than \$500 or a commercially reasonable loan or purchase made in the course of ordinary business will not be deemed to create a conflict of interest.

3.3 Immediate Family. Family includes spouse, child, parent, parent-in-law, brother, sister, grandparent, son-in-law, daughter-in-law, and grandchildren. Family also includes other persons residing in the employee's residence or are financially dependent upon the employee.

3.4 Contact. Contract will include any contract or agreement, sale, lease, purchase, or purchase order.

4.0 PROCEDURES

4.1 Interpretation. Interpretations of this policy will be referred to the City Manager.

4.2 Investigation. The City Manager will investigate, or cause to be investigated, all suspicions, allegations, and written complaints of unethical conduct.

- A. Complaints which are considered by the City Manager to be serious may be referred to an Ethics Panel, composed of City employees appointed by the City Manager.
- B. An Ethics Panel, when constituted, will investigate and hear the complaint, and recommend to the City Manager any action deemed appropriate.
- C. Complaints or allegations which may be criminal in nature may be referred to an appropriate outside agency for investigation.

EFFECTIVE: 12-04-97

LAST REVISED: 06-01-97

CITY MANAGER APPROVAL: _____

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